

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



Natwar M. Gandhi
Chief Financial Officer

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

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: June 3, 2008

SUBJECT: Fiscal Impact Statement: "Access to Youth Employment Programs Amendment Act of 2008" Committee Print, May 22, 2008

REFERENCE: Bill Number 17-442

Conclusion

Funds are sufficient in the FY 2009 to FY 2012 budget and financial plan to implement the proposed legislation. The proposed legislation limits the administrative and vendor costs for this program to 10 percent of the total funding each, but does not change the overall funding requirements.

Background

The proposed legislation amends the D.C. code that governs the programs for employment and training of the District's resident youth (§ 32-241), by limiting the administrative expenditures to 10 percent of the total funds allocated to these programs and the vendor costs to 10 percent of the total funds allocated to these programs. Additionally, the proposed legislation requires in-school jobs to be at least 10 hours per week, and allows consideration of students who do not fall in the priority categories.

Financial Plan Impact

Funds are sufficient to implement the proposed legislation. The proposed legislation requires that each of the administrative expenditures and the vendor costs does not exceed 10 percent of the total funds allocated to Youth Services Programs in the District. This amendment affects not the total funds, but the allocation of the funds.

The administrative costs of running the Youth Services Programs have equaled 6.08 percent of the total funding for these programs in FY 2008, so the agency is already in compliance with the proposed cap. However, the vendor costs have run over 30 percent (38 percent in FY 2007 and 33 percent in FY 2006.)¹ In order to comply with the amendment, the Office of Contracting and Procurement for this agency must keep track of costs of vendors used to support program administration and make sure that vendor costs related to program administration stay under the proposed cap.

¹ Vendor costs are both for administration and for actual service delivery. The agency was not able to provide a break-down of these costs.