

FY 2016 Pre-Hearing Budget Oversight Questions
District Department of the Environment

1. DDOE's proposed FY 2016 budget includes an increase of 10.6 FTEs under Activity 1060 (Legal). The narrative of the agency's budget chapter indicates that the budget includes a transfer of 3.0 FTEs from OAG to DDOE's federal grant payroll and a transfer of 4.2 FTEs from OAG to DDOE's special purpose revenue fund payroll.

- Please identify how the remaining 3.4 new FTEs will be funded.
- Will these 3.4 FTEs be new hires, or are they also transfers of funding for current FTEs previously employed through OAG?
- In FY 2013, FY 2014, and FY 2015, how many FTEs did DDOE employ through OAG?

The remaining Legal FTEs are funded through the local and intra-district budgets, and are not new hires. All 10.6 FTEs are transfers from OAG. In FY 2013, FY 2014 and FY 2015 the Department funded these same 10.6 positions through an MOU with the Office of the Attorney General.

2. Please also explain the FTEs being added to the Information Technology and Performance Management activities, and the Policy and Sustainability and Green Economy divisions.

The FY2016 budget includes one new position within the Information Technology Division for a GIS Analyst to manage and coordinate geographical information systems data for the entire agency. The FY2016 budget also includes an additional 2.7 FTEs in Policy and Sustainability, as part of a Green Building MOU with DCRA. Finally, the budget includes 3.0 new FTE positions in the Green Jobs and Youth Programs Division, which represents 3 summer program employees working on the Department's Green Zone Employment Program (which is a part of the District's Summer Youth Employment Program), as part of an MOU with DOES.

3. Please explain the \$8.112 million increase in CSG 11 (Regular Pay – Continuing Full Time), and the \$5.729 million decrease in CSG 12 (Regular Pay – Other).

The increase in CSG11 and corresponding decrease in CSG12 can be attributed to conversions of employees from Term positions to permanent positions. The District's Collective Bargaining Agreement requires agencies to regularly review term appointments for Compensation Units 1 and 2 and take appropriate action to ensure compliance with the District Personnel Manual. This agreement covers employees who perform permanent functions but have a term appointment and have been in a term position for more than four years. By December 2014, the Department converted 126 career service employees from term appointments to permanent positions.

4. DDOE's budget chapter narrative identifies an increase of \$207,511 in Subsidies and Transfers from special purpose funds to allow the agency to provide additional grants within the Storm Water Permit program. Please describe the grants that this additional funding will support.

The increase in Subsidies and Transfers in the special purpose revenue budget is largely due to anticipated storm water funded grants that include green infrastructure installation and maintenance training for District residents, as well as to provide enhanced access and

environmental education opportunities through on-the-water experiences. For example, grants from this fund allow non-profit organizations to provide boat tours on the Anacostia River.

5. Within the Natural Resources Division, DDOE's proposed FY 2016 budget reduces funding in the Storm Water Administration Activity by \$1.666 million, but increases the Watershed Protection Activity by \$1.746 million and the Water Quality Activity by \$655,000. Please explain this shift.
- How will this shift within Natural Resources impact program operations?
 - How will the shift impact the level of services available to District residents from these programs?

The Stormwater, Water Quality, and Watershed Protection Divisions have closely related functions and this shift reflects redistribution of the budget between the Stormwater and Watershed Protection Administrations to more closely align with the program staff that manages projects and initiatives. For example, the majority of grants issued with special purpose revenue are managed within the Watershed Protection Activity, so a significant portion of the grant budget was moved to this activity from the Stormwater Administration. However, the types and size of the grants program will not change substantially, beyond the additional grants programs detailed in the response to Question 4.

The Water Quality Activity has increased to cover new initiatives that will more accurately evaluate the causes and sources of stormwater pollution.

These shifts will not impact the level of services provided by these programs.

6. DDOE's proposed FY 2016 budget includes an increase of \$2.197 million and 3.0 FTEs in projected federal grant awards. Please explain the grants expected to increase and/or any new grants expected to be awarded. How likely are these projected grant award increases to occur?

The federal grant increase of \$2.197M reflects anticipated increased awards from the federal government while also including expected carry-over amounts and increases for some recurring grants. District accounting practices now attribute the source of the funds to the originating source instead of the issuing source. Therefore, the National Fish and Wildlife Foundation - a private foundation that distributes federally sourced money - has been shifted from "Private Grants" to "Federal Grants".

Grants include: \$500,000 from the National Fish and Wildlife Foundation for green infrastructure at Carter Barron; \$19,000 from the Clean Vessel Pump-Out program; and \$347,000 from Centers for Disease Control for lead poisoning prevention. This reflects a resumption of this CDC grant, which has been resumed at a lower level than prior years.

