

## **Racial Equity**

1. Describe any programs or policies where the Office has had success in building racial equity during Fiscal Year 2024 and Fiscal Year 2025 to date.

### **RESPONSE:**

The Office of Tax and Revenue (OTR) has engaged in significant outreach and education initiatives over the past fiscal year. Most notably, OTR's Communications Office and the Office of the Taxpayer Advocate collaborated with media personality and community activist EZ Street to host a workshop for returning citizens. The workshop is designed to educate formerly incarcerated residents on the necessary tools needed to pursue entrepreneurship. OTR, with the support of DLCP, has been instrumental in informing returning citizens about how to register a business, acquire a Certificate of Clean Hands, obtain a business license, and understand the different tax types to ensure future tax compliance.

Additionally, the Office of the Taxpayer Advocate and the Office of Communications led the efforts of implementing OTR's Plain Language Policy. This policy translates notices and other communications into clearer language, making it easier for District taxpayers from diverse educational and cultural backgrounds to understand.

2. In the context of the Office and its mission, describe three areas, programs, or initiatives where the Office has the greatest opportunity to address racial inequity.

### **RESPONSE:**

#### **OFFICE OF TAX & REVENUE (OTR)**

In alignment with its mission to collect the proper amount of tax due and accurately account for all revenues, while minimizing the burden on taxpayers and the cost to the government, the Office of Tax and Revenue (OTR) has identified key areas where it can make strides toward addressing racial inequity:

##### **Enhancing Community Outreach and Education:**

Focusing outreach efforts on communities that have historically been underserved or marginalized can help address systemic inequities. By providing accessible, relevant, and easy-to-understand tax information, OTR works to empower individuals with knowledge about their rights and available tax benefits. Outreach programs not only help close knowledge gaps but also create opportunities to connect residents with free tax filing assistance, financial planning resources, and dispute resolution services—resources that may otherwise be unknown or difficult to access.

##### **Expanding Communication Channels and Accessibility:**

Developing an inclusive, user-friendly digital presence that offers easy access to tax information, filing tools, and live support is critical. Directing taxpayers to their preferred channels, whether digital, in-person, or self-service—ensures a more equitable and responsive customer experience. Additionally, a feedback system enables OTR to better understand

taxpayer needs and improve communication strategies, ensuring they are effective and equitable across all communities.

### **Simplifying Processes to Reduce Administrative Barriers:**

Streamlining tax filing procedures for low-income taxpayers, seniors, and historically disadvantaged groups helps reduce the burden of compliance. By making processes simpler and more transparent, OTR improves access to tax relief programs and encourages voluntary compliance, allowing all District taxpayers to fully benefit from available resources.

OTR remains dedicated to administering the District's tax system in a fair, transparent, and equitable manner that serves all taxpayers effectively.

## **OFFICE OF FINANCE & TREASURY (OFT)**

### **529 Plans:**

OCFO is the fiduciary for the District's College Savings Plan ("529 Plan") and Achieving a Better Life Experience ("529A Plan or ABLE Plan"). The College Savings Plan is a convenient, flexible, and tax-advantaged way for Plan participants to invest for a child's education expenses. Through the ABLE Plan, residents with disabilities can accumulate savings to pay for qualified disability expenses with tax-free distributions.

OCFO partners with the District's 529 and 529A Plan administrator, Ascensus, and provides Plan participants with access to financial planning and investment resources. Fiduciary oversight, financial literacy, and a robust platform of investment options offered by OCFO and Ascensus give participants the opportunity to build savings within the context of their broader life goals.

### **Financial Literacy:**

OFT actively participates in the Financial Literacy Council. OFT advises the Council on strategies to promote financial literacy and consults with District residents on retirement planning and saving for education expenses, including college. The full Council meets quarterly. The Associate Treasurer for Asset Management not only supports the full Council but also serves on the Residents Committee. This Committee meets monthly to plan outreach activities to provide train and familiarize attendees with concepts such as the power of compound interest, the importance of saving, how to save, etc.

### **Banking Partners:**

Wells Fargo Bank, N.A. has committed to be the "Bank of Doing" and is dedicated to developing solutions to increase the availability of affordable housing while helping families achieve their dream of homeownership and opportunities of building wealth. Grants totaling \$500,000 were distributed to Washington DC non-profits as part of a broader effort to address systemic housing challenges. The Department of Housing and Urban Development identifies homeownership as a primary source of building generational wealth. In addition, Wells Fargo provided a \$150,000 grant to the DC Community Anchor Partnership to increase procurement opportunities for D.C based minority-owned businesses.

Our other banking partner Citibank is also heavily involved in working towards an affordable housing solution. Citibank financed the 398-unit affordable, multi-family Skyline Apartments project. Citi also provided a \$90 million permanent take-out loan and investment in 49% of the Low-Income Housing Tax Credit proceeds. Once complete, Horton's Kids will provide on-site tutoring, mentoring, counseling, after-school meals and college and career preparation for Skyline residents.

3. What barriers does your Office face when trying to: (1) make progress toward racial equity or (2) better understand racial inequity within the agency's context and operations (if any)? How does your Office's spending address existing racial inequities (grant disbursement, procurement/contracting, etc.)?

**RESPONSE:**

One of the barriers OTR faces when working toward racial equity is ensuring that all residents, particularly those in underserved and underrepresented communities, have access to critical information about tax filing and credits, such as the DC Earned Income Tax Credit (EITC). Although our office strives to communicate broadly, reaching residents who may not regularly engage with traditional government communication channels can be challenging.

To address this, the agency is building partnerships with urban radio stations that serve diverse communities. These partnerships allow the agency to amplify messaging and connect directly with residents in a way that resonates culturally and contextually. Additional collaboration with local civic and non-profit organizations, ANCs across all Wards, and other DC government agencies such as the North Woodridge Citizens, Bloomingdale Civic Association, AARP, National Taxpayers Union Foundation, DISB, DMPED, and DLCP to name a few, expands our reach. Leveraging their trusted relationships within the community helps to ensure that vital tax information and resources are accessible to all.

By strengthening these partnerships and exploring new ways to engage residents, we aim to break down barriers to equitable access and ensure everyone can benefit from available tax credits and services.

In addition, when taxpayers who are limited or non-English proficient (LEP/NEP) contact OTR, we adhere to the Language Access Program. This program supports OTR in providing translation and interpretation services as needed, including document translation and interpretation services via the telephone in our call centers and walk-in center. The Office of Human Rights has provided training for the OTR staff.

When taxpayers who are deaf or hard of hearing visit the Walk-In Center for assistance, our staff utilize the UbiDuo device, a wireless electronic device which allows team members and taxpayers to communicate by typing messages. OTR also partners with the Mayor's Office of Deaf, Deafblind and Hard of Hearing and the Office of Disability Rights for guidance and assistance when needed.

4. Please provide data on the racial diversity among leadership and at all staff grade levels. How does retention differ by race across levels? How does pay differ by race within levels?

**RESPONSE:**

The ethnic composition of the executive leadership of the OCFO is as follows:

<b>Ethnicity</b>	<b>Number</b>
African American	7
Caucasian	4
Asian/Pacific Islander	3

As race is not a mandatory identifier in PeopleSoft, we are unable to provide the ethnic composition by grade for all staff.

**General Questions**

5. Please provide a current organizational chart of the Office, including the number of vacant, frozen, and filled full-time equivalents (“FTEs”) in each division or subdivision, as well as the names and titles of all senior personnel. Please include the date when the information was collected. Additionally, please provide the following:

**RESPONSE:** Please refer to Attachments 5a and 5b

- a. An explanation of the roles and responsibilities of each division and subdivision, including specific programs and projects administered by each division. Please also explain the administrative organization within each division and provide the number of personnel allocated to each division; and

**RESPONSE:** Please refer to Attachment 5a

- b. A narrative explanation of any changes made during the previous year.

**RESPONSE:** There are no significant changes to the report.

6. Please provide a current Schedule A for the Office, which identifies all employees by title/position, current salary, fringe benefits, and program. This Schedule A should also indicate whether the positions are continuing/term/temporary/contract and whether they are vacant or frozen positions.

**RESPONSE:** Please refer to Attachment 6 – Schedule A.

- a. For each vacant position, please state how long the position has been vacant, and provide the status of the Office’s efforts to fill the position, as well as the position number, the title, the program number, the activity number, the grade, the salary, and the fringe associated with each position. Please also indicate whether the position must

be filled to comply with federal or local law, and whether there are impediments to the Office's ability to fill those vacancies.

**RESPONSE:**

The vacancies shown are in various stages of the recruitment process and are part of the overall staffing plan that has been approved to fulfill the agency's mission. In some cases, temporary or term employees have been used to meet resource needs when positions are vacant. There is no legal requirement to fill any specific vacant position.

- b. For each filled position, please provide the employee's length of service with the Office. Please provide any available information on turnover rates and/or trends identified by the Office.

**RESPONSE:**

Please refer to **Attachment 6** for the OCFO Agency AT0 Schedule A. The column "Hire Date" indicates the date the employee was first hired by the District government. In most cases this will be the date the employee joined the OCFO. The OCFO regularly reviews staffing levels and PS spending to ensure that agency spending remains within the approved budget. Current PS spending projections exceed budget. As a result, the agency has instituted a partial hiring freeze with waivers considered for certain critical positions. The freeze will remain in effect for as long as necessary. The run date for this year's report is January 21, 2025.

7. Please list all employees detailed to or from the Office, if any. For each employee identified, please provide the name of the agency from/to which the employee is detailed, the reason for the detail, the date of the detail, and the employee's projected date of return.

**RESPONSE:**

There are no employees detailed to or from other agencies.

8. Did the Office conduct annual performance evaluations of its employees in FY24 or FY25, to date? Who conducted the evaluations? What are the performance measures by which employees are evaluated? What steps are taken to ensure that all employees are meeting individual job requirements? What steps are taken when an employee does not meet individual job requirements?

**RESPONSE:**

Yes, the office conducted annual performance evaluations for its employees in FY24. The evaluations are conducted by the employee's direct supervisor or manager, who is most familiar with the employee's job performance and contributions. Employees are evaluated based on a set of key performance measures, which include their work outcome, goals and Smarter competencies. To ensure employees meet individual job requirements, regular check-

ins and feedback sessions are conducted throughout the year. Managers work closely with employees to monitor progress on goals and provide feedback where needed. Additionally, Individual Development Plans (IDPs) are created for employees who may benefit from further development, while Individual Performance Plans (IPPs) are used to track and support specific performance targets. Both plans help to address any gaps and provide structured pathways for growth. If an employee does not meet individual job requirements, a performance improvement plan (PIP) is implemented. If after reasonable efforts, the employee does not show improvement, further steps are considered, in accordance with agency policies and procedures.

9. What is the Office's current remote work policy?

**RESPONSE:**

Please note that a significant percentage of OCFO staff are currently displaced from their work facilities due to DGS mandated office refresh projects. These disruptions require the affected employees to work remotely 100 percent of the time. Generally speaking, however, the OCFO permits hybrid work schedules for most of its employees. Depending upon their assignments and respective responsibilities, most OCFO employees are in-office an average of two to three times per week, with a minimum in office requirement of no less than 1 in-office day per pay period. The OCFO plans to review and update its current remote work policy, as appropriate, to remain competitive in the current employment market and ensure that it properly supports the agency's strategic priorities.

