
Office of the District of Columbia Auditor

www.dcauditor.org

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Description	FY 2012 Actual	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Operating Budget	\$3,360,760	\$4,275,981	\$4,600,981	7.6
FTEs	28.5	34.0	34.0	0.0

The mission of the Office of the District of Columbia Auditor (ODCA) is to conduct thorough audits of the accounts and operations of the District government with the goal of promoting economy, efficiency, and accountability.

Summary of Services

The ODCA assists the Council of the District of Columbia in performing its oversight responsibilities; annually auditing the accounts, operations, and programs of the District of Columbia Government; and certifying revenue estimates in support of municipal bond issuances. In addition, the ODCA provides oversight and conducts audits of the financial activities of the District's 37 Advisory Neighborhood Commissions. The ODCA also performs audits of specific programs, funds, and organizational entities at intervals as required by law.

The agency's FY 2014 proposed budget is presented in the following tables:

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table AC0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table AC0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	3,436	3,361	3,951	4,276	325	8.2
Total for General Fund	3,436	3,361	3,951	4,276	325	8.2
Intra-District Funds						
Intra-District Funds	178	0	325	325	0	0.0
Total for Intra-District Funds	178	0	325	325	0	0.0
Gross Funds	3,614	3,361	4,276	4,601	325	7.6

*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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Full-Time Equivalents, by Revenue Type

Table AC0-2 contains the proposed FY 2014 FTE level compared to the FY 2013 approved FTE level by revenue type. It also provides FY 2011 and FY 2012 actual data.

Table AC0-2

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change
General Fund						
Local Funds	30.9	28.5	34.0	34.0	0.0	0.0
Total for General Fund	30.9	28.5	34.0	34.0	0.0	0.0
Total Proposed FTEs	30.9	28.5	34.0	34.0	0.0	0.0

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table AC0-3 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table AC0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
11 - Regular Pay - Continuing Full Time	2,342	2,283	2,604	2,601	-3	-0.1
12 - Regular Pay - Other	118	0	75	75	0	0.0
13 - Additional Gross Pay	32	35	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	448	438	623	637	14	2.3
Subtotal Personal Services (PS)	2,939	2,756	3,303	3,314	11	0.3
20 - Supplies and Materials	16	15	9	12	3	35.6
31 - Telephone, Telegraph, Telegram, Etc.	15	21	17	18	1	5.0
32 - Rentals - Land and Structures	307	447	569	502	-68	-11.9
34 - Security Services	32	0	0	0	0	N/A
40 - Other Services and Charges	60	53	32	78	46	143.3
41 - Contractual Services - Other	214	23	332	662	330	99.4
70 - Equipment and Equipment Rental	31	46	14	15	1	9.1
Subtotal Nonpersonal Services (NPS)	675	604	973	1,287	314	32.3
Gross Funds	3,614	3,361	4,276	4,601	325	7.6

*Percent change is based on whole dollars.

Program Description

The Office of District of Columbia Auditor operates through the following 2 programs:

Audit, Financial Oversight and Investigations – provides assistance to the Council of the District of Columbia in performing its oversight responsibilities; annually audits the accounts, operations, and programs of the District of Columbia government, pursuant to Section 455 of Public Law 93-198; and certifies revenue estimates in support of municipal bond issuances, pursuant to Section 603 of Public Law 93-198. Through this program, the agency is required by the Advisory Neighborhood Commissions Act of 1975, as amended, to provide financial oversight and management to the District government's 37 Advisory Neighborhood Commissions (ANCs) and to manage and administer the ANC Security Fund. The Office of the District of Columbia Auditor is also required (by various laws) to conduct 17 additional audits.

This program contains the following 2 activities:

- **Performance Compliance and Financial Audits** – conducts audits of the accounts, operations, and programs of the District of Columbia on a rotating basis and certifies revenue estimates in support of municipal bond issuances; and
- **Advisory Neighborhood Commissions Financial Oversight and Management** – provides financial oversight and conducts audits of the financial activities of the District government's 37 ANCs.

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 District of Columbia Auditor has no program structure changes in the FY 2014 proposed budget.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table AC0-4 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table AC0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Agency Management Program								
(1040) Information Technology	243	244	247	3	1.8	2.0	2.0	0.0
(1050) Financial Management	467	587	519	-67	0.0	0.0	0.0	0.0
Subtotal (1000) Agency Management Program	710	831	766	-65	1.8	2.0	2.0	0.0
(2000) Audit, Financial Oversight and Investigations								
(2010) Performance Compliance and Financial Audit	2,596	3,289	3,677	388	24.9	30.0	30.0	0.0
(2020) ANC Audit and Financial Oversight	55	156	158	2	1.8	2.0	2.0	0.0
Subtotal (2000) Audit, Financial Oversight and Investigations	2,651	3,445	3,835	390	26.7	32.0	32.0	0.0
Total Proposed Operating Budget	3,361	4,276	4,601	325	28.5	34.0	34.0	0.0

(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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Budget Changes

The Office of the District of Columbia Auditor's (ODCA) proposed FY 2014 gross budget is \$4,600,981, which represents a 7.6 percent increase over its FY 2013 approved gross budget of \$4,275,981. The budget is comprised of \$4,275,981 in Local funds and \$325,000 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 2013 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 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.

