(AT0) OFFICE OF CHIEF FINANCIAL OFFICER

MISSION

The Office of the Chief Financial Officer (OCFO) provides 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 independence in its relationships with program staff and 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 a core function and cannot be outsourced to outside vendors or other parts of the government.

RECENT ACCOMPLISHMENTS

Highlights of our achievements include the District receiving and maintaining the first AAA from rating the major rating agencies, an unprecedented 18th year of 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 projectsheet 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 2019 :** Represents the lifetime budget authority, including the 6 year budget authority for FY 2014 through 2019
  - **FY 2014 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 2019 :** This is the total 6-year authority for FY 2014 through FY 2019 including changes from the current fiscal year.
  - **Budget Authority Request for 2015 through 2020 :** Represents the 6 year budget authority for 2015 through 2020
  - **Increase (Decrease) :** This is the change in 6 year budget requested for FY 2015 - FY 2020 (change in budget authority is shown 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
(01) Design	21,807	21,807	0	0	0	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	21,326	21,326	0	0	0	0	0	0	0	0	0	0
(05) Equipment	247,772	233,517	1,219	2,493	10,544	10,500	0	0	7,000	18,500	18,500	54,500
(06) IT Requirements Development/Systems Design	36,466	4,616	399	561	30,891	5,500	14,000	11,000	6,000	0	0	36,500
TOTALS	**351,317**	**305,211**	**1,618**	**3,054**	**41,434**	**16,000**	**14,000**	**11,000**	**13,000**	**18,500**	**18,500**	**91,000**

Funding By Source - Prior Funding						Proposed Funding						
Source	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
GO Bonds - New (0300)	320,440	282,316	1,532	3,054	33,538	10,000	11,000	0	0	0	0	21,000
Pay Go (0301)	3,054	480	0	0	2,574	5,500	3,000	11,000	13,000	18,500	18,500	69,500
Equipment Lease (0302)	12,700	7,515	69	0	5,116	500	0	0	0	0	0	500
Alternative Financing (0303)	15,123	14,900	17	0	206	0	0	0	0	0	0	0
TOTALS	**351,317**	**305,211**	**1,618**	**3,054**	**41,434**	**16,000**	**14,000**	**11,000**	**13,000**	**18,500**	**18,500**	**91,000**

Additional Appropriation Data	
First Appropriation FY	1998
Original 6-Year Budget Authority	202,413
Budget Authority Thru FY 2014	379,817
FY 2014 Budget Authority Changes	0
Current FY 2014 Budget Authority	379,817
Budget Authority Request for FY 2015	442,317
Increase (Decrease)	62,500

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Year Total
Contractual Services	3,300	3,300	3,300	3,300	3,300	3,300	19,800
TOTAL	**3,300**	**3,300**	**3,300**	**3,300**	**3,300**	**3,300**	**19,800**

Full Time Equivalent Data			
Object	FTE	FY 2015 Budget	% of Project
Personal Services	26.0	4,305	26.9
Non Personal Services	0.0	11,695	73.1

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: INFORMATION TECHNOLOGY

Status: Developing scope of work

Useful Life of the Project: 10

Estimated Full Funding Cost: $62,920,000

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, individual, business and property tax collection; and 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; and review and analysis abilities that will result in increased tax compliance and collections, further 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:

ELC CSP09 - ITS Modernization - Master Lease

(Dollars in Thousands)

Funding By Phase - Prior Funding						Proposed Funding						
Phase	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
(06) IT Requirements Development/Systems Design	26,420	1,249	253	200	24,718	5,500	14,000	11,000	6,000	0	0	36,500
TOTALS	**26,420**	**1,249**	**253**	**200**	**24,718**	**5,500**	**14,000**	**11,000**	**6,000**	**0**	**0**	**36,500**

Funding By Source - Prior Funding						Proposed Funding						
Source	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
GO Bonds - New (0300)	23,853	1,249	253	200	22,151	0	11,000	0	0	0	0	11,000
Pay Go (0301)	2,567	0	0	0	2,567	5,500	3,000	11,000	6,000	0	0	25,500
TOTALS	**26,420**	**1,249**	**253**	**200**	**24,718**	**5,500**	**14,000**	**11,000**	**6,000**	**0**	**0**	**36,500**

Additional Appropriation Data	
First Appropriation FY	2007
Original 6-Year Budget Authority	21,500
Budget Authority Thru FY 2014	54,920
FY 2014 Budget Authority Changes	0
Current FY 2014 Budget Authority	54,920
Budget Authority Request for FY 2015	62,920
Increase (Decrease)	8,000

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Year Total
Contractual Services	1,600	1,600	1,600	1,600	1,600	1,600	9,600
TOTAL	**1,600**	**1,600**	**1,600**	**1,600**	**1,600**	**1,600**	**9,600**

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)	01/01/2009	
Design Complete (FY)	01/01/2010	06/01/2010
Construction Start (FY)	06/01/2010	
Construction Complete (FY)	07/30/2019	
Closeout (FY)	07/30/2019	

Full Time Equivalent Data			
Object	FTE	FY 2015 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	5,500	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: INFORMATION TECHNOLOGY

Status: Ongoing Subprojects

Useful Life of the Project: 5

Estimated Full Funding Cost: $7,000,000

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.

