

(AT0) OFFICE OF CHIEF FINANCIAL OFFICER

MISSION

The mission of the Office of the Chief Financial Officer (OCFO) is to provide financial management services to the government and the people of the District of Columbia to sustain long-term fiscal and economic viability.

BACKGROUND

In accordance with the independent status of the District's Chief Financial Officer, the OCFO exercises independent control and management oversight over the District's financial systems, including SOAR, ITS, CFOSolve, and all other related and subsidiary systems. The OCFO is charged with the responsibility for maintaining and operating the District's independent financial systems to support the Mayor, the Council, and Congress. In recognition of the need to limit capital borrowing and curtail the increase in the overall level of Debt Service, the OCFO has made the commitment to maintain the current approved funding level.

CAPITAL PROGRAM OBJECTIVES

The OCFO maintains the integrity and reliability of the District's financial systems by maintaining appropriate "arms length" relationships with program staff along with assuring that systems modifications are transparent and auditable. This is accomplished by ensuring the financial systems can be maintained and supported by the OCFO workforce. This is core knowledge and cannot be either outsourced or entrusted to either outside vendors or other parts of the government.

RECENT ACCOMPLISHMENTS

Highlights of our achievements include the District receiving and maintaining the first AAA rating the major rating agencies, the unprecedented 11th year budget surplus, and the Comprehensive Annual Financial Report (CAFR) submitted with an unqualified opinion and no material weaknesses.

Elements on this page of the Agency Summary include:

- **Funding Tables:** Past budget allotments show the allotment balance, calculated as allotments received to date less all obligations (the sum of expenditures, encumbrances, intra-District advances and pre-encumbrances). Agencies are allowed to encumber and pre-encumber funds up to the limit of a capital project's budget authority, which might be higher than allotments received to date. For this reason, a negative balance on a project sheet does not necessarily indicate overspending or an anti-deficiency violation. A negative balance is permitted in this calculation of remaining allotment authority.
- **Additional Appropriations Data (\$000):** Provides a summary of the budget authority over the life of the project. The table can be read as follows:
 - **Original 6-Year Budget Authority:** Represents the authority from the fiscal year in which budget was first appropriated through the next 5 years.
 - **Budget Authority Thru FY 2016 :** Represents the lifetime budget authority, including the 6 year budget authority for FY 2011 through 2016 .
 - **FY 2011 Budget Authority Revisions:** Represents the changes to the budget authority as a result of reprogramming, redirections and rescissions (also reflected in Appendix F) for the current fiscal year.
 - **6-Year Budget Authority Thru 2016 :** This is the total 6-year authority for FY 2011 through FY 2016 including changes from the current fiscal year.
 - **Budget Authority Request for 2012 Through 2017:** Represents the 6 year budget authority for 2012 Through 2017.
 - **Increase (Decrease) to Total Authority:** This is the change in 6 year budget authority requested for FY 2012 - FY 2017. (also reflected in Appendix A).
- **Estimated Operating Impact:** If a project has operating impacts that the agency has quantified, the effects are summarized in the respective year of impact
- **FTE Data (Total budget in FTE Table might differ from actual budget due to rounding):** Provides the number for Full Time Equivalent (FTE) employees approved as eligible to be charged to capital projects by, or on behalf of, the agency. Additionally it provides the total budget for these employees (Personal Services), the non personnel portion of the budget in the agency's capital plan and, the percentage of the agency CIP budget from either expense category.
- **Facility Location Map:** For those agencies with facilities projects, a map reflecting projects and their geographic location within the District of Columbia.