The remainder of the grant increase is captured by prior-year carryover, incremental increases to existing grants, and \$145,000 in additional FEMA grant funding for floodplain risk management.

The LIHEAP proposed FY 16 federal grant is budgeted at \$10.4M. The Department anticipated an FY 15 anticipated an award of only \$10M; however, the actual award was \$10.4M so the actual award remains unchanged in FY 16.

7. The Mayor's FY 2016 proposed budget decreases the budget for LIHEAP by \$1.485 million. Please provide the amounts of federal, local, and O-type funds (including fund number) allocated to LIHEAP benefits each year over the last 3 years, as well as the number of LIHEAP participants served each year. Please also provide an estimate of the number of LIHEAP participants that DDOE will be able to serve in FY 2016 if the proposed FY 2016 LIHEAP decrease is not made up through other funding sources.

Although the Mayor's proposed budget shows a decrease in the Local budget figures for LIHEAP, the Mayor also included a provision in the Budget Support Act (Title VI, Subtitle F) that would allow SETF funds to be used in FY 16 for LIHEAP purposes in order to offset the Local reduction. This intended offset occurred late in the budget development process and as a result was not reflected in the budget figures; however, the intention is made clear in the budget narrative.

Please note that while the proposed budget reduces local funds for LIHEAP by \$1.485 million, the overall local reduction from local, EATF, and federal sources LIHEAP is only \$1.1 million or 8.2%, due to an increase in the federal award of \$400,000. The "FY16 Budget Support Act of 2015" (Title VI, Subtitle F) includes a provision to use SETF Fund Balance to supplement the LIHEAP budget on, a one time basis, to avoid any impact to the number of LIHEAP customers served.

Please see also Attachment 1 – LIHEAP Program

8. Please identify the funding allocated in the Mayor's proposed FY 2016 budget toward the completion of DDOE's Inspection, Compliance, and Enforcement database.

Please see the Budget Book, volume 6, Appendix D, page D-15. Project No. K2015C.

Included as Attachment 2 – Capital Page D-15

The implementing agency is OCTO while the Department remains the owning agency.

9. There was a cut of \$110,000 of gross funds (Local funds and Federal grant) from Contractual Services comptroller group object (CSG 41) under the Lead and Healthy Housing activity, which zeroes out FY 2016 contractual services for this activity. However there is a \$136,193 (104 percent) increase of federal funds under subsidies and transfers CSG (50) under the same activity.
 - Will the increased budget for Subsidies and Transfers CSG 50, which often supports District grants, now be supporting the services/functions previously provided by contractual services CSG 41?

- A. If so, please explain how the change in the funding source is expected to impact the Lead and Healthy Housing activity?

OR

- B. If not, please explain how the elimination of contractual services is expected to impact the Lead and Healthy Housing activity? And what services/purpose will the increase in subsidies and transfer support under this activity?

The \$110,000 reduction in Activity 3090 CSG 41 represented expiration of one-time, Fiscal Year 15 funding of \$100,000 to hire a consultant to help draft mold licensure regulations, as well as a program funded contribution of \$10,000 in support of the development of the ICE enforcement database before capital funds were made available by the Committee. The zeroing out of the CSG 41 funds in the Fiscal Year 16 budget has no negative impact on Lead and Healthy Housing Division activities.

The increase in Activity 3090 of federal (CDC) funds in CSG 50 reflects sub-grants to partner organizations that will work on specific deliverables required pursuant to the Department's CDC grant, in close collaboration with the Department. This includes a sub-grant to an organization exclusively serving the District's Amharic-speaking community, another to a specialized, pediatric-focused organization that will conduct outreach activities to health care providers and facilities to ensure they understand and are in compliance with the District's lead screening and reporting regulations, and a third to a community-based organization that will coordinate and staff a series of lead-related community outreach and child screening events.

10. In what appears to be a similar action, there was a \$130,000 (28.9 percent) cut in gross funds (Local and Intra-District funds) from Subsidies and Transfers CSG 50 from the Policy and Sustainability program. However, there was a \$650,000 increase in federal funds associated with Contractual Services CSG 41 under the same program.

- Will the larger budget for Contractual Services CSG 41 be supporting (at least partially) the services/functions that were previously supported from the now reduced Subsidies and Transfers CSG 50 budget?

- A. If so, please explain how the change in the funding source is expected to impact the Policy and Sustainability program?

OR

- B. If not, please explain how the reduction of subsidies and transfers is expected to impact the Policy and Sustainability program? And what services/purpose will the increase in contractual services now support under this program?