ODCA's FY 2014 CSFL budget is \$3,911,082, which represents a \$39,899, or 1.0 percent, decrease from the FY 2013 approved Local funds budget of \$3,950,981.

Major CSFL Cost Drivers

The FY 2014 CSFL calculated for ODCA included an adjustment entry that is not described in detail on table 5. This adjustment was made for an increase of \$26,176 in personal services, to account for the Fringe Benefit growth rate adjustment of 4.2 percent year-over-year growth; an increase of \$1,493 in nonpersonal services, based on the Consumer Price Index factor of 2.4 percent; and a decrease of \$67,568 in nonpersonal services, to account for the reductions in the Rental - Land and Structures budget, based on the estimates provided by the Department of General Services. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments".

Agency Budget Submission

Increase: In Local funds, personal services increased by \$50,863 to support proposed step increases.

Decrease: In Local funds, nonpersonal services, primarily Occupancy Fixed Costs, decreased by \$10,964 to absorb proposed step increases.

Mayor's Proposed Budget

Cost of Living Adjustment: This agency received a proposed cost of living adjustment (COLA) to Local funds, which may also impact Intra-District funds. This adjustment will be applied centrally from the Workforce Investments account. For more information about the COLA, please see the Workforce Investments chapter contained in Volume 3 (Agency Budget Chapters – Part II) of the FY 2014 Proposed Budget and Financial Plan.

Increase: The FY 2014 proposed budget includes an increase of \$325,000 to Local funds to conduct an independent evaluation of the District of Columbia Public School (DCPS), as required by the Public Education Reform Amendment Act (PERAA) of 2007. The Act authorized a major overhaul of the District of Columbia's education governance structure.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table AC0-5 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table AC0-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		3,951	34.0
Other CSFL Adjustments	Multiple Programs	-40	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		3,911	34.0
Increase: In personal services to support proposed step increases	Multiple Programs	51	0.0
Decrease: Nonpersonal services, primarily in Occupancy Fixed Cost, to absorb proposed step increases	Multiple Programs	-11	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		3,951	34.0
Increase: To cover an independent evaluation of District of Columbia Public Schools	Audit, Financial Oversight and Investigations	325	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		4,276	34.0
INTRA-DISTRICT FUNDS: FY 2013 Approved Budget and FTE		325	0.0
No Changes		0	0.0
INTRA-DISTRICT FUNDS: FY 2014 Agency Budget Submission		325	0.0
No Changes		0	0.0
INTRA-DISTRICT FUNDS: FY 2014 Mayor's Proposed Budget		325	0.0
Gross for AC0 - Office of the District of Columbia Auditor		4,601	34.0

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

Agency Performance Plans

The agency's performance plan has the following objectives for FY 2014:

Objective 1: Conduct thorough audits of the accounts and operations of the District government.

KEY PERFORMANCE INDICATORS

Measure	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Projection	FY 2014 Projection	FY 2015 Projection
Dollar value of potential savings or increased revenues, and/or unsupported costs identified from audits ¹	\$33.5M	\$14M	\$720,334	\$15M	\$15M	\$15M
Percentage of financial, performance and mandatory and compliance audits completed within required time frame	100%	100%	100%	100%	100%	100%
Number of financial, performance, and recommendation compliance audit reports issued	25	30 ²	17	30 ³	30	32
Number of Advisory Neighborhood Commissions that receive financial oversight and ministerial duties from the Office of the D.C. Auditor each quarter	37	37	37	37	37	37

Performance Plan Endnotes:

¹ Dollar value of potential savings or increased revenues, and questioned or unsupported costs identified from audits are quantified in published audit reports.

² In Fiscal Year 2012 there was a change in the administration of the Office of the D.C. Auditor (ODCA). As a result, ODCA was reorganized to ensure that all audit and non-audit products adhere to GAGAS. Due to the reorganization and staff changes, ODCA was unable to meet the Fiscal Year 2012 performance measure of 45 financial, performance, and recommendation compliance audit reports issued.

³ This includes 10 performance audits, 4 financial reviews, 5 reports on compliance with Certified Business Enterprise Goals, 2 reports on the implementation of recommendations presented in previous audit reports, and 1 report on the financial activities of Advisory Neighborhood Commissions.

