

Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: NOV 30 2007

SUBJECT: Fiscal Impact Statement: "Required Sources of Supplies and Services Approval Resolution of 2007"

REFERENCE: Proposed Resolution 17-315 – Committee Print

Conclusion

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed resolution.

Background

The proposed resolution would amend Chapter 21 of Title 27 of the District of Columbia Municipal Regulations to approve proposed rules to establish a 1% sales discount fee on all sales, purchase orders, delivery orders, task orders, and purchase card transactions made under contracts awarded through the District of Columbia's multiple award schedule program, also known as the District of Columbia Supply Schedule.

Financial Plan Impact

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed resolution. The proposed resolution would adopt a rule for a sales discount fee that is already being implemented and that is already included in the Office of Contracting and Procurement (OCP) FY 2008 through FY 2011 budget and financial plan. D.C. Official Code § 2-311.03¹ established the statutory authority for OCP to charge this sales discount fee and also established the District of Columbia Supply Schedule Sales Discount and Operating Fund, a non-

¹ Effective November 13, 2003.

reverting fund² into which the fee is deposited and which is used to pay the costs of operating and maintaining the District of Columbia Supply Schedule.

² The fund is non-reverting except as provided as follows in D.C. Official Code § 2-311.03(d), "...any money deposited in the Fund in the year prior to the current year and the interest earned on that money remaining in the Fund after the payment of the costs accrued in the prior year, less 10% of the remainder amount that shall be retained as a reserve operating balance, shall be transferred or revert to the General Fund of the District of Columbia."