10. Please complete the following chart about the residency of **new hires** in FY 24, and FY 25, to date:

<i><b>Position Type</b></i>	<i><b>Total Number</b></i>	<i><b>Number of District Residents</b></i>
Continuing		
Term		
Temporary		
Contract		

**FY24**

<i><b>Position Type</b></i>	<i><b>Total Number</b></i>	<i><b>Number of District Residents</b></i>
Continuing	114	18
Term	3	0
Temporary	2	1
Contract	N/A	N/A

## FY25

<i>Position Type</i>	<i>Total Number</i>	<i>Number of District Residents</i>
Continuing	25	1
Term	2	0
Temporary	1	0
Contract	N/A	N/A

11. Please provide the Committee with the following:

- a. A list of all employees who received or retained cellphones, personal digital assistants, or similar communications devices at Office expense in Fiscal Year 2024 and Fiscal Year 2025, to date;

**RESPONSE:** Please refer to Attachment 11a-Cellphones.

- b. A list of all vehicles owned, leased, or otherwise used by the Office and to whom the vehicle is assigned, as well as a description of all vehicle accidents involving the Office's vehicles in Fiscal Year 2024 and Fiscal Year 2025, to date;

**RESPONSE:** Please refer to Attachment 11b – FY24-FY25 OCFO Vehicles

- c. A list of travel expenses, arranged by employee, for Fiscal Year 2024 and Fiscal Year 2025, to date, including the justification for travel and description of activities engaged in during the travel;

**RESPONSE:** Please refer to Attachment 11c – FY24-FY25 Travel

- d. A list of employee bonuses or special award pay, raises, and step increases granted in Fiscal Year 2024 and Fiscal Year 2025, to date; and

**RESPONSE:** Please refer to Attachment 11d.

- e. A list of the total overtime and workers' compensation payments paid in Fiscal Year 2024 and Fiscal Year 2025, to date, including the number of employees who received overtime and workers' compensation payments, in what amounts, and for what reasons.

**RESPONSE:**

<b>Overtime FY24 Overtime Payments</b>	
Total Number of Employees	129
Total Payments	\$252,484.08

<b>Overtime FY25 Overtime Payments</b>	
Total Number of Employees	50
Total Payments	\$65,447.59

<b>Workers' Compensation</b>	<b>Financial Type</b>		
	<b>Medical</b>	<b>Indemnity</b>	<b>Total</b>
<b>Fiscal Year</b>			
FY 2024	\$335.05	\$15,199.65	\$15,534.70
FY 2025	\$1,830.03	\$9,119.79	\$10,949.82
<b>Total</b>	<b>\$2,165.08</b>	<b>\$24,319.44</b>	<b>\$26,484.52</b>

<b>Fiscal Year/Name</b>	<b>Total</b>	<b># of Employees</b>
<b>FY 2024</b>	<b>\$15,534.70</b>	2
<b>FY 2025</b>	<b>\$10,949.82</b>	2
<b>Grand Total</b>	<b>\$26,484.52</b>	4



12. Regarding the use of communication devices:

- a. Please describe procedures that are in place to track which individuals or units are assigned mobile devices (including, but not limited to smartphones, laptops, and tablet computers) and how the usage of these devices is monitored.
- b. How does the Office limit the costs associated with its mobile devices?
- c. For Fiscal Year 2024 and Fiscal Year 2025, to date, what was the total cost including, but not limited to, equipment and service plans for mobile communications and devices? **O**

**RESPONSE:**

Attachment 12, titled Mobile Audit Procedures, describes how we utilize our inventory management system to register, assign, and track equipment, as well as how we handle incidents (including loss or theft), end-of-life replacements, and compliance. The document also details cost optimization procedures and the processes we have in place.

Attachment 12c-Billing Data contains the requested billing and cost data.

13. For Fiscal Year 2024 and Fiscal Year 2025, to date, please list any purchase card spending by the Office, including the employee making each expenditure and the general purpose for each expenditure.

**RESPONSE:** Please refer to Attachment 13 - FY24-FY25 Purchase Card Spending

14. Please provide a chart showing the Office's approved budget, revised budget (after reprogramming, etc.) and actual spending, by division, for Fiscal Year 2024 and Fiscal Year 2025, to date. Include a description and explanation for any variance between fiscal year appropriations and actual expenditures.

**RESPONSE:** Please refer to Attachment 14 – FY24-FY25 Budget vs Actual

15. For Fiscal Year 2024 and Fiscal Year 2025, to date, please identify any special purpose revenue funds maintained, used, or available for use by the Office. For each fund identified, please provide:

- a. The revenue source name and code;
- b. Legal authority for the fund (i.e. D.C. Code or DCMR citation);
- c. A description of the program that generates the funds;
- d. The amount of funds generated by each source or program;
- e. Expenditures of funds, including the purpose of each expenditure; and
- f. The current fund balance.

**RESPONSE:** Please refer to Attachment 15 - FY24-FY25 Special Purpose Revenue

16. For Fiscal Year 2024 and Fiscal Year 2025, to date, please list all intra-District transfers to or from the Office. For each transfer, include all the following details:

- a. The program and activity codes and names in the sending and receiving agencies' budgets;
- b. Funding source (i.e., local, federal, SPR);
- c. Description of memoranda of understanding ("MOU") services;
- d. Total MOU amount, including any modifications;
- e. Whether a letter of intent was executed for Fiscal Year 2024 or Fiscal Year 2025, and if so, on what date;
- f. The date of the submitted request from or to the other agency for the transfer;
- g. The dates of signatures on the relevant MOU; and
- h. The date funds were transferred to the receiving agency.

**RESPONSE:** Please refer to Attachment 16 - 17 - FY24-FY25 Intra- District Transfers

17. Please list any additional intra-District transfers planned for Fiscal Year 2025, including the anticipated agency(ies), purposes, and dollar amounts.

**RESPONSE:** Please refer to Attachment 16 - 17 - FY24-FY25 Intra- District Transfers

18. Please list each contract, procurement, lease, and grant ("contract") awarded, entered into, extended, or option years exercised, by the Office during Fiscal Year 2024 and Fiscal Year 2025, to date. For each contract, please provide the following information, where applicable:

- a. The name of the contracting party;
- b. The nature of the contract, including the end product or service;
- c. The dollar amount of the contract, including amount budgeted and actually spent;
- d. The status of deliverables;
- e. The term of the contract;
- f. The Certified Business Enterprise status;
- g. Whether the contract was competitively bid;

- h. The name of the Office’s contract monitor and the results of any monitoring activity; and
- i. The funding source.

**RESPONSE:** Please refer to Attachment 18, FY24-FY25 Contracts, which provides the requested information regarding the contracts issued by the OCFO and funded through the agency’s budget. All contracts listed were competitively bid unless otherwise indicated. The list shows all agency contracts issued in FY 2024 and FY 2025 to date, as well as contracts issued previously but still active. The “Dollar Amount of the Contract” indicates the current year value or most recent option period value, including the value of any contract modifications. In some cases, this is a “Not to Exceed” amount. The spending columns reflect spending on the contract in each fiscal year; in some cases, this may exceed the current year’s value due to spending on a prior option period of the contract.

19. Please list all MOU entered into by the Office during Fiscal Year 2024 and Fiscal Year 2025, to date, as well as any MOU currently in force. For each, indicate the date entered and the termination date.

**RESPONSE:** Please refer to Attachment 19-MOU Spreadsheet.

20. Please list the ways, other than MOU, in which the Office collaborated with analogous agencies in other jurisdictions, with federal agencies, or with non-governmental organizations in Fiscal Year 2024 and Fiscal Year 2025, to date.

**RESPONSE:**

### **Office of Finance and Treasury (OFT)**

#### **Local Government Outreach for Cash Forecasting and Pooled Cash Best Practices**

During fiscal year 2024, the Office of Financial and Treasury (OFT) revised its cash flow model used for cash forecasting to enhance its accuracy. To achieve this, OFT reached out to several jurisdictions to discuss their cash flow forecasting models, and the techniques used in their models. They explored the use of a pooled cash system to consolidate balances and activities from multiple bank accounts across various platforms into a unified reporting system, with non-restricted funds combined to cover cash flow needs.

Several jurisdictions responded to our inquiry and provided information on their cash management process, forecasting models, and pooled cash system. OFT met with the State of Maryland and the State of California to discuss their cash management processes in further detail. The collaboration provided useful techniques and insights we will look to incorporate in our cash forecasting model as well as our cash management practices. We look forward to continuing collaboration with other jurisdictions across the country.

### **Office of General Counsel (OGC)**

- **OGC/WMATA:** The OCFO's Office of the General Counsel (OGC) serves on the DC WMATA Team (Team). The Team is comprised of District government staff who serve as legal and subject matter advisors to the District's WMATA Board members. OGC also works with members of other jurisdictions (Maryland and Virginia) on matters of fiscal concern with the purpose being to ensure WMATA operates fiscally responsibly and efficiently. Matters addressed include review of WMATA's operating and capital budget requests to policies and strategies impacting the fiscal needs for maintenance and improvement of WMATA systems. OGC regularly participates in semi-monthly meetings designed to provide briefings to the current appointed WMATA Board members. The Board briefing meetings are also attended by participants from DDOT and DMOI along with staff representatives from the Mayor's Office and D.C. Council.
- **OGC/DOACD:** OGC advises the District Department of Transportation Assurance and Compliance Division (DOACD) as it works to ensure the District's Department of Transportation (DDOT) architectural and engineering contracts are compliant with the Federal Highway Administration (FHWA) statutory requirements. DOACD maintains a working relationship with FHWA representatives, who review and approve DOACD's policies, provide DOACD advice for disseminating information and guidance to OCP.

### **Office of Lottery and Gaming (OLG)**

- **OLG/MUSL:** As a member of the Multi-State Lottery Association (MUSL) and the North American Association of State and Provincial Lotteries (NASPL), OLG collaborates with our counterparts in other jurisdictions on games and promotions, while sharing best practices and tackling issues collectively to assist with efforts in individual jurisdictions and strengthen and improve the industry as a whole. OLG's Interim Executive Director serves on the MUSL Board and MUSL Fast Play Games Product Group. OLG's Marketing, Product and Sales teams collaborate with other lotteries to understand keys to growth and best practices. They also attend webinars provided by NASPL and vendors.
- **OLG/Relationship with Other States:** OLG's Regulation and Oversight Division ("Division") has engaged in a formal information sharing agreement with the regulatory body overseeing sports betting in Virginia to gain insight into licensees' operational and compliance history to assist in due diligence of applicants as well as with ongoing oversight. The Division has worked to establish connections with regulators in New Jersey, Pennsylvania, and Tennessee on their best practices to help continuously improve upon our operations.
- **OLG/FinCen:** The Division works with the Financial Crimes Enforcement Network (FinCEN, U.S. Administrator of the Bank Secrecy Act) on a variety of issues associated with the regulation of anti-money laundering programs required of sports wagering operators. Additionally, the Division works with a multistate committee of lotteries that exchanges information on sports betting regulation and oversight.

