

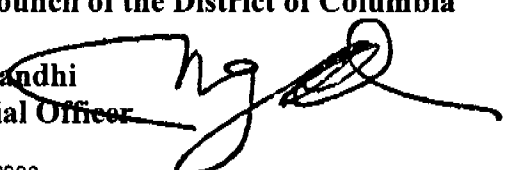
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: MAY 31 2006

SUBJECT: Fiscal Impact Statement: "University of the District of
Columbia Non-Union Career Service Employees
Compensation System Changes Approval Resolution of 2006"

REFERENCE: Draft Approval Resolution – No Number Available

Conclusion

Funds are sufficient in the FY 2006 budget and the FY 2007 through FY 2010 budget and financial plan to implement the provisions of the proposed approval resolution and the related compensation agreement. No additional resources will be required to implement the proposed compensation agreement.

Background

The proposed legislation would approve a 3.5 percent Cost of Living Adjustment (COLA) approved by the Board of Trustees of the University of the District of Columbia (UDC). The compensation increases would affect 88 non-union career¹ service employees at UDC with an aggregate salary of \$3.7 million. An increase of 3.5 percent to base wages retroactive to July 1, 2005 will be reflected in the proposed salary schedule.

¹ District payroll systems further classify this UDC population into District Service and Wage Service categories.

Financial Plan Impact

Funds are sufficient in the FY 2006 budget and the proposed FY 2004 through FY 2007 budget and financial plan to implement the provisions of the proposed resolution. The total cost of the pay agreement in FY 2006 for the population identified as District Service employees is \$160,500. The table in Figure 1 presents the local personnel services costs² associated with implementing the proposed compensation agreement.

Figure 1.

Expenditure Impact to the Financial Plan					
(\$ in 000s)					
FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	5 -Year Total
\$160.5	\$132.9	\$137.6	\$142.4	\$147.4	\$720.8

² Figures include salary and benefits.