(Dollars in Thousands)

Funding By Phase - Prior Funding						Proposed Funding						
Phase	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
(01) Design	21,950	21,748	4	0	198	0	0	0	0	0	0	0
(02) SITE	8,720	8,720	0	0	0	0	0	0	0	0	0	0
(03) Project Management	15,226	15,226	0	0	0	0	0	0	0	0	0	0
(04) Construction	25,072	21,326	0	0	3,746	0	0	0	0	0	0	0
(05) Equipment	240,392	222,028	8,521	587	9,256	600	0	800	0	1,200	0	2,600
(06) IT Requirements Development/Systems Design	9,000	1,777	77	0	7,147	6,000	12,600	6,000	5,500	3,000	0	33,100
TOTALS	320,359	290,824	8,602	587	20,346	6,600	12,600	6,800	5,500	4,200	0	35,700

Funding By Source - Prior Funding						Proposed Funding						
Source	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
GO Bonds - New (0300)	294,292	271,755	8,206	3	14,328	3,000	12,600	3,000	0	0	0	18,600
Pay Go (0301)	0	0	0	0	0	0	0	3,000	5,500	3,000	0	11,500
Equipment Lease (0302)	8,300	4,099	80	584	3,536	3,600	0	800	0	1,200	0	5,600
Alternative Financing (0303)	17,768	14,969	316	0	2,483	0	0	0	0	0	0	0
TOTALS	320,359	290,824	8,602	587	20,346	6,600	12,600	6,800	5,500	4,200	0	35,700

Additional Appropriation Data	
First Appropriation FY	1998
Original 6-Year Budget Authority	190,425
Budget Authority Thru FY 2011	328,559
FY 2011 Budget Authority Changes	0
Current FY 2011 Budget Authority	328,559
Budget Authority Request for FY 2012	356,059
Increase (Decrease) to Total Authority	27,500

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Year Total
No estimated operating impact							

Full Time Equivalent Data			
Object	FTE	FY2012 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	6,600	100.0

ELC-BF302-SOAR MODERNIZATION - MASTER LEASE

Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)
Implementing Agency: EQUIPMENT LEASE - CAPITAL (ELC)
Project No: BF302
Ward:
Location: DISTRICT-WIDE
Facility Name or Identifier: NA
Status: Developing scope of work
Useful Life of the Project: 5
Estimated Full Funding Cost: \$1,800,000

Description:

This project represents a modernization/update to the "System of Accounting and Reporting" (SOAR), which is the District's proprietary "R-Stars" general ledger system. This investment will allow the core underlying financial system of record to remain in place, while simplifying maintenance requirements and allowing for further consolidation of servers and reduced bandwidth requirements.

Justification:

"R-Stars" is a legacy application that annually costs approximately \$5.0 million to maintain. By acquiring an enterprise network solution that is web-based, the District will benefit from lower maintenance costs as well as the opportunity to better manage financial resources through the use of component applications.

Progress Assessment:

Project completion scheduled for use in FY2013

Related Projects:

na

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)		
Design Complete (FY)	03/30/2011	03/30/2011
Construction Start (FY)	09/30/2011	
Construction Complete (FY)	09/30/2012	
Closeout (FY)		

(Dollars in Thousands)

Phase	Funding By Phase - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
(06) IT Requirements Development/Systems Design	0	0	0	0	0	500	0	0	0	0	0	500
TOTALS	0	0	0	0	0	500	0	0	0	0	0	500

Source	Funding By Source - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
Equipment Lease (0302)	0	0	0	0	0	500	0	0	0	0	0	500
TOTALS	0	0	0	0	0	500	0	0	0	0	0	500

Additional Appropriation Data	
First Appropriation FY	2008
Original 6-Year Budget Authority	10,000
Budget Authority Thru FY 2011	0
FY 2011 Budget Authority Changes	0
Current FY 2011 Budget Authority	0
Budget Authority Request for FY 2012	500
Increase (Decrease) to Total Authority	500

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Year Total
No estimated operating impact							

Full Time Equivalent Data			
Object	FTE	FY2012 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	500	100.0

AT0-CSP08-INTEGRATED TAX SYSTEM MODERNIZATION

Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)
Implementing Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)
Project No: CSP08
Ward:
Location: DISTRICT-WIDE
Facility Name or Identifier: N/A
Status: Developing scope of work
Useful Life of the Project: 15+
Estimated Full Funding Cost: \$10,000,000

Description:

This project will completely modernize and refine the District's tax systems to bring them in line with industry best practices and add new functionality in the areas of compliance, collections, case management and individual, business and property tax collection, processing and accounting. The tax system modernization will be achieved in stages to replace individual components starting with the case management module, real property system, and eventually the core tax management system. This project represents a modernization of the Integrated Tax System (ITS). The current system will require a technology refresh, particularly on the reporting and middle-ware tools, to take advantage of web-based technologies that were not available when the system was installed. This will require replacement of the SAND and the Crystal server-based systems currently in use for report and query building, as well as supporting platform software and related applications. This investment will allow the core underlying system to remain in place, while simplifying maintenance requirements and allowing for further consolidation of servers and reduced bandwidth requirements.

Justification:

The first phase is to replace the real property tax module, to address and reduce the risk of fraud and mismanagement by leveraging superior internal controls and industry best practices implemented in the replacement system. In addition, the new case management system will provide intelligent case analytics, review, and analysis abilities that will result in increased tax compliance and collections, resulting in increased revenues. The implementation of the Phase 1 will result in the capture of new tax revenue that will be recognized as Paygo transfers from the general fund to the capital fund in the amount of \$11.5 million in FY2014 - FY2016. This capital budget will help to offset the project costs.

Progress Assessment:

The project is currently in the planning phase and high-level designs of all the different projects within the modernization initiative are being developed. The District's project manager for this effort has been hired. Currently, requirements are being collected for the case management and real property tax system modules.

Related Projects:

EL0 CSP09 - ITS Modernization - Master Lease

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)	01/01/2009	
Design Complete (FY)	01/01/2010	01/01/2010
Construction Start (FY)	06/01/2010	
Construction Complete (FY)	07/30/2016	
Closeout (FY)	07/30/2016	

(Dollars in Thousands)

Phase	Funding By Phase - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
(06) IT Requirements Development/Systems Design	5,000	485	58	0	4,457	3,000	12,600	6,000	5,500	3,000	0	30,100
TOTALS	5,000	485	58	0	4,457	3,000	12,600	6,000	5,500	3,000	0	30,100

Source	Funding By Source - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
GO Bonds - New (0300)	5,000	485	58	0	4,457	3,000	12,600	3,000	0	0	0	18,600
Pay Go (0301)	0	0	0	0	0	0	0	3,000	5,500	3,000	0	11,500
TOTALS	5,000	485	58	0	4,457	3,000	12,600	6,000	5,500	3,000	0	30,100

Additional Appropriation Data

First Appropriation FY	2007
Original 6-Year Budget Authority	10,000
Budget Authority Thru FY 2011	7,600
FY 2011 Budget Authority Changes	0
Current FY 2011 Budget Authority	7,600
Budget Authority Request for FY 2012	35,100
Increase (Decrease) to Total Authority	27,500

Estimated Operating Impact Summary

Expenditure (+) or Cost Reduction (-)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Year Total
No estimated operating impact							

Full Time Equivalent Data

Object	FTE	FY2012 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	3,000	100.0

ELC-CSP09-ITS MODERNIZATION - MASTER LEASE

Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)
Implementing Agency: EQUIPMENT LEASE - CAPITAL (ELC)
Project No: CSP09
Ward:
Location: DISTRICT-WIDE
Facility Name or Identifier: NA
Status: Developing scope of work
Useful Life of the Project:
Estimated Full Funding Cost: \$0

Description:

This project will completely modernize and refine the District’s tax systems to bring them in line with industry best practices and add new functionality in the areas of compliance, collections, case management and individual, business and property tax collection, processing and accounting. The tax system modernization will be achieved in stages to replace individual components starting with the case management module, real property system, and eventually the core tax management system. This project represents a modernization of the Integrated Tax System (ITS). The current system will require a technology refresh, particularly on the reporting and middle-ware tools, to take advantage of web-based technologies that were not available when the system was installed. This will require replacement of the SAND and the Crystal server-based systems currently in use for report and query building , as well as supporting platform software and related applications. This investment will allow the core underlying system to remain in place, while simplifying maintenance requirements and allowing for further consolidation of servers and reduced bandwidth requirements.