## **Office of Tax and Revenue (OTR)**

- **OTR/IRS Safeguards:** The Office of Tax and Revenue (OTR) has an excellent working relationship with the IRS Safeguards division which ensures the integrity and confidentiality of federal tax information (FTI) used by OTR. As part of that process, a Federal/State Program Coordinator, located within the Office of General Counsel, OTR, coordinates closely with IRS Safeguards. Consistently, OTR receives very high marks on the safeguarding of FTI in compliance with IRS Publication 1075 setting forth the guidelines for handling and protection of FTI.
- **OTR/Relationship with Other States:** In addition, OTR has a state-to-state reciprocal agreement with the State of Maryland to exchange tax information pertinent to each jurisdiction. OTR has an agreement with the U.S. Treasury Department under the Treasury Offset Program (TOP). OTR is a charter member of the Federal of Tax Administrators (FTA), which authorizes the exchange of tax information among its members. OTR is also a charter member of the Multistate Tax Commission (MTC), an intergovernmental state tax agency whose mission is to promote uniform and consistent tax policy and administration among the states. OTR maintains a relationship with several analogous agencies in other jurisdictions, whereby OTR gathers information on best practices in tax administration.
- **OTR/Trade Associations:** OTR continues to work with several trade associations, such as the FTA and the MTC, allows for training opportunities and information sharing across jurisdictions. Regular engagement with other District agencies, such as DOB, DSLBD, DHS, and others that relate to areas of common concern, provides an opportunity for OTR to engage with District residents and to ensure that government processes continually improve.
- **OTR/Non-Profit Organizations:** OTR also works with non-profit organizations regularly. For example, OTR engages in quarterly discussions with AARP and Legal Counsel for the Elderly to address concerns raised by District seniors and has engaged with the Center for Taxpayer Rights in a series of workshops related to taxpayer rights, as well as organizations such as CAAB, DCFPI, Catholic Charities, university low-income clinics such as UDC and GW, and many others.
- **OTR/Specific Business Areas:** OTR engages in additional engagement relevant to specific business areas on a regular basis. For example, the Assessment Services Division within the Real Property Tax Administration (RPTA) networks with the National Tax Lien Association and attends conferences. The community consists of representatives from several tax jurisdictions across the nation and tax lien professionals. The objective is to influence and share upcoming legislation, best practices and develop professional networks to enhance the District's tax lien process. Also, the Assessment Services Division in RPTA has established strong collaborative partnerships with the DC Business Improvement Districts (BIDs) and the DC Building Industry Association (DCBIA). Moreover, the Real Property Assessment Division meets regularly with the Apartment and Office Building Association (AOBA) and DCBIA and receives input from and dialogues with same. The

Recorder of Deeds maintains strong ties with the DC Land Title Association. Since 2022, OTR has maintained a working relationship with the Small Multifamily Owners Association through dialogue and conferences.

### **Office of Revenue Analysis (ORA)**

- In FY 2024 ORA communicated with other agencies like DC Fiscal Policy Institute, DCPC, DC Chamber of Commerce, Downtown BID, and DMPED to discuss DC's economic landscape for the economic development tax expenditure review report. Additionally, ORA collaborated with Howard University economic research of mutual interests and assisted in the preparation of presentations and publications at professional societies. ORA, also represented the Office of the Chief Financial Officer and the District of Columbia at discussions and negotiations with DC Water. ORA will continue its connections and collaborations with other States and neighboring jurisdictions in preparation for the two Tax Burden Studies (Metro and Nationwide), as well.
- In FY 2024, ORA worked with researchers from Howard University in a joint effort to examine the affordable housing programs HPAP, EHAP, and IZ in the District. The projects continue into FY 2025, with more work around the HPAP program and health effects associated with residents obtaining housing through the IZ program. Preliminary findings have been presented at various conferences such as ASSA and NTA in FY 2024. Data for this project was built through the collaborative efforts of DCHA and the Mayor's Office in FY 2022 and FY 2023.
- In FY 2024, ORA continued its work on two major tax burden studies, Nationwide and Metro. The work relies heavily on connections to nationwide and regional partners to obtain data regarding taxation of income, sales, property, and auto. The results are shared with our colleagues and often presented. In FY 2025, this effort will continue with the launch of a new survey for the Metro Tax Burden Study to help partners better with collection of their data for response. In FY 2024, we saw one of the highest response rates for the nationwide survey as a result of our continuous work to build partnerships.

### **Office of Financial Operations and Systems (OFOS)**

The Office of Financial Operations and Systems (OFOS) conferred with the Governmental Accounting Standards Board (GASB), National Association of State Auditors, Comptrollers, and Treasurers (NASACT), and other authoritative bodies, as needed, to obtain guidance on technical accounting issues or clarification when interpreting and implementing new standards. Further, we collaborated with the US Treasury to mitigate technical and operational challenges related to the TOPS (Treasury Offset Programs). This collaboration has continued into the current fiscal year with a focus on process automation and change management. In doing so, we did not use any special engagement method or instrument, rather we piggy backed off the underlying agreement between the Office of Tax and Revenue and the US Treasury on the TOPS program.

21. Please identify all recommendations identified by the Office of the Inspector General, D.C. Auditor, or other federal or local oversight entities during the previous 3 years. Please provide an update on what actions have been taken to address these recommendations. If the recommendation has not yet been implemented, please explain why.

**RESPONSE:** Please refer to Attachment 21.

22. Please describe any anticipated spending pressures for Fiscal Year 2025. Please include a description of the pressure, the estimated amount, and any proposed solutions.

**RESPONSE:** The agency is not currently projecting any spending pressures.

23. Please list all capital projects in the financial plan and provide an update on all capital projects under the Office's purview in Fiscal Year 2024 and Fiscal Year 2025, to date, including the amount budgeted, actual dollars spent, and any remaining balances. In addition, please provide the following:

- a. An update on all capital projects begun, in progress, or concluded in Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025, to date, including the amount budgeted, actual dollars spent, and any remaining balances;
- b. An update on all capital projects planned for Fiscal Year 2025 through Fiscal Year 2030; and
- c. Whether the capital projects begun, in progress, or concluded in Fiscal Year 2023, Fiscal Year 2024, or Fiscal Year 2025, to date, have an impact on the operating budget of the Office. If so, please provide an accounting of such impact.

**RESPONSE:** Please refer to Attachment 23-Capital Projects.



24. Please provide a table showing your agency's Council-approved original budget, revised budget (after reprogrammings, etc.), and actual spending, by program and activity, for Fiscal Years 2022, 2023, and the first quarter of 2024. For each program and activity, please include total budget and break down the budget by funding source (federal, local, special purpose revenue, or intra-district funds).
- a. Include any over- or under-spending. Explain any variances between Fiscal Year appropriations and actual expenditures for Fiscal Years 2022, 2023, and 2024, to date, for each program and activity code.
  - b. Attach the cost allocation plans for Fiscal Years 2023 and 2024.
  - c. In Fiscal Years 2023 or 2024, did the agency have any federal funds that lapsed? If so, please provide a full accounting, including amounts, fund sources (e.g. grant name), and reason the funds were not fully expended.

**RESPONSE:** Please refer to Attachment 24 – FY23-FY25 Budget and Expenditure

25. Please provide a list of all budget enhancement requests (including, but not limited to, capital improvement needs), for Fiscal Year 2024 and Fiscal Year 2025, to date. For each, please include a description of the need and the amount of funding requested.

**RESPONSE:** Please refer to Attachment 25 – FY24-FY25 Enhancements

26. Please list, in chronological order, every reprogramming in Fiscal Year 2024 and Fiscal Year 2025, to date, which had an impact on the Office, including those which moved funds into, out of, and within the Office. For each reprogramming, please list the date, amount, rationale, and reprogramming number, and indicate whether a reprogramming impacted the Office's ability to carry out a directive or recommendation of the Committee. Please also include the program, activity, and CSG codes for the originating and receiving funds. Finally, provide the revised, final budget for the Office after reprogramming for Fiscal Year 2024.

**RESPONSE:** Please refer to Attachment 26 - FY24-FY25 Reprogramming

27. Please list each grant or sub-grant received by the Office in Fiscal Year 2024 and Fiscal Year 2025, to date. List the date, amount, and purpose of the grant or sub-grant received. Additionally, provide the following:
- a. Whether any FTEs are dependent on grant funding and, if so, how many; and
  - b. A description of the terms of this funding, and, if it is set to expire, what plans, if any, are in place to continue funding.

**RESPONSE:** Please refer to Attachment 27 - FY24-FY25 Grants Federal



28. Please describe any grant the Office is, or is considering, applying for in Fiscal Year 2025.

**RESPONSE:** The office is not currently applying for or considering any grants at this time.

29. Please list any pending lawsuits that name the Office as a party. Please identify any lawsuits that could potentially expose the District to significant financial liability and/or result in a change to Office practices, and please include the current status of the litigation. Please provide the basis and extent of each claim, regardless of its likelihood of success. For those identified, please include an explanation of the issues involved in each case.

**RESPONSE:**

OCFO representatives would be happy to meet with the Committee to brief them on these matters.

30. Please list all settlements entered into by the Office, or by the District on behalf of the Office, in Fiscal Year 2024 or Fiscal Year 2025, to date. Include the parties' names, the amount of the settlement, and, if related to litigation, the case name and a brief description of the case. If unrelated to litigation, please describe the underlying issue or reason for the settlement (e.g., administrative complaint, etc.).

**RESPONSE:**

<b>Parties Names</b>	<b>Amount of the Settlement</b>	<b>Underlying Issue or Reason for the Settlement</b>
Moody's Analytics	\$8,164.00	Contract ratification pursuant to D.C. Official Code §2-359.01(d)
Sivic Solutions Group, LLC	\$60,676.00	Contract ratification pursuant to D.C. Official Code §2-359.01(d)

31. Please list and describe any ongoing investigations, audits, or reports on the Office or any employee of the Office, including, but not limited to, personnel complaints, or any investigations, studies, audits, or reports on the Office or any employee of the Office that were completed during Fiscal Year 2024 and Fiscal Year 2025, to date, along with the Office's compliance or non-compliance with any recommendations.

**RESPONSE:**

Internal Audit Division

Fiscal Year 2024

- Audit of Internal Controls over the Office of the Chief Financial Officer's (OCFO) Information Technology (IT) Equipment – Cell Phones and Tablets Phase II *Status: Final Report Issued October 2023*

The objective of our audit is to assess the efficiency and effectiveness of the OCFO's controls over the acquisition, inventory, and deployment of cell phones and tablets. This phase of our audit focused on the Buyback Program. No recommendations were provided in this report.

- Audit of the Office of Finance and Treasury Central Collections Unit (CCU) Debt Collection Process *Status: Final Report Issued November 2023*

The objectives of the audit were to determine whether: 1) internal controls over internal debt collection are proper; and 2) the Collections contractor is compliant with the debt collection contract. We provided four (4) recommendations in this report. The agency concurred with the four (4) recommendations and provided corrective action plans.

- Audit of the Inmate Welfare Fund Financial Statements for the Fiscal Year Ended September 30, 2023 *Status: Final Report Issued January 2024*

The objectives of the Audit were to: a) express an opinion on the financial statements of the Fund; b) determine whether expenditures/costs charged to the Fund were proper; c) determine whether internal controls over fund transactions and financial reporting were adequate; and d) determine whether the Fund is administered in accordance with laws and regulations. We provided two (2) recommendations in this report. The agency concurred with the two (2) recommendations and provided corrective action plans.

- Audit of the Office of Lottery and Gaming (OLG) Information Technology (IT) Asset Tracking Process *Status: Final Report Issued April 2024*

The objectives of the audit were to: (1) determine whether effective internal controls are in place to ensure the Office of Lottery and Gaming's IT Asset

Tracking Process is properly established, maintained, and operating in accordance with applicable laws, regulations, policies, and procedures; and (2) assess whether the tracking is done effectively and efficiently. We provided (2) two recommendations in this report. The agency concurred with the two (2) recommendations and provided corrective action plans.

- Audit of Internal Controls over Adjustments-Audit and Criminal Investigation Administration *Status: Final Report Issued May 2024*

The objective was to determine whether the Audit and Criminal Investigation Administration (ACI) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We provided four (4) recommendations in this report. The agency concurred with the four (4) recommendations and provided corrective action plans.

- Audit of Internal Controls over Adjustments-Collection and Enforcement Administration *Status: Final Report Issued May 2024*

The objective was to determine whether the Collection and Enforcement Administration (CEA) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We provided three (3) recommendations in this report. The agency concurred with the three (3) recommendations and provided corrective action plans.

