


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: November 23, 2010

SUBJECT: Fiscal Impact Statement – “Antifraud Fund Emergency Amendment Act of 2010”

REFERENCE: Draft Legislation—No Bill Number Available

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend the District of Columbia Procurement Practices Act of 1985¹ to redefine the Antifraud Fund (“Fund”) from a proprietary fund with assets not to exceed \$2 million at any time to a non-lapsing fund with assets not to exceed \$4 million at the end of any fiscal year; clarify that in addition to criminal fines, civil penalties, and damages collected in cases, costs (including attorney’s fees) also would be deposited into the Fund; and specify that disbursements made from the Fund to the Office of the Attorney General (OAG)² would supplement and not supplant the OAG’s appropriated operating budget.

The current characterization of the Fund as a proprietary fund does not reflect the practice; it actually operates as a non-lapsing fund.

¹ Effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301 et seq.) as amended by Procurement Reform Amendment Act of 1998, effective May 8, 1998 (D.C. Law 12-104; D.C. Official Code § 2-308.20).

² Or another appropriate agency.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation. Changing the Antifraud Fund into a non-lapsing fund would not have any effect on the budget and financial plan since this is how the Fund already operates. Increasing the limit in the Fund to \$4 million could result in less fund balance being transferred to the General Fund at the end of the fiscal year; however, this would not have been the case in FY 2008 when the end of year fund balance was \$911,269 or in FY 2009 when the end of year fund balance was \$598,677.