

February 2009

VIA EMAIL and FAX

The Honorable Adrian Fenty
Mayor of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Dr. Natwar Gandhi
District of Columbia Chief Financial Officer
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

RE: Enhancing Budget Transparency

Dear Mayor Fenty, Chairman Gray, and Dr. Gandhi,

We, the undersigned organizations, believe that a *transparent* budget — one that provides accurate, clear, and timely budget information — is critical to promoting a healthy discussion of budget priorities, enabling the DC Council to perform its agency oversight functions, and empowering residents to hold public officials accountable for the delivery of public services.

We recognize that you also consider budget transparency to be important, and we thank you for steps taken over the past year to improve the budget process and promote budget transparency. The DC Council's efforts to post more budget information online — including questions posed by Council Committees to agencies in preparation for performance and budget oversight hearings, agency responses, and Committee budget reports — have been particularly helpful. Moreover, the Administration's start toward improvements to the performance measurement process of agencies will lead to greater transparency in budget and the budget process itself.

With the process for reviewing the FY 2009 performance of District agencies now upon us, and with the FY 2010 budget approaching, we are writing to propose additional changes in the District's budget development process and presentation that would promote greater transparency. We encourage the Mayor's office, the DC Council, and the Office of the Chief Financial Officer to collaborate on the following issues, while understanding that some of these suggestions may not be able to be implemented in the FY 2010 budget.

1. ***Make the budget process especially transparent in these difficult fiscal times.*** The national economic crisis has resulted in large revenue shortfalls that could significantly impact many programs and services. It is important that both the Council and Mayor

hold public forums and hearings on the budget to discuss the impact of budget choices on residents and to provide the public ample time for input into budget decisions. In addition, it is important that the Mayor and Council keep the public informed on the scope of DC's budget problems prior to the release of the Mayor's budget.

The DC Council should work to post committee budget reports online promptly. The Council should release its final budget proposal at least three business days prior to the final budget vote in May, and the proposal should include detailed explanations of major changes from those adopted at the committee level.

2. ***Expand budget information that is available online, including making "CFO Source" available to the public.*** Currently, the DC budget tables available online are limited to those in the published budget books, which are restricted in an effort to maintain a manageable size of the documents. Since this is not an issue affecting online publication, the CFO could develop new sets of online tables that provide greater budget detail. For example, online budget tables could provide information on spending in prior years that is at the line item level and identifies both the source of funds — federal vs. local — and the type of spending — such as personnel vs. non-personnel costs. These tables, along with all other budget documents, could also be made more transparent by making the documents easier to find, by including a linked table of contents for each volume, and to navigate by making the documents searchable.

In addition, CFO Source is a powerful online tool that provides far more detailed information on agency spending than is available from published budget documents. CFO source is not available to the public, however. The authority to make CFO Source available online could come from a Mayor's Order or from Council legislation.

3. ***Require each agency to hold a briefing for the public on the day of the release of the Mayor's proposed FY 2010 budget, or within a few days.*** Even with a transparent budget, residents are likely to have many questions about a new budget after it is released. To help residents understand the FY 2010 budget and to help them prepare for budget oversight hearings this spring, each agency should lead a public briefing on their agency's proposed FY 2010 budget. The briefings should occur after the release of the Mayor's budget but prior to the oversight hearings.
4. ***By FY 2011, switch to an organizational-based budget structure.*** The current performance-based budgeting structure of the DC budget was designed to improve performance and accountability of DC agencies. This structure often fails, however, to identify programs and services that DC residents and advocates care most about, such as DC's flagship Summer Youth Employment Program. This makes it difficult to assess the performance and accountability of these key programs and services.

By changing to an organizational-based budget structure, DC residents and advocates would not only be able to find the budgets of more key programs and services, but also information critical to help them to assess the performance and accountability of the programs themselves.

In closing, we strongly believe that these recommendations will significantly improve District budget transparency and accountability. District residents deserve access to transparent information about how the District government spends their tax dollars.

If you have any questions, please contact Jenny Reed, Policy Analyst, DC Fiscal Policy Institute (202-408-1080 or reed@dcfpi.org); or T.J. Sutcliffe, Director of Advocacy and Public Policy, The Arc of the District of Columbia (202-636-2963 or tjsutcliffe@arcdc.net). Thank you in advance for your consideration.

Submitted by:

Organizations:

21st Century School Fund
Bread for the City
Building Futures
Capital Area Asset Builders
Capital Area Food Bank
Center for Nonprofit Advancement
Children's Law Center
Coalition for Community Investment
Coalition for Smarter Growth
Committee of 100 on the Federal City
DC Action for Children
DC Alliance of Youth Advocates
DC Behavioral Health Association
DC Campaign to Prevent Teen Pregnancy
DC Catholic Conference
DC Coalition Against Domestic Violence
DC Employment Justice Center
DC Fiscal Policy Institute
DC Hunger Solutions
DC Jobs Council
DC Jobs with Justice
DC Primary Care Association
DC Statehood Green Party
DC Women's Agenda
District Alliance for Safe Housing, Inc.
Empower DC
Fair Budget Coalition
First Trinity Lutheran Church
Friends of the Earth
Foster & Adoptive Parent Advocacy Center
Healthy Families Thriving Communities Collaborative Council
Latino Economic Development Corporation
Legal Aid Society of the District of Columbia

MANNA, Inc.
Metropolitan Washington Council AFL-CIO
Quality Trust for Individuals with Disabilities
Sasha Bruce Youthwork, Inc.
SOME, Inc. (So Others Might Eat)
The Arc of the District of Columbia, Inc.
The Nonprofit Roundtable of Greater Washington
University Legal Services
Washington Legal Clinic for the Homeless
Wider Opportunities for Women

Individuals:

David Schwartzman, DC Statehood Green Party
Heather Powers, LGSW
Jenefer Ellington, DC Statehood Green Party
Mary Ann Luby, OP
Mary Levy
Mary McCall
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