- Audit of the New Columbia Fund Statement of Revenue and Expenditures for FY Ended September 30, 2023 *Status: Final Report Issued May 2024*

The objectives of the Audit were to: a) express an opinion on the statement of revenues and expenditures; b) determine whether expenditures/costs charged to the Fund were proper; c) whether internal controls over fund transactions and financial reporting was adequate; and d) determine whether the Fund is administered in accordance with laws and regulations. We did not provide any recommendations in this report.

- Audit of Internal Controls over Cashiering Operations-St. Elizabeth Campus *Status: Final Report Issued June 2024*

The objective of the audit was to determine whether the Office of Finance and Treasury (OFT) maintained adequate internal controls over cashiering operations at the St. Elizabeth Campus. We provided five (5) recommendations in this report. The agency concurred with the five (5) recommendations and provided corrective action plans.

- Audit of Internal Controls over the Stop Payment and Returned Check Process  
*Status: Final Report Issued July 2024*

The objectives of our audit were to determine whether: (1) effective internal controls are in place over the stop payment and returned check process and (2) returned checks are processed in accordance with Unclaimed Property requirements. We provided ten recommendations in this report. The agency concurred with the ten recommendations and provided corrective action plans.

- Audit of Internal Controls over Adjustments- Customer Service Administration  
*Status: Final Report Issued August 2024*

The objective was to determine whether the Customer Service Administration (CSA) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We provided two (2) recommendations in this report. The agency concurred with the two (2) recommendations and provided corrective action plans.

- Audit of Internal Controls over Adjustments- Real Property Tax Administration  
*Status: Final Report Issued September 2024*

The objective was to determine whether the Real Property Tax Administration (RPTA) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We provided three (3) recommendations in this report. The agency concurred with the three (3) recommendations and provided corrective action plans.

#### Fiscal Year 2025

- Audit of Internal Controls over Adjustments- Revenue Accounting Administration  
*Status: Final Report Issued October 2024*

The objective was to determine whether the Revenue Accounting Administration (RAA) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We did not provide any recommendations in this report.

- Audit of the Revenue and Expenditure Report of the Office of the State Superintendent of Education (OSSE)'s Office of Public Charter School Financing and Support (OPCSFS)'s Direct Loan and Credit Enhancement Fund (DLCEF) for the Fiscal Year (FY) ended September 30, 2023 *Status: Final Report Issued November 2024*

The objectives of the Audit were to: a) express an opinion on the statement of revenues and expenditures; b) determine whether expenditures/costs charged to the Fund were proper; c) whether internal controls over fund transactions and financial reporting were adequate; and d) determine whether the Fund is administered in accordance with laws and regulations. We provided three (3) recommendations in this report. The agency concurred with the three (3) recommendations and provided corrective action plans.

- Audit of Internal Controls over Cashiering Operations-University of the District of Columbia *Status: Final Report Issued January 2025*

To determine whether the Office of Finance and Treasury (OFT) maintained adequate internal controls over cashiering operations at the University of the District of Columbia. We provided three (3) recommendations in this report. The agency concurred with the three (3) recommendations and provided corrective action plans.

- Audit of Internal Controls over Adjustments- Office of the Taxpayer Advocate *Status: Final Report Issued January 2025*

The objective was to determine whether the Office of the Taxpayer Advocate (OTA) maintained a system of internal controls that safeguarded the District's assets and assured reliable documentation is maintained to support changes made to taxpayer's accounts. We provided two (2) recommendations in this report. The agency concurred with the two (2) recommendations and provided corrective action plans.

- Audit of the Inmate Welfare Fund Financial Statements for the Fiscal Year Ended September 30, 2024 *Status: Final Report Issued January 2025*

The objectives of the Audit were to: a) express an opinion on the financial statements of the Fund; b) determine whether expenditures/costs charged to the Fund were proper; c) determine whether internal controls over fund transactions and financial reporting were adequate; and d) determine whether the Fund is administered in accordance with laws and regulations. We provided one (1) recommendation in this report. The agency concurred with the one (1) recommendation and will provide a corrective action plan.

## **Ongoing Audits**

- Audit of Internal Controls over the OFT Payment Operations Center

The objectives of the audit are to determine whether the POC: (1) has effective internal controls; and (2) is in compliance with applicable policies and procedures.

- Audit of Internal Controls over the Refund Process

The overall objective of the audit is to determine whether internal controls over

the processing and approval of refunds are effective. The first phase of our audit will focus specifically on Non-Resident refunds.

- Audit of the Homestead Deduction Program

The overall objective of the audit is to determine whether internal controls over the processing and approval of the Homestead Tax Deduction Program are effective.

- Audit of Internal Controls over the OLG Customer Service and Prize Claims Center

The objectives of our audit are to determine whether: 1) lottery claims are handled in accordance with OLG Policies and Procedures and District Regulations and 2) controls over OLG merchandise inventory are properly maintained.

Internal Security Division

Fiscal Year 2024 began with a balance of 9 misconduct investigations from the prior fiscal year and an additional 102 investigations were opened between October 1, 2023, and January 31, 2025. During the aforementioned period a total of 99 cases were closed.

Fiscal Year 2024 began with a balance of 72 background investigations from the prior fiscal year and an additional 510 background investigations were opened between October 1, 2023, and January 31, 2025. During the aforementioned period, a total of 530 cases were closed, leaving a balance of 52 cases.

The 530 closed background investigations consist of the following:

<b>Background Investigations</b>	<b>Number of Cases Closed</b>
New Employees	191
Incumbents	194
Contractors	138
Volunteers	7
<b>Total</b>	<b>530</b>

32. Please provide the total number of administrative complaints or grievances filed against the Office in Fiscal Year 2024 and Fiscal Year 2025, to date, broken down by source. Please describe the process utilized to respond to any complaints and grievances received and any changes to Office policies or procedures that have resulted from complaints or grievances. As it relates to a constituent challenging the Office's response to grievances, please indicate:

**RESPONSE:**

In Fiscal Year 2024 the Office of Human Resources received or was made aware of a total of four grievances from union employees. All matters have been resolved and closed. No grievances have been received for Fiscal Year 2025.

- a. Whether a formalized process is in place to request a hearing;

**RESPONSE:**

The Office adheres to the Grievance Procedure found in the Master Agreement between AFSCME District Council 20, AFL CIO and Government of District of Columbia which outlines the process to request a hearing.

- b. If so, whether the decision is appealable; and

**RESPONSE:**

Grievance disputes are appealable at all levels of the grievance procedure except when the matter is escalated to arbitration. The decision rendered by the arbitrator is final and binding.

- c. If there is a formalized hearing process, whether that process is described on the Office's website.

**RESPONSE:**

Yes, there is formalized hearing process for arbitrations pursuant to the American Arbitration Association guidelines and the Collective Bargaining Agreement. This process is not described on OCFO's website.

33. Please describe the Office's procedures for investigating allegations of sexual harassment or misconduct committed by or against its employees. Please list and describe any allegations received by the Office in Fiscal Year 2024 and Fiscal Year 2025, to date, and whether those allegations were resolved.

**RESPONSE:**

The OCFO takes all allegations of sexual harassment or misconduct committed by or against its employees seriously. All complaints are investigated promptly and thoroughly adhering to the complaint process outlined by the Office of Human Rights. If an investigation finds credible evidence that substantiates the allegation, appropriate disciplinary action is taken against the accused. There were two allegations received in Fiscal Year 2024 of inappropriate

conduct. No allegations have been received for Fiscal Year 2025. The two claims received in Fiscal Year 2024 were investigated and resolved.

- a. Has the Office identified a primary and alternate sexual harassment officer (“SHO”) as required by Mayor’s Order 2023-131 (“Sexual Harassment Order”)? If not, why not? If yes, please provide the names of the primary and alternate SHOs.

**RESPONSE:**

Yes, the OCFO’s Office of Human Resources has identified a primary and alternate sexual harassment officer (“SHO”). The following employees will serve in those roles respectively:

- Adama Mosley, HR Program Manager Employee and Labor Relations – Primary SHO
  - Brielle Roberson, Human Resources Senior Advisor – Alternate SHO
- b. Has the Office received any requests from staff in an otherwise prohibited dating, romantic, or sexual relationship for a waiver of the requirements of provisions of the Sexual Harassment Order? What was the resolution of each request? If a waiver has been granted, are there limitations on the scope of the waiver?

**RESPONSE:**

No requests have been received from staff for a waiver of the requirement of provisions of the Sexual Harassment Order.



34. Please provide the number of FOIA requests received by the Office during Fiscal Year 2024 and Fiscal Year 2025, to date. Please include the number of requests which were granted, partially granted, denied, or pending. Please also provide the average response time, estimated number of FTEs required to process requests, and the estimated number of hours spent responding to these requests.

**RESPONSE:**

During Fiscal Year 2024, the Office received 291 FOIA requests.

To date, there have been 85 FOIA requests received for Fiscal Year 2025.

Fiscal Year 2024 requests which were:

- Granted: 110
- Partially granted: 54
- Denied: 51
- Pending: 13
- Average response time: 24 days
- Estimated number of FTEs needed to process requests: 9
- Estimated hours spent responding to these requests: 1,479.5

- a. For FOIA requests disposed of because no records or Office records containing the requested information exist, please describe the nature of the request.

**RESPONSE:**

OCFO provided a “No Records” denial FOIA response when the responsive records (1) did not exist; or (2) were neither created nor maintained by the OCFO. In instances, when the records sought were created or maintained by another District agency, the OCFO response denied the request and referred to the FOIA requester to the appropriate District agency.

35. Please provide a list of all studies, research papers, reports, and analyses that the Office prepared, or contracted for, during Fiscal Year 2024 and Fiscal Year 2025, to date. Please state the status and purpose of each and attach a copy.

**RESPONSE:**

The information below reflects the studies prepared, requested, and contracted during FY 2024 and FY 2025 to date.

<u>Analysis</u>	<u>Purpose</u>	<u>Status</u>
Skyland Phase II Tax Increment Financing (TIF) - Underwriting Analysis for 2024 Changes	Financial and market analysis and revenue projections prepared by an independent consultant, contracted by EDF, in support of Skyland Phase II TIF issuance, based on revised legislative authorization and a new development proposal in 2024.	Completed
Unified Economic Development Budget Report	The Unified Economic Development Budget Report provides information on how economic development dollars were allocated in the District during the prior fiscal year, aggregated by type of incentive, granting body/agency, and ward.	Completed (FY23) In progress (FY2024)
Union Market Transaction Advisory Services	Various services from advisors required to complete the successful 2024 bonds issuance transaction for the Union Market Tax Increment Financing project. Services included market analysis and revenue projections to ensure compliance with debt coverage requirements, appraisal and valuation services, and financial advisory services such as transaction management and debt structuring in support of the bond issuance.	Completed
Pooled Cash Report	Pooled cash management involves the consolidation of balances and activities from multiple bank accounts across various platforms into a unified reporting system, providing a more holistic view of an organization's financial position.	In Progress

## **Routine Periodic Reports**

- *Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison* (annual, pursuant to Public Law 93-407)
  - This report provides a comparison of selected tax rates and household tax burdens in the District of Columbia with those in the largest city in each of the 50 states.
  - The report for Tax Year 2022 is currently being reviewed, and Tax Year 2023 is being prepared.
  - A new hypothetical family of \$250,000 has been added to the report to reflect requests from stakeholders and the changing nationwide family income levels.
  - In FY 2024, ORA released the Nationwide Tax Burden dashboard on our website. The dashboard showcases many of the most asked-for tables and graphs for comparison. Upon publication of the Tax Year 2022 study, the dashboard will update with the most recent report findings.
- *Tax Rates and Tax Burdens: Washington Metropolitan Area* (annual, pursuant to Public Law 93-407)
  - This report provides a comparison of selected tax rates, as well as a comparison of household tax burdens in the District of Columbia with those of five neighboring jurisdictions.
  - In FY 2024 we released the findings for Tax Year 2022 of the Metro Tax Burden Study. Work is underway for the Tax Year 2023 Metro Tax Burden Study in FY 2025.
  - In December of 2024, ORA release the Metro Tax Burden Dashboard that uses the same layout and format of the Nationwide dashboard.
  - Two major changes occurred in the Metro Tax Burden Study for Tax Year 2022, raising the lowest bracket to \$35,000 and adding a new top bracket of \$250,000 in response to the changing household economics of the metro region.
- *The Tax Expenditure report* (biennial, D.C. Law 13-161, the “Tax Expenditure Budget Review Act of 2000”), published in September 2024.
  - Provides for the estimates of revenue losses to the District resulting from federal and local tax provisions that grant special relief designed to encourage certain taxpayers' behavior or to aid taxpayers in special circumstances.
- *District of Columbia Tax Expenditure Evaluation report* (annual) pursuant to Title VII, Subtitle N of the Fiscal Year 2015 Budget Support Act of 2014, provides for evaluations and *performances* of all tax expenditure projects in the District of Columbia. In 2024, Environment, Public Safety, Transportation, Tax Administration, and Equity Provisions was published. During FY 2025, ORA will evaluate its second five-year review of The Economic Development Tax Expenditure report.

