

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: May 4, 2009

SUBJECT: Fiscal Impact Statement – “Children and Youth Initiative
Establishment Emergency Amendment Act of 2009”

REFERENCE: Draft- No Bill Number

Conclusion

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend the Children and Youth Initiative Establishment Act of 1999 (“Act”)¹ to require the Mayor to submit to the Council for approval any grants in excess of \$1 million, as well as detailed quarterly status reports for such approved grants. These are grants that would not otherwise be allocated by the Council for the single non-service provider, non-profit organization specified under the Act.

Currently under the Act, the Mayor² is authorized to make grants to a single non-service-provider non-profit organization, of which at least 90 percent is to be used to make sub-grants for the purpose of providing services. The sub-grantees are to provide early childhood development opportunities, safe and enriching centers of learning in and out of school, and other training, recreational and educational services, to District children, youth and their families. The D.C.

¹ Effective October 20, 1999 (D.C. Law 13-38; D. C. Official Code § 2-1551 *et seq.*)

² Please note that by Mayor’s Order 2008-58, dated March 31, 2008, the Mayor delegated this authority to the Directors of the Child and Family Services Agency, the Department of Youth Rehabilitation Services, and the Department of Mental Health.

Children and Youth Investment Trust Corporation (CYITC) currently serves as this single non-service-provider non-profit organization.³

Under the proposed legislation, the Mayor,⁴ in accordance with Section 451 of the District of Columbia Home Rule Act,⁵ would have to submit to the Council for approval any grant in excess of \$1 million *that otherwise would not be allocated to this single non-service, non-profit organization by the Council.*⁶ This is an important clarification as this legislation is not intended to apply to funds annually approved for CYITC through the Budget Request Act. Instead, it is intended to apply to those grants in excess of \$1 million that are made outside of this process, i.e., that are made directly to CYITC by the Mayor or agencies that have been delegated such authority.⁷

The Mayor would also be required to submit a detailed quarterly report⁸ for such approved grants to the Council.⁹

Financial Plan Impact

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. Requiring Council approval for grants over \$1 million would not have any fiscal impact. In addition, since the grantee and sub-grantees are already subject to reporting requirements¹⁰, it is assumed that the costs associated with submitting the quarterly reports would be minimal and could be absorbed within the current budget.

³ In fact, CYITC was incorporated in June 1999 to serve as this single non-service provider, non-profit organization and thus receive funding designated under the Act. It continues to serve as this provider to date. The goal of CYITC is to create a sustainable network of effective programs for children, youth, and families across the District that encourages their healthy development through support for quality out-of-school time programs and opportunities. CYITC leverages public and private funds which are disbursed through grants to community organizations in the District that provide direct services to children, youth and their families.

⁴ Or those individuals delegated such authority.

⁵ Approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51). It states that "No contract involving expenditures in excess of \$1,000,000 during a 12-month period may be made unless the Mayor submits the contract to the Council for its approval and the Council approves the contract (in accordance with criteria established by act of the Council)."

⁶ Such funds are given to the Children and Youth Investment Collaborative, whose mission is to provide funds to CYITC.

⁷ To date, the only known case involves the Department of Youth Rehabilitation Services entering into a grant agreement on November 21, 2008 to award a total of \$6,750,000 during Fiscal Years 2009 and 2010 to CYITC for them to sub-grant to two community-based organizations to create Lead Entities. The agreement further specifies that an additional \$14.3 million in grant funding will be awarded to the Lead Entities in Years 2-5.

⁸ This report is to contain: detailed grantee data; performance measures and performance outcomes under each grant; the specific services provided to children and youth under each grant; the entity providing the services, if one other than the grantee; the time period of delivery of the services; the type of service provided; the actual amount paid for the services; and the amount of other expenditures under the grant, if any.

⁹ It would be at the Mayor's discretion whether to retain the responsibility for writing these reports or delegating it to the agencies or CYITC.

¹⁰ See FY 2000 Budget Support Act of 1999, Title XXIV, Section 2404 (2)(E).