

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CITY ADMINISTRATOR



Fiscal Year 2016 Budget Oversight Hearing

Testimony of  
**Rashad M. Young**  
City Administrator

Before the  
Committee of the Whole  
Council of the District of Columbia  
The Honorable Phil Mendelson, Chairperson

Room 412  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004  
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2:30 p.m.

Good afternoon, Chairman Mendelson and members of the Council. For the record, my name is Rashad M. Young, and I serve as the City Administrator of the District of Columbia. Joining me today are members of my staff including Kevin Donahue, who serves as Deputy City Administrator and acting Deputy Mayor for Public Safety and Justice, and Christopher Shorter, OCA's Director of Agency Operations.

I am pleased to testify before you today on Mayor Bowser's proposed fiscal year 2016 (FY16) budget, entitled "Pathways to the Middle Class". As Mayor Bowser recently testified before the Council, each agency plays a critical part in ensuring that District residents in all eight wards have the education, economic opportunity, public safety, neighborhoods, environment, and infrastructure they need to reach the middle class. The proposed budget for the Office of the City Administrator helps ensure that the necessary staff and resources are available to help meet these ambitious goals.

### OCA Structure

As I discussed at the recent performance oversight hearing, the mission of the Office of the City Administrator is to facilitate the effective and efficient implementation of the Mayor's policies by providing leadership, support, coordination, and oversight of District agencies. To carry out its mission, OCA is composed of the following functions:

1.     Agency Operations: The agency operations function of OCA is composed of program analysts who work across agency clusters. The staff in this division oversee agency performance management and accountability activities and assist in continuous quality improvement efforts. They also help coordinate multi-agency and cross-cluster projects, implement District-wide operational initiatives, and provide agencies with operational guidance throughout the year.

2.     Government Operations: The government operations function of OCA is responsible for the in-depth oversight of agencies in the government operations cluster, which report directly to the Deputy City Administrator. This cluster includes agencies that focus on the internal operations of the government, such as the Department of Human Resources, Office of Contracting and Procurement, and Office of the Chief Technology Officer, and public-facing agencies, such as the Department of Motor Vehicles and the Department of Public Works.

3.     Public Safety and Justice: The Deputy Mayor for Public Safety and Justice and his staff carry out the public safety function of OCA. The Deputy Mayor and his staff are responsible for the in-depth oversight of agencies in the public safety cluster, including the Metropolitan Police Department, the Fire and Emergency Medical Services Department, the Department of Corrections, and the Homeland Security and Emergency Management Agency. The public safety function was moved from a stand-alone office to OCA at the start of the Bowser administration.

4. Budget and Finance: The Office of Budget and Finance (OBF) is responsible for formulating the District's annual budget submission and monitoring and facilitating budget actions throughout the year. In addition, OBF provides advice on ways to make the District's budget process more accessible and transparent to the public. The budget and finance function was moved from the Executive Office of the Mayor to OCA at the start of the Bowser administration.

5. Legal and Policy: The legal and policy function of OCA is responsible for legislative and regulatory review and formulation within the Office and also provides legal and policy analysis and advice to the City Administrator and staff. The OCA's general counsel also serves as the office's ethics counselor, Freedom of Information Act officer, and federal affairs liaison.

6. Office of Labor Relations and Collective Bargaining: The Office of Labor Relations and Collective Bargaining (OLRCB) administers the District's labor relations program. OLRCB's areas of responsibility include representing the District during labor negotiations, developing and presenting cases in mediation and arbitration proceedings, and advising the Mayor and District agencies concerning all aspects of labor relations.

### FY16 Budget Proposal

Before describing OCA's budget in detail, I would like to note that the budget book contained two errors in the presentation of OCA's budget. Specifically, the budget book listed an incorrect number of FTEs in OCA's budget and misallocated funds among OCA's divisions. These errors do not impact the overall proposed budget of the agency, but they do impact the budgets and FTE counts of the separate functions within OCA. My testimony reflects the correct numbers, which our staffs discussed prior to this hearing.

OCA's proposed budget for FY16 is \$7.3 million, an increase of approximately \$3.2 million from the FY15 approved budget. Approximately \$6.9 million of OCA's proposed FY16 budget is dedicated to personal services and \$347,000 is dedicated to non-personal services.

The proposed personal services budget is approximately \$3 million more than the FY15 approved amount. This increase supports 28 additional FTEs, which would raise the authorized FTE level of OCA from 28 to 56.

The increase in the personal services budget and the number of FTEs is due largely to two factors: the transfer of the Office of the Deputy Mayor for Public Safety and Justice and the Office of Budget Finance to OCA and the establishment of three new offices within OCA—those three offices are the Office of Performance Management, the Office of Innovation, and the Office of Public-Private Partnerships.

The transfer of the Office of Budget and Finance allows for the budget process to be better integrated with program oversight and performance management, which will ultimately allow the District to more effectively and efficiently achieve its policy goals. For the FY16 budget, the transfer of OBF to OCA includes \$1.24 million and 9 FTEs.

Similarly, the transfer of the Office of the Deputy Mayor for Public Safety and Justice better reflects the role of the Deputy City Administrator, who is responsible for the oversight and coordination of both the government operations and public safety and justice clusters. This revised structure allows the public safety agencies to better leverage the new performance management and innovation functions of OCA, which will allow a more integrated approach to tackling longstanding issues such as the provision of emergency medical services and crime reduction. Placing the Deputy Mayor's office directly within OCA highlights the importance of this function within the District government and allows the Deputy Mayor to better leverage the authority of the City Administrator. The transfer of the Deputy Mayor's office to OCA results in an increase of \$846,000 and 6 FTEs in the OCA budget.