- *DC Economic Indicators* (monthly)
  - Provides a monthly summary of all economic activities in the District of Columbia with the purpose of identifying underlying changes within those activities.
- *Cash Collection Reports* (monthly)
  - It provides for the tracking of cash collections by source in the District of Columbia. These reports are critical in monitoring the performance of the District's revenue collections relative to the revenue estimates.
- *District of Columbia Economic and Revenue Trends* (monthly).
  - Provides detailed information on changes in the national and local economies and necessary information regarding the underlying assumptions used to prepare Quarterly Revenue Estimates.
- *Quarterly Revenue Estimates*.
  - Mandated by the Congress of the United States of America, quarterly revenue estimates provide for establishing annual budgets of the District of Columbia.
- *DC Tax Facts* (annual)
  - Provides detailed data and information pertaining to the District's various tax structures, tax and non-tax rates, legal references, and other comparative tax data for the purpose of educating and enhancing citizens' awareness of their tax responsibilities.
- *Washington D.C.'s Tax System, A Visual Guide Report* (biennial)
  - Provides detailed graphical or visual representations and explanations of the District's various tax structures, tax distributions, and sources of revenue for the purpose of educating and enhancing citizens' awareness of their tax system as well as financial transparency.
- *Revenue Chapter of the D.C. Budget Book* (annual)
  - It provides underlying assumptions pertaining to preparing the final revenue forecast for the District of Columbia during every fiscal year.
- *Fiscal Impact Studies*
  - Routinely, provides analyses of fiscal impacts of proposed legislation to ensure the integrity of the District's annual budget (approximately 130 reports during FY 2024).
- *District of Columbia Dedicated Taxes Revenue Report* (biennial)
  - Provides a narrative of the 19 programs with earmarked tax revenues, along with a four-year revenue history and other background information on each fund.

- 15 *Quarterly and Annual Reports to the U.S. Census Bureau*
  - As part of the U.S. Census Bureau’s *Quarterly Survey of State Government Tax Collections* program, ORA reports quarterly D.C. tax revenue information to the Census Bureau. The survey is a component of the Quarterly Summary of State and Local Government Tax Revenue, the only comprehensive source of quarterly information on the tax revenues of all state and local governments in the United States. This survey is authorized by Title 13, United States Code, Sections 161 and 182. The information collected serves as an integral part in developing the Gross Domestic Product – a key economic indicator produced by the Bureau of Economic Analysis. ORA also annually provides District fiscal year information to the Census Bureau as part of Census’
- *The Annual Survey of State Government Tax Collections*, required by the U.S. Census Bureau, is the only comprehensive source of details on tax collections by type of tax imposed and collected by state governments in the United States.
- *D.C. Special Purpose Fund Revenue Certifications*
  - As part of the District of Columbia Budget and Financial Plan’s formulation process, ORA reviews approximately 235 Special Purpose (O-type) funds, the agency-provided projections of their Special Purpose fund non-tax revenue and fund balance use. Final ORA certifications are reported in the Revenue chapter of the Budget and Financial Plan. Throughout the year, after the District’s Approved Budget and Financial Plan is submitted to the U.S. Congress, ORA typically reviews 35 to 50 agency requests for certification revisions. This is done in conjunction with an agency’s request to OBP for revised Special Purpose fund budget authority.

### **Special Studies & Analyses**

- The Office of Revenue Analysis, as the main research-oriented body of the Office of the Chief Financial Officer, routinely prepares and responds to special requests and conducts especial projects on behalf of the Office of the Mayor and/or the Council of the District of Columbia.
- An Analysis of DC’s Home Purchase Assistance Program (ORA blog, April 2024)
- The Increasing Levels of Vacant Office Space (ORA blog, July 2024)
- The Great Economic Rebranding: Navigating the New Economic Horizon Post-COVID [ORA Blog, June 2024]
- The Growth in Senior Homesteads (ORA blog, January 2024)
- The Role of Women in the DC Mortgage Loan and Home Sale Markets (ORA blog, December 2024)
- Housing Study

### **ORA Participations & Presentations at National Conferences**

- Improving Equity? The Short-term Impact of Inclusionary Zoning on Housing and Health Outcomes (A collaborative study with Howard University) Presented at the National Tax Association Annual Conference, November 2024
- Housing and Neighborhood Conditions: Implications for Health, Racial Equity, and Wellbeing (A collaborative study with Howard University) Presented at APPAM Annual Conference, November 2024
- "Nationwide Tax Burdens 2021 – The Eras Edition" Presented at the Federation of Tax Administrators Revenue Forecasters' Conference, October 2023

36. Please list all reports or reporting currently required of the Office by the District of Columbia Code or Municipal Regulations. Please indicate whether the Office complies with these requirements, and if not, why (e.g., the purpose behind the requirement is moot, etc.).

#### **RESPONSE:**

Please refer to Attachment 36–Reporting Requirements. The column titled “Control Test Procedures” provides the status of each report.

37. Please provide an update on the status of the Office’s annual report on financial institution compliance with community development plans required pursuant to D.C. Code § 26-431.05(b).

**RESPONSE:** Please refer to Attachment 37 to review the report.

38. Please identify any boards or commissions associated with the Office, and provide a chart listing the names, confirmation dates, terms, wards of residence, and attendance of each member. Include any vacancies. Please also attach agendas and minutes of each board or commission meeting in Fiscal Year 2024 or Fiscal Year 2025, to date, if minutes were prepared. Please inform the Committee if the board or commission did not convene during any month. Finally, please indicate whether the board or commission met virtually or in person.

**RESPONSE:**

The chart below contains the boards and commissions associated with the OCFO. Additional information is contained in Attachment 38 – Boards and Commissions.

Boards and Commissions	Member/Designee Name
Board of Review for Anti-Deficiency Violations	Angell Jacobs Timothy Barry
DC Retirement Board	Carmen Pigler
Financial Literacy Council	Benedict Richardson
Not-for-Profit Hospital Corporation Fiscal Management Board	Angell Jacobs
Other Post-Employment Benefits Advisory Committee	Carmen Pigler
Single Audit Oversight Committee	Timothy Barry
Tobacco Settlement Financing Corporation Board of Directors	Darryl Street
Washington Convention and Sports Authority Board of Directors (Events DC)	Glen Lee
Washington DC Convention and Tourism Corporation Board of Directors (Destination DC)	Carmen Pigler

39. Please describe how the Office solicits feedback from residents, businesses, and taxpayers.
- Please explain what the Office has learned from this feedback, including specific examples; and
  - Explain how the Office has changed its practices due to such feedback.

**RESPONSE:**

The Office employs a multi-faceted approach to solicit feedback from residents, businesses, and taxpayers. This includes conducting surveys both online and in-person to gather a wide range of opinions and suggestions. They also organize community meetings and public forums where individuals can voice their concerns and offer insights directly. Additionally, the Office maintains an active presence on social media platforms to engage with the community and encourages feedback through dedicated email addresses and hotlines.

- Please explain what the Office has learned from this feedback, including specific examples

Based on this feedback, the Office has gained valuable insights into the community's needs and expectations. For example, taxpayers are using various channels to share feedback with the Office of Tax and Revenue (OTR). Taxpayers have expressed concern regarding the FR500 New Business Registration form for international business registration. The FR500 would not allow international businesses to register with OTR. This feedback prompted internal discussion on adding an international business registration process.

Additionally, taxpayers shared feedback that they were making timely payments, but the payments were not reflected as being paid timely on their account. Based on this feedback, OTR was able to work with a vendor to discover that there was a delay in the vendor sending payment information to OTR.

Taxpayers communicated frustration to OTR via surveys and other forms of communication that they were unable to pay their real property taxes in their MyTax account. This prompted OTR to educate taxpayers that they do not need to sign into their MyTax account to pay their real property taxes.

Overall, by actively soliciting and responding to feedback, the Office has been able to adapt its practices to better meet the needs of the community it serves, fostering a more responsive and inclusive environment.

b. Explain how the Office has changed its practices due to such feedback

The feedback that international businesses were unable to register with OTR prompted OTR to develop new standard operating procedures. These procedures put in place a process for international businesses to be able to register their business and to timely file and pay their sales and use taxes.

Regarding the feedback on payments being made timely but not posted to the taxpayer's account, OTR created an alert for the technical staff. This alert will notify the technical team when a payment file has not been timely received from a vendor. Upon receiving the alert, the technical team will follow up with the vendor to determine the cause of the delay and a speedy resolution. This intervention significantly decreases any potential negative impact to a taxpayer.

As mentioned above, survey data alerted OTR that taxpayers were under the incorrect assumption that they should pay their real property taxes via their MyTax account. As a result, OTR posted a message at the top of the MyTax landing page directing taxpayers to the non-sign in real property section of MyTax, where real property taxes should be paid.



40. Please attach copies of the required annual **small business enterprise (“SBE”) expenditure** reports for the Office for Fiscal Year 2023, Fiscal Year 2024, and Fiscal Year 2025, to date.

- a. D.C. Official Code § 2-218.53(b) requires each District agency to submit supplemental information with their annual SBE expenditure report, including a description of the activities the Office engaged in to achieve their fiscal year SBE expenditure goal and a description of any changes the Office intends to make during the next fiscal year to achieve their SBE expenditure goal. Has the Office submitted the required information for Fiscal Year 2024? If so, please provide a copy as an attachment. If not, please explain.

**RESPONSE:**

Please refer to Attachment 40 - FY23-FY25 SBE Spending, which provides the FY 2023, FY2024, and FY 2025 to date SBE budget and spending reports for OCFO Agency Code AT0, as recorded in the DSLBD DES system. As shown on the attached, the DES system is not yet showing SBE spending for FY 2025. Also, the DES system is not yet accepting the agency submission of FY 2024 year-end supplemental information. Our agency End-of-Year submission for FY 2024 will be similar to what we submitted for FY 2023, updated with FY 2024 data. The following is the agency submission for FY 2023:

The OCFO is pleased to report SBE spending for FY 2023 at 117.4% of the approved SBE goal. We were able to do so through the determined efforts of our contracts staff and program liaisons. For all procurement requests valued at or below \$250,000, we used SBE vendors if at all possible. We also used SBE vendors on major contracts in both prime contractor and subcontractor roles. We complied with the law regarding SBE subcontracting on major contracts and obtained subcontracting waivers only when necessary.

