
Office of the District of Columbia Auditor

www.dcauditor.org

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Description	FY 2010 Actual	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$4,150,660	\$4,414,669	\$4,261,233	-3.5
FTEs	31.5	35.0	32.0	-8.6

The mission of the Office of the District of Columbia Auditor (ODCA) is to assist the Council of the District of Columbia in performing its responsibilities by auditing the accounts and programs of the government to ensure that effective programmatic and budgetary decisions are made.

Summary of Services

ODCA examines the use of public funds, evaluates District government programs and activities, and provides analyses and recommendations to assist the Council in making effective oversight, programmatic, and budgetary decisions. ODCA works to improve the economy, efficiency, and effectiveness of the District government through financial audits, program reviews and evaluations, special inquiries, and other services. ODCA's activities are designed to ensure the District government's accountability to the Council and the taxpayers of the District of Columbia.

ODCA adheres to Generally Accepted Government Auditing Standards (GAGAS) established by the Comptroller General of the United States, United States Government Accountability Office. These professional standards provide a framework for performing high-quality audit work with competence, integrity, objectivity, and independence. Accordingly, to

ensure compliance with GAGAS, ODCA has established activities to: (1) establish a system of quality control that is designed to provide ODCA with reasonable assurance that its personnel comply with professional standards and applicable legal and regulatory requirements; and (2) maintain professional competence through continuing professional education.

The agency's FY 2012 proposed budget is presented in the following tables:

FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table AC0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table AC0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
General Fund						
Local Funds	3,506	3,858	3,840	3,686	-153	-4.0
Total for General Fund	3,506	3,858	3,840	3,686	-153	-4.0
Intra-District Funds						
Intra-District Funds	0	293	575	575	0	0.0
Total for Intra-District Funds	0	293	575	575	0	0.0
Gross Funds	3,506	4,151	4,415	4,261	-153	-3.5

*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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Full-Time Equivalent, by Revenue Type

Table AC0-2 contains the proposed FY 2012 FTE level compared to the FY 2011 approved FTE level by revenue type. It also provides FY 2009 and FY 2010 actual data.

Table AC0-2

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change
General Fund						
Local Funds	23.2	31.5	35.0	32.0	-3.0	-8.6
Total for General Fund	23.2	31.5	35.0	32.0	-3.0	-8.6
Total Proposed FTEs	23.2	31.5	35.0	32.0	-3.0	-8.6

FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table AC0-3 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table AC0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	2,036	2,515	2,621	2,396	-224	-8.6
12 - Regular Pay - Other	169	169	166	168	3	1.6
13 - Additional Gross Pay	1	27	0	0	0	N/A
14 - Fringe Benefits - Curr Personnel	344	473	503	540	37	7.3
15 - Overtime Pay	0	1	0	0	0	N/A
Subtotal Personal Services (PS)	2,550	3,184	3,289	3,104	-185	-5.6
20 - Supplies and Materials	15	11	17	9	-8	-46.8
31 - Telephone, Telegraph, Telegram, Etc.	9	4	13	15	2	16.0
32 - Rentals - Land and Structures	371	360	307	496	188	61.4
34 - Security Services	5	0	32	0	-32	-100.0
35 - Occupancy Fixed Costs	0	2	0	0	0	N/A
40 - Other Services and Charges	199	116	61	32	-30	-48.4
41 - Contractual Services - Other	169	371	663	592	-71	-10.8
70 - Equipment and Equipment Rental	188	101	32	14	-18	-56.9
Subtotal Nonpersonal Services (NPS)	956	966	1,125	1,157	32	2.8
Gross Funds	3,506	4,151	4,415	4,261	-153	-3.5

*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. The Auditor's office also carries out financial management and administrative tasks related to the ANC Security Fund, as required by the Advisory Neighborhood Commissions Act of 1975, as amended.

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 2012 Proposed Budget.

FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table AC0-4 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget. It also provides the FY 2010 actual data.