The remainder of the proposed FY16 increase in funding and FTEs is dedicated largely to the three new offices established within OCA—\$439,000 and 4 FTEs for the Office of Performance Management;

\$327,000 and 3 FTEs for the Office of Innovation; and \$265,000 and 2 FTEs for the Office of Public-Private Partnerships.

The proposed FY16 non-personal services budget of OCA is \$347,000. The non-personal services budget is dedicated largely to supplies, information technology, and professional services. The proposed FY16 local non-personal services budget is \$181,000 more than the FY15 approved amount. The increased funding supports the transferred and new offices, and also includes \$65,000 to support an audit of equipment readiness and business processes associated with the counting and reporting of votes.

OCA's proposed FY16 budget is comprised almost solely of local funds. Of the approximately \$7.3 million in proposed total funding, approximately \$7.0 million is local funding. The remaining funding, \$291,000, is O-type funding transferred from independent agencies that will reimburse the Office of Labor Relations and Collective Bargaining for the costs of certain services it provides to those agencies.

### Initiatives and Goals

The realignment of the Office of the City Administrator and the increase in available funding will help achieve a renewed focus on performance management, service delivery improvement, and operational issues that cut across all clusters and agencies. As discussed in the performance oversight hearings, my key goals for OCA in FY16 are the following.

*Establish a robust performance management program*

One of the Office's major goals for FY16 and beyond is to reinvigorate the performance management program across the District government. The Mayor has been clear that we must close gaps in education, jobs, housing, and economic development, and we are determined to make specific and tangible improvements to the government's operations.

To achieve these results, the performance management program will be organized around the following four high-level goals:

1. A re-focusing of the program to ensure that the performance planning and monitoring process for each agency is aligned to the Mayor's strategic priorities;
2. The re-establishment of the CapStat program, which allows for near-term intensive interventions to tackle specific, high-priority performance deficits;
3. A recommitment to transparency and citizen engagement through programs like OpenData DC and TrackDC and better integration of these tools into our overall performance management program; and
4. A vigorous effort to build a culture and practice of performance management across the government so that performance and results data are used by managers and agency directors to inform their day-to-day operations.



These strategies will help ensure that we are steadily progressing toward the District's long-term goals, while engaging District residents about their concerns and building the foundation for data-driven decision making long into the future.

*Better integrate the budget process with program analysis, performance management, and policy-making*

Another key goal for FY16 is to better integrate the budget process with program analysis, performance management, and policy-making. One of the first steps we took as part of the new administration was to move the staff of the Office of Budget and Finance to within the Office of the City Administrator. This change will help ensure that decisions about budget allocations are more closely tied to specific program goals and that budget allotments are more closely tied to agency performance. In the end, this will help us identify ways to allocate taxpayer dollars more effectively and to improve the efficiency and effectiveness of agency operations.

Another major budget goal we have for FY16 is to make the District's budget process more accessible, inclusive, and transparent to the public. As part of the FY16 budget formulation, we hosted three public budget engagement forums across the District. The feedback we received was very positive, and we will continue to closely engage the public each year before the budget is delivered to the Council. We are also committed to finding ways to improve how the public can access budget information in a user-friendly manner throughout the year.

*Implement innovative service delivery methods and create a culture of innovation across the District government*

Another important goal I have for the Office of the City Administrator is to help agencies implement innovative service delivery methods in order to improve the quality, responsiveness, and efficiency of government services.

One of the realities of government operations is that agencies often are so engaged in implementing their day-to-day responsibilities that they don't have the time or staff to consider new practices and procedures. Because of that, we often are not leveraging best practices from the private sector or other jurisdictions — with the result being that we aren't providing the most efficient or highest level of services to our residents.

To address this issue, OCA will establish an Office of Innovation that will focus exclusively on examining why and how the government is providing services and how we can provide those services more effectively and more efficiently. As part of this process, the Office of Innovation will closely partner with agencies to ensure that the solutions that are developed are realistic, implementable, and sustainable.

*Leverage public-private partnerships to revitalize and expand the District's infrastructure*

Like most states and cities, the District has billions of dollars in infrastructure needs, including schools, affordable housing, transportation systems, libraries, police stations, and fire stations. These critical investments are sometimes difficult to finance with existing resources, but the involvement of the private sector can bring creativity, efficiency, and capital to address this infrastructure challenge.

Public-private partnerships, or P3s, are an innovative procurement model that leverages private-sector expertise, shifts risk, and achieve life-cycle efficiencies on projects that have historically been procured by traditional contracting methods and operated and maintained by government entities. In our region, Virginia has procured several transportation projects through P3s, including the I-495 Beltway express lanes, and Maryland is expected to procure the Purple Line light rail project through a P3.

In order to develop P3 projects in the District, OCA will establish a new Office of Public-Private Partnerships, based on legislation that was introduced by Mayor Bowser and approved when she was a member of the Council. Resources for the office have been included in the FY16 budget and we are working to identify personnel to staff the office. I'm excited to see this important work begin and look forward to continuing to work with the Council on this innovative procurement method.

That concludes my testimony. Thank you for the opportunity to testify today. I look forward to working with you and the rest of the Council as the budget moves forward. I am available to answer any questions you may have.