

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: February 23, 2012

SUBJECT: Fiscal Impact Statement – “Workforce Intermediary Task Force
Recommendations Approval Resolution of 2012”

REFERENCE: Draft Resolution – shared with OCFO on February 13, 2012

Conclusion

Funds are sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the provisions of the resolution.

Background

The “Workforce Intermediary Task Force Establishment Temporary Act of 2011”¹ directed the Mayor to establish a Task Force to study the best practices of workforce intermediary programs in other cities. The resolution required the Task Force to report to the Mayor and the Council by January 15, 2012, with recommendations on how the District should implement a Workforce Intermediary program. The proposed resolution approves the Task Force’s recommendations.

Financial Plan Impact

Funds are sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the provisions of the resolution.

The “Workforce intermediary Establishment and Reform of First Source Amendment Act of 2011”² provided for a local appropriation of \$50,000 in start-up funding for the Workforce Intermediary pilot program. It also established the Jobs Trust Fund into which any revenue from fines paid for

¹ Effective December 2, 2011 (D.C. Law 19-55; 58 DCR 8962).

² Enacted December 21, 2011 (D.C. Act 19-244; 58 DCR 11170).

The Honorable Kwame R. Brown

FIS: "Workforce Intermediary Task Force Recommendations Approval Resolution of 2012," Draft Resolution, shared with OCFO on February 13, 2012

violation of First Source and any contributions received for the Workforce Intermediary Program will be deposited. Funds in the Jobs Trust Fund, which is administered by the Deputy Mayor for Planning and Economic Development, are to be used exclusively to pay for operation of the Workforce Intermediary pilot program, up to an approved budget of \$2 million.³

The proposed resolution would merely approve the Task Force's recommendations, which must be implemented within the available budget. The recommendations suggest a Workforce Intermediary pilot program consisting of two phases:⁴

- In Phase 1 (April – September 2012), the District's investment of \$50,000 would be used to hire the project manager/director to develop the program.
- In Phase 2 (October 2012 – September 2013), the District would pursue a mix of funding to expand staff capacity and begin to deliver services to businesses and workers in two target industries over the nine-month pilot program.

Phase 2, for which the Task Force estimated a budget of \$1,600,000, would be implemented only as funds become available.

³ At the time of this analysis, there is no projected revenue from fines or other sources for the Jobs Trust Fund, and the CFO has not certified any revenue in this Fund. Therefore no revenue is currently available from this source.

⁴ Workforce Intermediary Task Force, "Recommendations & Next Steps for Developing a Workforce Intermediary in the District of Columbia," February 1, 2012, p. 7.