In FY 2024 we continued to make SBE spending an agency priority. We continued our outreach efforts to educate SBE vendor representatives on how to do business with the OCFO and to expand our internal customers’ awareness of the SBE program. We also worked to maintain our positive relationship with the DSLBD. We support their ongoing initiatives to streamline the reporting process. The DSLBD team has been helpful to us, and we look forward to continued partnership with them.

41. Please provide a copy of the Office’s Fiscal Year 2024 performance plan. Please explain which performance plan objectives were completed in Fiscal Year 2024 and whether they were completed on time and within budget. If they were not, please provide an explanation.

**RESPONSE:**

The OCFO does not participate in the Mayor’s performance plan process. As an independent agency, we developed a 5-year strategic plan for the OCFO which is used to track and measure programmatic success. For more information, please refer to the responses to questions 42-45.

42. Has the Office reviewed its Key Performance Indicators (“KPIs”) for alignment with its primary objectives?

**RESPONSE:**

Yes, the Office has reviewed its Key Performance Indicators (KPIs) to ensure they align with its primary objectives. This evaluation process is essential to measure performance accurately and to identify areas for improvement. Regular reviews facilitate adjustments to the KPIs as needed, ensuring they remain relevant and effectively support the Office's strategic goals.

43. What KPIs have been removed (or changed) since Fiscal Year 2020? List each specifically and explain why it was dropped or changed.

**RESPONSE:**

We have not removed or changed any of our KPIs. However, as we move forward, our focus is on evaluating the effectiveness and relevance of each KPI in the context of our evolving business objectives. This review process involves a thorough analysis of current performance metrics and discussions with key stakeholders to identify potential areas for improvement. Our aim is to ensure that our KPIs not only reflect our strategic priorities but also drive meaningful progress and innovation within the organization.

44. Describe how the Office measures programmatic success and discuss any changes to outcome measurements in Fiscal Year 2024 and Fiscal Year 2025, to date.

**RESPONSE:** Please refer to Attachment 56 for the status of initiatives included in the OCFO’s Strategic Plan

45. Describe the topic metrics used by the Office to evaluate its operations, including data for those metrics over Fiscal Year 2024 and Fiscal Year 2025, to date.

**RESPONSE:** Please refer to Attachment 56 for the status of initiatives included in the OCFO’s Strategic Plan

46. Please provide a copy of the Office’s Fiscal Year 2025 performance plan, as submitted to the Office of the City Administrator.

**RESPONSE:**

As an independent agency, the OCFO does not submit performance plans to the Office of the City Administrator.

## **Personnel**

47. Is the Office operating under a full or partial hiring freeze? If so, why?

### **RESPONSE:**

The OCFO is operating under a partial hiring freeze due to budget constraints under agency AT0. The agency has implemented a hiring freeze with waivers allowed for selected critical positions. The freeze along with attrition is needed to address the current PS deficit.

48. Please separately list each Office employee whose salary was \$100,000 or more in Fiscal Year 2024 and Fiscal Year 2025, to date. Please provide the name, position number, position title, program number, activity number, salary, and fringe for each. In addition, please state the amount of any overtime or bonus pay received by each employee on the list.

**RESPONSE:** Please refer to Attachment 48 - FY24-FY25 Positions over 100k.

49. Please list, in descending order, the Office's top 25 overtime earners during Fiscal Year 2024 and Fiscal Year 2025, to date. For each, please state the employee's name, position number, position title, program number, activity number, salary, fringe, and the aggregate amount of overtime pay earned.

**RESPONSE:** Please refer to Attachment 49 - FY24-FY25 Top 25 Overtime Paid.

50. Please provide each collective bargaining agreement that is currently in effect for Office employees and include the bargaining unit and the duration of each agreement.

### **RESPONSE:**

The collective bargaining agreement that is currently in effect for the OCFO union employees is the "Master Agreement Between the American Federation of State, County and Municipal Employees, District Council 20, AFL\_CIO and The Government of the District of Columbia" effective through September 30, 2010, and "Compensation Collective Bargaining Agreement Between The District of Columbia and Compensation Units 1 and 2", effective October 1, 2021 through September 20, 2025.

51. Does the Office conduct employee satisfaction surveys or otherwise solicit such information from employees? If so, please explain how such information is collected and evaluated, including whether responses are anonymous and/or confidential. Please explain what steps are taken to ensure that all employees are comfortable in the work environment.

**RESPONSE:**

The Office of Human Resources (OHR) launched a feedback survey specifically for new hires, aimed at gathering insights into their 90-day onboarding experience. The survey covers areas such as leadership, training, resources, and team dynamics to assess job satisfaction. While responses are confidential and managed by OHR, they are not anonymous. If any concerns are raised in the feedback, they may be shared with the new hire's leadership. In cases where feedback highlights inefficiencies, lack of support, or other challenges, OHR escalates these issues to the relevant leadership for discussion and resolution, ensuring that necessary steps are taken to improve the employee's overall experience.

52. Please provide the total number of complaints or grievances from employees or former employees that the Office received or was made aware of in Fiscal Year 2024 and Fiscal Year 2025, to date, including, but not limited to, matters concerning program implementation and work environment.

**RESPONSE:**

In Fiscal Year 2024 the Office received or was made aware of four grievances from union employees and five complaints. In Fiscal Year 2025 the Office received or was made aware of three complaints. No grievances have been received for Fiscal Year 2025.

53. Please provide a list of any additional training or continuing education opportunities made available to Office employees. For each, provide the subject of the training, the names of the trainers, and the number of Office employees who participated. Please discuss whether the Office accepts requests from employees to engage in training opportunities.

**RESPONSE:**

The Office accepts requests from employees to engage in training opportunities and collaborates with divisions to assess training needs, developing courses based on division-specific requests. Below is a list of additional training opportunities available to Office employees.

**1. UNAX (Unauthorized Access) Security Training**

- **Subject:** Ensuring compliance with IRS rules and safeguarding Federal Tax Information (FTI). Key concepts covered include the eight tenets of safeguarding FTI, Publication 1075, the Safeguards webpage, and penalties related to unauthorized access or disclosure.

- **Trainers:** Tracye Peters; training converted to e-learning by OHR Training & Development team
- **Participation:** Several key employees participated, with the training available in the CFOLearn system for all relevant personnel.

## 2. Plain Language Training

- **Subject:** Enhancing communication through the Plain Language Initiative, focusing on improving sentence structure, grammar, consistency, and word choice in notices and letters sent to external stakeholders.
- **Trainers:** Taxpayer Advocate Paul Smith and OTR Public Affairs Specialist Brianna Jordan
- **Participation:** OTR Employees attended live sessions, with subsequent training materials loaded into CFOLearn for ongoing access.

## 3. Annual Integrity and Ethics Training

- **Subject:** Covering essential ethics and integrity principles to ensure compliance with organizational and legal standards.
- **Trainers:** Michael Montgomery, Supervisory Investigator, OIO
- **Participation:** Mandatory for all OCFO employees and contractors

## 4. Risk Management Training

- **Subject:** Focused on identifying and managing risks, including new and emerging risks and their potential impacts on OCFO operations. The training underscores the OCFO's commitment to our SMARTER values.
- **Trainers:** E-learning modules created by OHR Training & Development team
- **Participation:** Mandatory for all OCFO employees and contractors

54. Please discuss any training deficiencies the Office identified during Fiscal Year 2024 and Fiscal Year 2025, to date, and any plans the Office has to address those deficiencies.

### **RESPONSE:**

The Office has identified knowledge gaps within our managerial workforce regarding labor relations and labor unions. As a result, Labor Relations managerial training is currently in development and will be rolled out for union management employees in FY25. The Office has identified the need for enhanced Customer Service training tailored to meet the learning requirements of all roles interacting with both external and internal customers. The Office of Human Resources is currently revising the existing customer service training, undergoing the

instructional design process, and plans to roll out the updated training in FY25. Lastly, the Office consistently works to identify technical training needs to ensure that employees learn and enhance any specialized training required to perform their jobs. A review of our technical training courses is targeted for the latter part of FY25.

### **Agency Operations**

55. Please list each new program implemented by the Office during Fiscal Year 2024 and Fiscal Year 2025, to date. For each initiative, please provide:

- a. A description of the initiative;
- b. Funding required to implement the initiative and the source of such funding; and
- c. Any documented results of the initiative.

**RESPONSE:** Please refer to Attachment 55 - FY24-FY25 New Programs Implemented.

56. Please provide an update on actions taken in Fiscal Years 2024 and 2025, to date, to continue implementation and further evaluation of elements of the OCFO Strategic Plan, including significant changes in management and customer service initiatives. Please provide your answer in chart form.

**RESPONSE:** Please refer to Attachment 56.

57. Please explain the impact on the Office of any legislation passed at the federal level during Fiscal Year 2024 and Fiscal Year 2025, to date, which impacted Office operations. If regulations are the shared responsibility of multiple agencies, please note.

### **RESPONSE:**

No legislation passed at the federal level during Fiscal Year 2024 and Fiscal Year 2025 impacted Office operations.

58. Please list all regulations to which the Office is subject at the federal level. Please explain how the Office complies with those regulations and explain any non-compliance or lapses in compliance.

### **RESPONSE:**

- **Tax Exemption Requirements for State and Local Bonds**, 26 CFR 1.141-1 – 1.150.5. The OCFO maintains compliance through continuous monitoring and review of the use of funds for capital projects that conform with regulatory requirements.
- **Rules and Procedures for Efficient Federal-State Transfers**, 31 CFR Part 205. The OCFO maintains compliance through continuous monitoring for conformity with regulatory requirements.

59. Please list all regulations for which the Office is responsible for oversight or implementation in the District. Please list by chapter and subject heading, including the date of the most recent revision.

**RESPONSE:**

- Title 1, Chapter 4, Freedom of Information, January 7, 2005
- Title 1, Chapter 9, Audit Standards for Governmental Organizations, Programs, Activities, and Functions, February 14, 1986
- Title 1, Chapter 11, Guidelines of the Board of Review for Anti-Deficiency Violations, May 11, 2007
- Title 1, Chapter 17, District of Columbia – Payment to Vendors, November 18, 1988
- Title 1, Chapter 48, Investment of Public Funds: Repurchase Agreements, September 6, 1985
- Title 6, Chapter B26, Defined Contribution Pension Plan, May 1, 2020
- Title 9, Chapter 1, Income and Franchise Taxes, December 10, 2021
- Title 9, Chapter 2, Inheritance and Estate Taxes, April 18, 1997
- Title 9, Chapter 3, Real Property Taxes, October 13, 2023
- Title 9, Chapter 4, Sales and Use Taxes, May 14, 2021
- Title 9, Chapter 5, Tax on Recordation of Deeds, September 2, 2022
- Title 9, Chapter 6, Real Property Transfer Tax, February 9, 2018
- Title 9, Chapter 7, Personal Property Tax, April 26, 2019
- Title 9, Chapter 8, Motor Vehicle Fuel Tax, April 18, 1997
- Title 9, Chapter 9, Taxation of Motor Fuel Consumed by Interstate Buses, April 18, 1997
- Title 9, Chapter 10, Cigarette Taxes, April 18, 1997
- Title 9, Chapter 11, Qualified High Technology Company, May 1, 2020
- Title 9, Chapter 30, Disposition of Unclaimed Property, April 18, 1997
- Title 9, Chapter 31, Foreclosure Sale of Real Property, November 1, 1968
- Title 9, Chapter 35, Gross Receipts Tax, September 25, 1987
- Title 9, Chapter 37, Estate Tax, April 18, 1997
- Title 9, Chapter 38, Central Collection Unit, March 1, 2013
- Title 9, Chapter 39, Shared Responsibility Payment, February 7, 2020
- Title 9, Chapter 40, Tax Amnesty Program, April 18, 1997
- Title 9, Chapter 41, Toll Telecommunication Service Tax, April 7, 1989
- Title 9, Chapter 42, General Administration, March 23, 2012
- Title 9, Chapter 44, Bulk Sales, May 26, 2017
- Title 9, Chapter 99, Definitions, August 3, 1990
- Title 30, Lottery, June 14, 2024
- Title 31, Chapter 11, Public Vehicles for Hire Consumer Service Fund, August 2, 2024

60. Please provide a list of all reporting requirements for which the Office is responsible. For each, include links to access the most recent report.