The reduction in subsidies and transfers is due to the removal of FY 2015 one-time funding of \$50,000 to support recycling education in public housing, and an \$80,000 reduction in the Green Building Fund Grant program.

The increase is mainly attributable to President Obama's proposal to provide \$750,000 to the District of Columbia for Climate Resiliency Research. The additional federal funds would be dedicated to climate change resiliency research. The federal funds will be solely for increased research and development of climate adaptation strategies. The reduction in local funds in FY16, the Office of Policy and Sustainability (now the Urban Sustainability Administration) will shift costs to the Green Building Fund for program staff and program costs.

11. The Energy Affordability activity received a \$300,000 cut in SPR funds (Energy Assistance Trust Fund) to the Subsidies and Transfers comptroller source group (CSG 50), which zeroes out FY 16 funding for subsidies and transfers for this program.

- How is this elimination of funding is expected to impact the operations of the Energy Affordability activity?
- How will this elimination of funding impact any activity functions, currently being provided by grantees that are supported by CSG 50 funds?
- Also, how is the elimination expected to impact the level of services provided to District residents who participate in this program?

The Clean and Affordable Energy Act of 2008 (“CAEA”) created the Energy Assistance Trust Fund (“EATF”) and transferred the responsibilities of the Public Service Commission of the District of Columbia (“Commission”) regarding the programs supported by the Energy Assistance Trust Fund to the Mayor, including the Residential Aid Discount (“RAD”) Program and the Residential Essential Service (“RES”) Program.

On May 19, 2010, the Council enacted the Residential Aid Discount Subsidy Stabilization Amendment Act of 2010, which amended the CAEA and returned jurisdiction and responsibility over the RAD Program to the Commission (Order No. 15986). On July 14, 2014, the Council of the District of Columbia enacted the Fiscal Year 2015 Budget Support Emergency Act of 2014 which further amended the CAEA and returned jurisdiction and responsibility of the RES under the EATF to the Commission (Order No. 17624).

The reduction in funds of \$300,000 in the EATF reflects this transfer of responsibility back to the Commission for the RES and will not impact the operations of the Energy Affordability activities or the level of services provided to District residents who participate in the program. There are no grantees supported by these funds. This funding source was not relied upon in FY 2015.

12. The Energy Assistance Benefit Payments activity was reduced by \$1.1M (8.2 percent) under Subsidies and Transfers CSG 50.

- How is this reduction expected to impact the operations of the Energy Assistance Benefit Payments activity?
- How will this reduction of funding impact any activity functions, currently being provided by grantees that are supported by CSG 50 funds?
- And how is this reduction expected to impact the level of services provided to District residents who participate in this program?

Please see also Question 7 above.

The proposed FY16 budget includes a provision for the LIHEAP budget decrease to be replaced by funds from the Sustainable Energy Trust Fund, so there will not be an impact to the number of LIHEAP participants served should this occur.

13. The Storm Water Administration activity was reduced by \$394,593 (6 percent) under Subsidies and Transfers CSG 50.

- How is this reduction expected to impact the operations of the Storm Water Administration activity?
- How will this elimination of funding impact any activity functions, currently being provided by grantees that are supported by CSG 50 funds?
- And how is this reduction expected to impact the level of services provided to District residents who participate in this program?

This reduction will not impact the operations of the Stormwater Administration. As stated in the response to Question 5 above, this shift largely reflects redistribution of budget between the Stormwater and Watershed Protection Administrations to more closely align with the program staff who manage initiatives, and it will not have an impact on program operations. For example, the majority of grants issued with special purpose revenue are managed within the Watershed Protection, so a significant portion of the grant budget was moved to this activity from the Stormwater Administration. However, the types and size of the grants program will not change substantially, beyond the additional grants programs detailed in the response to Question 4 above.

The overall level of CSG 50 funding utilizing stormwater revenue has increased. Any perceived reductions within an activity are due to a redistribution of funds between activities and will not impact grantees.

As stated above, there is not a reduction in CSG 50 funding or an impact to the level of services provided to District residents.

14. The Toxic Substances activity was reduced by \$244,411 (19.1 percent) under Contractual Services CSG 41.

- How is this reduction is expected to impact the operations of the Toxic Substances activity?
- How will this reduction of funding impact any activity functions, currently being provided by contractors that are supported by CSG 41 funds?
- And how is this reduction expected to impact the level of services provided to the District under this program?

The \$244,411 reduction will not have an impact on the operations or services being provided by Contractors under CSG41. This reduction is a relocation of funding from CSG 41 to Personal Services funding for legal support as a result of the Department acquiring attorneys permanently from OAG.