(Dollars in Thousands)

Funding By Phase - Prior Funding						Proposed Funding						
Phase	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
(05) Equipment	6,500	5,364	69	0	1,067	500	0	0	0	0	0	500
TOTALS	**6,500**	**5,364**	**69**	**0**	**1,067**	**500**	**0**	**0**	**0**	**0**	**0**	**500**

Funding By Source - Prior Funding						Proposed Funding						
Source	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
Equipment Lease (0302)	6,500	5,364	69	0	1,067	500	0	0	0	0	0	500
TOTALS	**6,500**	**5,364**	**69**	**0**	**1,067**	**500**	**0**	**0**	**0**	**0**	**0**	**500**

Additional Appropriation Data	
First Appropriation FY	2007
Original 6-Year Budget Authority	8,100
Budget Authority Thru FY 2014	6,500
FY 2014 Budget Authority Changes	0
Current FY 2014 Budget Authority	6,500
Budget Authority Request for FY 2015	7,000
Increase (Decrease)	500

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**6 Yr Total**
No estimated operating impact							

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

Full Time Equivalent Data			
Object	FTE	FY 2015 Budget	% of Project
Personal Services	0.0	0	0.0
Non Personal Services	0.0	500	100.0

AT0-BF301-SOAR MODERNIZATION

Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)

Implementing Agency: OFFICE OF CHIEF FINANCIAL OFFICER (AT0)

Project No: BF301

Ward:

Location: DISTRICT-WIDE

Facility Name or Identifier: INFORMATION TECHNOLOGY

Status: Under construction

Useful Life of the Project: 10+

Estimated Full Funding Cost: $80,056,000

Description:

This project will implement major enhancements and improvements to the District's General Ledger System by replacing and modernizing key components of the current R-STARS system with a modern web-based system utilizing industry best practices.

Justification:

The project will achieve a full system upgrade of all major components of the District's General Ledger system. The current District General Ledger system is based on 20 year old technology. Supporting this technology is becoming ever more complicated since the resources and skill-sets needed to support a mainframe based system are not easily available. Moreover, the current General Ledger system lacks functionality found in modern systems necessary to support real-time financial management and allow the OCFO to provide greater integration with other key District systems such as the cash management system, budgeting systems, Human Resources and Payroll systems, and the tax systems.

Progress Assessment:

The project budget was first allotted in FY 2007, and all requirements assessment activities have been completed. The project development has occurred, and testing is well underway. The project is currently scheduled to be implemented beginning FY 2013.

Related Projects:

All core financial systems in the District are tightly integrated and interrelated. The OCFO is in the process of modernizing and implementing all core financial systems to bring these systems in line with current industry trends and District stakeholder needs

(Dollars in Thousands)

Funding By Phase - Prior Funding						Proposed Funding						
Phase	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
(05) Equipment	26,056	13,316	980	2,490	9,270	10,000	0	0	7,000	18,500	18,500	54,000
TOTALS	**26,056**	**13,316**	**980**	**2,490**	**9,270**	**10,000**	**0**	**0**	**7,000**	**18,500**	**18,500**	**54,000**

Funding By Source - Prior Funding						Proposed Funding						
Source	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Yr Total
GO Bonds - New (0300)	25,569	12,836	980	2,490	9,262	10,000	0	0	0	0	0	10,000
Pay Go (0301)	487	480	0	0	7	0	0	0	7,000	18,500	18,500	44,000
TOTALS	**26,056**	**13,316**	**980**	**2,490**	**9,270**	**10,000**	**0**	**0**	**7,000**	**18,500**	**18,500**	**54,000**

Additional Appropriation Data	
First Appropriation FY	2007
Original 6-Year Budget Authority	20,487
Budget Authority Thru FY 2014	26,056
FY 2014 Budget Authority Changes	0
Current FY 2014 Budget Authority	26,056
Budget Authority Request for FY 2015	80,056
Increase (Decrease)	54,000

Estimated Operating Impact Summary							
Expenditure (+) or Cost Reduction (-)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	6 Year Total
Contractual Services	1,700	1,700	1,700	1,700	1,700	1,700	10,200
TOTAL	**1,700**	**1,700**	**1,700**	**1,700**	**1,700**	**1,700**	**10,200**

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)		
Design Complete (FY)	03/30/2011	
Construction Start (FY)	09/30/2011	
Construction Complete (FY)	10/01/2020	
Closeout (FY)	05/01/2021	

Full Time Equivalent Data			
Object	FTE	FY 2015 Budget	% of Project
Personal Services	26.0	4,305	43.0
Non Personal Services	0.0	5,695	57.0