**RESPONSE:**

Please refer to Attachment 60 – Reporting Requirements. Many of the reports are posted on the Council’s website at <https://lims.dccouncil.gov/>.



61. Please identify any statutory or regulatory impediments to the Office's operations.

**RESPONSE:**

**Financial Institutions Deposits and Investment Act of 1997:** D.C. Code § 47–351.02 states, “The Mayor or the Mayor’s designated officer shall invest, deposit, or obtain financial services for all District funds that the Mayor does not need for immediate disbursement.” The Mayor delegated these duties to the Office of the Treasurer, pursuant to Mayor’s Order 89-244, dated October 23, 1989. In 1995, pursuant to the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (PL 104-8), the Office of the Treasurer (later renamed “Office of Finance and Treasury”) was transferred to the authority of the CFO. In 1997, when the Financial Institutions Deposits and Investment Act of 1997 (DC L12-56) was enacted, the control board was still active, which is why the statute says, “the Mayor, or the CFO pursuant to § 47-351.02(c),” throughout. It would be helpful to have a clarification so that these references are updated to encompass the current authority of the OCFO.

For additional impediments, please refer to the response to Question 66.

62. Please identify all electronic databases maintained by the Office, including the following:

- a. A detailed description of the information tracked within each system;
- b. The age of the system and any discussion of substantial upgrades that have been made or are planned to the system; and
- c. Whether each system is publicly accessible, in whole or in part.

**RESPONSE:** Please refer to Attachment 62.

63. Please provide a detailed description of any new technology acquired by the Office in Fiscal Year 2024 and Fiscal Year 2025, to date, including the cost and its purpose. Please explain if there have been any issues with implementation.

**RESPONSE:**

In Fiscal Year 2024, the Office acquired Confluence licenses (\$1,616.30) to enhance the Jira product, which supports project management (OCIO) and budgeting (OBP and Mayor’s Budget Office) activities. Confluence provides a workspace approach to Jira projects and communication. There have been no implementation issues.

Additionally, the Office acquired Orbit Reporting and Analytics (\$82,764.00) as a pilot to implement a reporting tool and develop reporting dashboards in addition to reporting in DIFS. However, users found the tool to be unsatisfactory because it required significant IT support to develop reports and did not provide ad hoc reporting capabilities. As a result, the tool will not be renewed for FY 2025.

The Office also acquired Everbridge (\$58,960.00). This internal OCFO notification system enables the OCFO to broadcast emergency and important notifications to all OCFO team



members via email, phone and/or text messaging, ensuring critical communications are effectively shared. There have been no implementation issues.

To date, there have been no new technology acquisitions in FY 2025.

64. Please describe any efforts by the Office in Fiscal Year 2024 and Fiscal Year 2025, to date, to improve the transparency of Office operations.

**RESPONSE:**

In fiscal year 2024 and fiscal year 2025 to date, the office of the chief financial officer (OCFO) has made significant efforts to enhance the transparency of its operations. We are committed to accurately and objectively reporting the district's financial position by producing detailed reports, studies, and analyses. These efforts ensure that critical financial data is accessible to the public, congress, the District's elected officials, rating agencies, investors, and independent auditors. By prioritizing transparency and accountability, we remain dedicated to safeguarding the District's financial well-being. Additionally, the OCFO continues to engage with the community through outreach efforts and participation in various forums, providing valuable information to taxpayers and other stakeholders.

65. Please list the top five priorities for the Office and provide a detailed explanation for how the Office expects to achieve or work toward those priorities in Fiscal Year 2025.

**RESPONSE:**

1. Balanced Budget
2. Clean Audit Opinion
3. Maintain and Enhance Bond Ratings
4. Maintain and Enhance Liquidity
5. Continue to Optimize DIFS

As in FY 2024, the OCFO will achieve these goals in FY 2025 by:

1. Working with the Mayor and DC Council to ensure expenditures do not exceed available resources during the current year and throughout the financial plan period.
2. Ensuring, on a daily basis, that financial transactions are proper and properly recorded, and that any findings are quickly and appropriately remediated to prevent escalation. These are the foundations of continued unmodified or "clean" opinions.
3. Continuing to exercise discipline in our financial practices: maintain balanced budgets, continued clean audit opinions, adherence to the debt limit, repayment and prudent use of reserves
4. Pooling the District's available cash resources, based on best practice, to ensure sufficient liquidity throughout the financial plan
5. Developing a data warehouse to be used with a robust reporting tool to support better adhoc reporting.

a. How did the Office address its top five priorities last year?

**RESPONSE:** Please refer to the above response.

66. Please identify any legislative requirements that the Office lacks sufficient resources to properly implement. Please identify any statutory or regulatory impediments to your agency's operations or mission.

**RESPONSE:**

- **Real Property Taxes:** One impediment relates to correcting the discrepancy in the payment dates of real property taxes. D.C. Code § 47-811 imposes a due date of September 15<sup>th</sup> for the second half real property tax bill, while the first half bill is due on March 31<sup>st</sup>. In both cases, interest accrues on the day following its respective due date. The problem is programming interest cycles that vary depending on which period the tax became delinquent, with interest being assessed twice per month (i.e., on the 1<sup>st</sup> day and on the 16<sup>th</sup> day). Payment due dates on the tax bill for previous periods cannot be synchronized on the same bill, since the real property tax bill provides 30 days to pay. Having a two-track interest cycle within a single month creates confusion for the taxpayer and significant administrative issues. This also results in problems with tax sale redemptions since full payment is required and calculating interest adjustments twice a month creates obstacles for the redemption process when the amount owing is changing frequently. The issues are alleviated when both due dates occur at the end of the respective months, i.e., March 31<sup>st</sup> and September 30<sup>th</sup>.
- **Income Taxes:** Another impediment relates to income tax withholding tables and raises both statutory and regulatory impediments. D.C. Code § 47-1812.08 requires employers to deduct and withhold tax on employee wages and sets forth the method by which the withholding amount is calculated. With regard to the calculation, § 47-1812.08 expressly prohibits using the standard deduction as an allowance to calculate employee withholding. As a result, historically, OTR published instructions and withholding tables based on the number of personal exemptions claimed by an employee which was consistent with how withholding was calculated by the Internal Revenue Service (IRS). However, the Tax Cuts and Jobs Act of 2017 suspended personal exemptions directly at the federal level and, indirectly, at the District level, thus rendering the calculation of employee withholding based on personal exemptions obsolete. The IRS then transitioned to calculating withholding based on the standard deduction, but OTR has been unable to do so because of the express prohibition against using the standard deduction in § 47-1812.08. Moreover, OTR does not have authority to craft a workable alternative method for the calculation of withholding through regulations because § 47-1812.08, uniquely, grants regulatory authority to the D.C. Council and not to the Chief Financial Officer.
- **Child Wealth Building Program:** Another statutory impediment relates to implementation of the Child Wealth Building Act, D.C. Law 24-53 as amended. D.C. Official Code § 4-681.01 *et. seq.* Among other requirements, eligibility for the program is that the child must have been born on or after October 1, 2021, and whose birth was

subject to medical coverage provided by DC Medicaid. In consultation with the Department of Health Care Finance, it has been determined that the disclosure of a child's Medicaid status violates the Health Insurance Portability and Accountability Act (HIPAA), and accordingly, such information cannot be shared with the OCFO or with the current bank vendor. Accordingly, administrative build out of the program is paused until the Council determines how it wants to move forward given the constraints of working with HIPAA-protected information.

67. Please describe the Office's current legislative priorities, whether consideration by the Committee is warranted, and if the Office foresees introducing additional measures for the Council's consideration during Fiscal Year 2025.

**RESPONSE:**

- **District of Columbia Tax Code:** OTR has undertaken a review of Title 47 of the D.C. Code for technical updates and clarifying amendments needed to the tax statutes it administers. The OCFO is considering legislative proposals to improve the administration of OTR and preparing a list of proposed options for your consideration. Consideration by the Committee is warranted.
- **Child Wealth Building Program:** Consideration by the Committee is warranted. For additional information, please see the response to Question 66.
- **Timing of I/E Reporting:** Change District legal requirements for OTR's commercial real property assessment calendar. With this change, taxpayers can file their most recent income and expense statements in time for OTR's annual assessment valuation. This change provides OTR with more timely and accurate information on data affecting a property's value, i.e., its income and expenses. Currently, the income and expense information available to OTR can be up to two years old due to the existing timeframe constraints.

68. Please provide the amount collected for Combined Reporting Fiscal Year 2024 (Tax Year 2023) returns and explain how this compares to the Fiscal Year 2023 (Tax Year 2022) returns.

**RESPONSE:**

A majority of D20 Combined Reporting taxpayers file extensions. The total number of D20 Filers for TY2023, was 4,103. Of those filers, 3,720 requested an extension, and of those 741 still have not filed their 2023 tax return. As a result, the number of TY2023 combined reporting filings is expected to rise throughout calendar year 2025.

\*D-20 Corporation Franchise Tax

Year	*D20 Combined Count	Tax Paid
2022	4,093	\$504,924,912

2023	3,362	\$298,036,842
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**\*\*D-30 Unincorporated Business Franchise Tax**

Year	**D30 Combined Count	Tax Paid
2022	90	\$15,026,497
2023	89	\$6,557,500

*The figures above will vary slightly based on fluctuations in filed returns and other system adjustments*

69. Please provide a breakdown of sales tax collections, by type, during Fiscal Years 2022, 2023, and 2024.

**RESPONSE:**

<b>Sales tax by rate</b>			
<b>\$ 000s</b>			
	FY 2022	FY 2023	FY 2024
General (6%)	894,879	869,522	911,239
Food and drink for immediate consumption (10% )	420,646	553,643	549,305
Hotel and short term lodging (15.95%)	247,395	350,348	396,078
All others	139,463	148,031	145,365
TOTAL	1,702,383	1,921,543	2,001,987
<b>Y/Y % chg</b>			
	FY 2022	FY 2023	FY 2024
General (6%)	20.3%	-2.8%	4.8%
Food and drink for immediate consumption (10% )	64.6%	31.6%	-0.8%
Hotel and short term lodging (15.95%)	183.2%	41.6%	13.1%
All others	20.1%	6.1%	-1.8%
TOTAL	41.5%	12.9%	4.2%

70. Please provide the number of commercial and residential real properties that have been late in paying their taxes and have been penalized for paying their taxes late. Please include the amount owed and a breakdown of the data by Ward.