Justification:

This budget represents the short-term financing for the project, which is made available through the Master Lease/Purchase Program.

Progress Assessment:

NA

Related Projects:

AT0 CSP08 - Integrated Tax System Modernization

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)		
Design Complete (FY)		
Construction Start (FY)		
Construction Complete (FY)	01/01/2012	
Closeout (FY)	07/30/2012	

(Dollars in Thousands)

Phase	Funding By Phase - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
(05) Equipment	2,000	154	0	0	1,846	0	0	0	0	0	0	0
(06) IT Requirements Development/Systems Design	0	0	0	0	0	2,500	0	0	0	0	0	2,500
TOTALS	2,000	154	0	0	1,846	2,500	0	0	0	0	0	2,500

Source	Funding By Source - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
Equipment Lease (0302)	2,000	154	0	0	1,846	2,500	0	0	0	0	0	2,500
TOTALS	2,000	154	0	0	1,846	2,500	0	0	0	0	0	2,500

Additional Appropriation Data	
First Appropriation FY	2009
Original 6-Year Budget Authority	2,000
Budget Authority Thru FY 2011	2,000
FY 2011 Budget Authority Changes	0
Current FY 2011 Budget Authority	2,000
Budget Authority Request for FY 2012	4,500
Increase (Decrease) to Total Authority	2,500

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Year Total
No estimated operating impact							

Full Time Equivalent Data			
Object	FTE	FY2012 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	2,500	100.0

ELC-EQ940-MAJOR EQUIPMENT ACQUISITION

Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)
Implementing Agency: EQUIPMENT LEASE - CAPITAL (ELC)
Project No: EQ940
Ward:
Location: DISTRICT-WIDE
Facility Name or Identifier: N/A
Status: Ongoing Subprojects
Useful Life of the Project: 10
Estimated Full Funding Cost: \$0

Description:

This project is for the master lease of major information technology equipment as a part of a normal technology refresh program. OCFO is replacing larger capital-intensive equipment such as high-speed printers and redundant servers on an ongoing basis. The procurement includes purchasing high-performance servers to accommodate next-generation financial systems, leveraging new technologies, and adding massive storage systems to accommodate high volumes of data and reporting. Tasks include replacing outdated equipment past its useful life, adding new servers to accommodate new systems, implementing SAN technology to provide flexible storage capacity, implementing best practices in managing infrastructure, implementing a web-based ticket tracking system, and implementing security hardware and software to ensure security of the District's financial information.

Justification:

OCFO is replacing larger capital-intensive equipment such as high-speed printers and redundant servers on an ongoing basis. The procurement includes purchasing high-performance servers to accommodate next-generation financial systems, leveraging new technologies, and adding massive storage systems to accommodate high volumes of data and reporting.

Progress Assessment:

This is an ongoing project and major equipment is being procured and deployed on an ongoing basis.

Related Projects:

None.

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)		
Design Complete (FY)		
Construction Start (FY)		
Construction Complete (FY)		
Closeout (FY)		

(Dollars in Thousands)

Phase	Funding By Phase - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
(05) Equipment	6,300	3,945	80	584	1,690	600	0	800	0	1,200	0	2,600
TOTALS	6,300	3,945	80	584	1,690	600	0	800	0	1,200	0	2,600

Source	Funding By Source - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Yr Total
Equipment Lease (0302)	6,300	3,945	80	584	1,690	600	0	800	0	1,200	0	2,600
TOTALS	6,300	3,945	80	584	1,690	600	0	800	0	1,200	0	2,600

Additional Appropriation Data	
First Appropriation FY	2007
Original 6-Year Budget Authority	8,100
Budget Authority Thru FY 2011	8,900
FY 2011 Budget Authority Changes	0
Current FY 2011 Budget Authority	8,900
Budget Authority Request for FY 2012	8,900
Increase (Decrease) to Total Authority	0

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	6 Year Total
No estimated operating impact							

Full Time Equivalent Data			
Object	FTE	FY2012 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	600	100.0