Table AC0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011
(1000) Agency Management Program								
(1040) Information Technology	235	228	235	7	1.8	2.0	2.0	0.0
(1050) Financial Management	367	352	511	159	0.0	0.0	0.0	0.0
Subtotal (1000) Agency Management Program	602	580	746	166	1.8	2.0	2.0	0.0
(2000) Audit, Financial Oversight and Investigations								
(2010) Performance Compliance and Financial Audit	3,376	3,674	3,350	-324	27.8	31.0	28.0	-3.0
(2020) ANC Audit and Financial Oversight	172	160	165	5	1.8	2.0	2.0	0.0
Subtotal (2000) Audit, Fin. Oversight and Investigations	3,548	3,835	3,515	-319	29.7	33.0	30.0	-3.0
Total Proposed Operating Budget	4,151	4,415	4,261	-153	31.5	35.0	32.0	-3.0

(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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Budget Changes

Redirection: ODCA redirected \$165,868 from Audit, Financial Oversight and Investigations to the Agency Management program to cover the increase in salary and fringe benefits and to align budget with nonpersonal services in FY 2012.

Cost Decrease: Nonpersonal services were decreased by \$2,260 in the Audit, Financial Oversight and Investigations program to align budget with expected revenue shortfall. The FY 2012 proposed budget

includes a reduction of \$150,000 in personal services in the Audit, Financial Oversight and Investigations program, which represents the funding for D.C. Public Schools (DCPS) audit that will not be repeated in FY 2012.

Transfer Out: The \$1,217 Local portion of the information technology assessment is transferred to the Office of the Chief Technology Officer (OCTO).

Eliminate: Three vacant unfunded positions were eliminated in FY 2012.

FY 2011 Approved Budget to FY 2012 Proposed Budget, by Revenue Type

Table AC0-5 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

Table AC0-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2011 Approved Budget and FTE		3,840	35.0
Cost Increase: Adjust salary and fringe benefits to include step increases	Agency Management Program	7	0.0
Cost Increase: Align budget with nonpersonal services adjustments	Agency Management Program	159	0.0
Cost Decrease: Align budget with nonpersonal services adjustments	Audit, Financial Oversight and Investigations	-124	0.0
Cost Decrease: Align salaries and fringe benefits with personal services costs	Audit, Financial Oversight and Investigations	-42	0.0
FY 2012 Initial Adjusted Budget		3,840	35.0
Cost Decrease: Decrease nonpersonal services to align budget with expected revenue shortfall	Audit, Financial Oversight and Investigations	-2	0.0
Transfer Out: Transfer Local portion of the information technology assessment to OCTO	Audit, Financial Oversight and Investigations	-1	0.0
Cost Decrease: Reduce funding for DCPS audit that will not be repeated in FY 2012	Audit, Financial Oversight and Investigations	-150	0.0
Eliminate: Eliminate 3 vacant unfunded positions	Multiple Programs	0	-3.0
LOCAL FUNDS: FY 2012 Proposed Budget and FTE		3,686	32.0
INTRA-DISTRICT FUNDS: FY 2011 Approved Budget and FTE		575	0.0
No Change: No change	Multiple Programs	0	0.0
INTRA-DISTRICT FUNDS: FY 2012 Proposed Budget and FTE		575	0.0
Gross for AC0 - Office of the District of Columbia Auditor		4,261	32.0

(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 2012:

Objective 1: Increase the Certified Business Enterprise expenditure monitoring oversight and audit program.

Objective 2: Increase the Economic Development audit program.

Performance Measures

Measure	FY 2009 Actual	FY 2010 Target	FY 2010 Actual	FY 2011 Projection	FY 2012 Projection	FY 2013 Projection
Dollar value of potential savings or increased revenues, and/or unsupported costs identified from audits ¹	\$19.9 Million	\$12 Million	\$23 Million	\$13 Million	\$14 Million	\$15 Million
Percentage of financial, performance and mandatory and compliance audits completed within required time frame	70%	100%	100%	100%	100%	100%
Number of financial, performance, and recommendation compliance audit reports issued	27	27	16	30	32	33
Number of ANCs 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.