**RESPONSE:**

The chart below shows data for **commercial real properties:**

Ward	Count	Total Due
1	228	\$13,365,984.13
2	427	\$78,770,563.35
3	85	\$7,951,258.23
4	209	\$4,733,691.41
5	388	\$22,370,153.80
6	288	\$18,930,309.58
7	198	\$3,861,257.47
8	137	\$3,877,080.07
	<b>1960</b>	<b>\$153,860,298.04</b>

The chart below shows data for **residential real properties:**

Ward	Count	Total Due
1	2227	\$20,136,423.49
2	3746	\$29,156,111.23
3	3019	\$27,594,142.94
4	3166	\$25,208,450.28
5	3415	\$25,093,669.74
6	2596	\$23,066,457.27
7	4148	\$15,406,236.92
8	2557	\$12,793,234.86
	<b>24874</b>	<b>\$178,454,726.73</b>

71. Please provide an updated Debt Statement chart including the District's General Obligation Bonds, Income Tax Secured Revenue Bonds, Certifications of Participation, Tax Increment Financing and Payment-in-Lieu of Taxes debt, and any other tax-supported debt.

**RESPONSE:** Please refer to Attachment 71.

72. The Office of Economic Development and Finance (“EDF”) advises the CFO on Tax Increment Financing (“TIF”) agreements. Please provide a list of all active TIF deals entered into by the District and provide the estimated tax revenues needed to cover debt repayment. Please also provide a comparison between the actual tax revenues collected on each of these deals and EDF’s anticipated revenue estimate.

**RESPONSE:**

The following table provides the incremental tax revenues collected in FY24 on each TIF project with debt outstanding, and the estimated incremental tax revenues to be collected in FY25. Actual FY24 real property projections are not yet available. Therefore, tax increment for FY25 is based on ORA’s FY24 revenue projection.

<b><u>Project</u></b>	<b><u>FY 2024</u></b>	<b><u>FY 2025</u></b>
<b>Bryant St</b>	<b>\$1,865,208</b>	<b>\$1,866,237</b>
<b>Convention Center Hotel</b>	<b>\$18,295,792</b>	<b>\$18,955,254</b>
<b>Gallery Place</b>	<b>\$8,650,321</b>	<b>\$9,326,604</b>
<b>Georgia Ave CVS (Special Retail and Great Streets)</b>	<b>\$107,113</b>	<b>\$123,308</b>
<b>O Street Market</b>	<b>\$3,387,187</b>	<b>\$3,554,504</b>
<b>Skyland</b>	<b>\$1,165,273</b>	<b>\$2,396,249</b>
<b>Reunion Square</b>	<b>\$51,677</b>	<b>\$0.00</b>
<b>SE Federal Center (Foundry Lofts &amp; The Yards) PILOT</b>	<b>\$10,535,272</b>	<b>\$11,730,660</b>
<b>SW Waterfront/The Wharf</b>	<b>\$47,966,010</b>	<b>\$53,296,565</b>
<b>Verizon Center</b>	<b>\$8,575,967</b>	<b>\$8,790,508</b>
<b>Union Market</b>	<b>\$0</b>	<b>\$1,781,240</b>

73. Please provide a description of all active or anticipated development projects in Fiscal Years 2024 and 2025, to date, that have received TIF agreements. For each project, please include:

- a. The TIF Area;
- b. The developer;
- c. A description of the project’s TIF debt;
- d. CBE participation in the project; and

- e. The associated community benefit commitment.

**RESPONSE:**

There were no new or amended TIF agreements or Development Finance Agreements (DFA) in FY24. DFAs are executed after the legislative authorization of a new TIF project.

In FY25, we anticipate amending one existing DFA, and executing at least one (1) new TIF agreement and DFA.

- **DFA Amendment:** As the bond authorization amount for the Skyland Town Center TIF was lowered in FY24 from \$40 million to \$25 million – to reflect the \$15 million provided as a substitute to the developer through a grant – we anticipate amending the existing DFA for this TIF project to reflect this new debt amount as well as changes to their development proposal. This new proposal will be comprised of market-rate townhomes and income restricted housing for seniors, which will be a new benefit for the community. There will be no changes to the TIF Area, developer, or CBE participation.
- **New TIF Agreement and DFA:** We anticipate advancing legislation for a new TIF project for Bryant Street Phase II and executing a Development Finance Agreement in FY25. General details of the project are as follows (with exact details still to be finalized):
  - TIF Area: Approximately four tax lots (Square 3629, Lots 0823-0825)
  - Developer: Mid-Atlantic Realty Partners, LLC and/or affiliates
  - Project Debt: Gross principal amount of issuance not-to-exceed \$33,500,000
  - CBE Participation: Developer to enter into a CBE agreement with the District, where they are expected to contract with Certified Business Enterprises for at least 35% of the infrastructure improvements financed with the TIF.
  - Associated Community Benefits: Community benefits include but are not limited to:
    - Community Benefits Agreement (CBA) made to the Edgewood Community for this project
    - 10% of housing units affordable to households at or below 60% Area Median Income
    - New Grocery Store
    - Compliance with CBE, FirstSource, and Davis Bacon requirements for infrastructure improvements financed with the TIF

Lastly, there are two additional TIF projects in the pipeline that are currently being worked on, although they are not anticipated to receive TIF agreements within FY25.

74. Please provide the number of Tax Abatement Financial Analyses (“TAFAs”) the Office prepared in Fiscal Years 2024 and 2025, to date.
- How many negative TAFAs did the agency issue in Fiscal Years 2024 and 2025, to date?
  - Please provide a list of businesses or entities whose application received a negative TAFE in Fiscal Years 2024 and 2025, to date.
  - D.C. Code § 47–4701 outlines the requirements for tax abatement analyses. Does OCFO consider methodology that is not codified when issuing a negative TAFE?

**RESPONSE:**

In FY 2024 and FY 2025 to date, OCFO prepared, finalized, and distributed seven TAFAs. Below is a list of TAFAs prepared, summarizing the findings. Two of the seven published TAFAs received a negative finding (described below as “no”), meaning that the abatement or exemption was not financially necessary. EDF did not consider methodology not codified in DC Code 47-4701 when preparing TAFAs.

Bill No.	Name	Findings: Is the Abatement or Exemption Financially Necessary?
B25-0635	Studio Theatre Housing Property Tax Exemption Amendment Act of 2023	No
B25-0784	Corporate Short-Term Stay Housing in Downtown Tax Reversion and Rate Freeze Amendment Act of 2024	Yes
B25-433	Glasker Homestead Tax Abatement Amendment Act of 2023	Yes
B25-746	1000 U Street NW Property Tax Clarification and Limited Grantmaking Amendment Act of 2024	Yes
B25-906	Avanti Real Estate, Inc. Real Property Tax Exemption Amendment Act of 2024	Yes (partial)
B25-015	1333 M Street, SE Tax Abatement Amendment Act of 2024	Yes (partial)
B25-1004	Downtown Arena Revitalization Act of 2024	No

75. D.C. Code § 1-301.157 requires the CFO to evaluate and publish annually a report on tax incentives. Please provide an update on the status of this reporting requirement and provide a link to the most recently published report.

**RESPONSE:**

- District of Columbia Tax Expenditure Evaluation report* (annual) pursuant to Title VII, Subtitle N of the Fiscal Year 2015 Budget Support Act of 2014, provides for evaluations and *performances* of all tax expenditure projects in the District of Columbia. In 2024, Environment, Public Safety, Transportation, Tax Administration, and Equity Provisions was published. During FY 2025, ORA will evaluate its second five-year review of The



Economic Development Tax Expenditure report. The report is available at <https://ora-cfo.dc.gov/node/1751456>

- ORA is currently working on the Economic Development Tax Expenditure Review Report. The report is still in the first phase of the report evaluation process, which is writing the report.

76. Please provide an update on the District Integrated Financial System (“DIFS”) project, including the deployment of the budget module.

**RESPONSE:**

Phase 1 of the DIFS project (accounting, reporting, and budget execution) went live on October 3, 2022. The District has used the DIFS system to process all financial transactions since FY 2023.

Phase 2 of the DIFS project (budget formulation) is underway with a planned go-live date of October 1, 2025, to start the FY 2027 budget cycle.

DIFS ERP (Oracle Financial Cloud) was utilized throughout FY 2023 and FY 2024 to account for and report on business events/transactions and the data captured by the system was used to compile the District’s FY 2023 and FY 2024 financial statements, which have been audited by independent public accountants and found to be free of material misstatement (clean audit opinion). As with any new financial system, through daily use of the system, needed changes and/or “fixes” have been identified. The DIFS Support Center (comprised of functional and technical staff) works diligently to address and resolve any concerns raised by system users and to ensure the timely and successful upgrade and maintenance of the system. Further, areas of enhancements have been identified and will be reviewed and considered for implementation based on risk, level of effort, and resources available.

77. Please provide an update on the Replacement Schedule for Capital Assets and the Capital Asset Replacement Scheduling System (“CARSS”) model.

**RESPONSE:**

The District’s asset management system, the Capital Asset Replacement Scheduling System (CARSS), contains a detailed inventory of all District-owned assets, including land, buildings, roads and streets, vehicles, and equipment. This system provides the basis for developing the District’s capital improvements plan (CIP) as part of the annual budget process and determines the cost of deferred maintenance for current assets.

The OCFO utilized CARSS to produce its 2024 Long-Range Capital Financial Plan report in October, as is legislatively required, to report on the state of the District’s assets and unfunded capital needs. The report identified those capital needs that were unable to be

funded during the FY 2025-2030 CIP and provided a plan by which those unmet capital needs, including deferred maintenance, could be funded as soon as 2033.

Key highlights of the 2024 Long-Range Capital Financial Plan report include:

- \$15.03 billion of total capital needs identified; approximately \$12.04 billion of those needs are funded in the FY 2025 - 2030 CIP.
- \$2.99 billion of unfunded capital needs remain during the 6-year CIP period, down from \$3.57 billion last year, of which approximately \$1.34 billion is deferred maintenance.
- The decrease in unmet capital needs is attributable to a net increase in the size of the capital budget due to improved revenue estimates compared to previous projections.
- Analysis shows that unmet capital needs can be funded as early as FY 2033, if the District commits 16.5% of its general fund budget to capital projects (12% to support debt service on borrowings and an average of approximately 4.5% on pay-as-you-go cash funding) and no additional capital projects are added before addressing currently identified unmet needs. If additional capital projects are added, the timeline to catch up with unmet needs could be extended significantly.
- The District has a comparatively lower cost of borrowing compared to other cities and states due to strong bond ratings. The District's General Obligation bonds are currently rated: Aaa/AA+/AA+ by Moody's, S&P and Fitch, respectively.
- Challenges to executing this plan include a potential US recession triggered by lagging effects of tight monetary policy indicated by cooling labor market conditions, geopolitical factors, a federal government shutdown with disruptions to the local economy and policy uncertainty related to U.S. national elections. District-specific risks include an increase of remote work, especially amongst the federal workforce, an accelerated decline in federal employment, stalled population recovery, and additional funding requirements from the District to address WMATA's potential budget shortfall.
- The nation's capital remains in an enviable position compared to its peers to navigate these challenges and address its infrastructure needs due to prudent financial management policies (including strong reserves and highly funded pension and OPEB liabilities), a state-of-the-art asset management system, and a resilient local economy.

78. Please provide an update on implementation of the Mobile Data Collection system for real property assessors scheduled for deployment in late 2024.

**RESPONSE:**

The implementation of the "Mobile Assessment Technology," commenced in the late summer of 2024 beginning with staff training sessions, scenario-based field testing, and deployment of equipment (iPad and measuring tools) to ensure that users are well-prepared to utilize the new system effectively. In the early stages of this launch, staff will utilize the system, based on agency procedures and protocols, identifying concerns and procedural gaps that could interfere with full adaptation. OTR expects the Mobile Assessment Technology to be fully implemented by early Spring 2025.

This deployment of the Mobile Assessment Tool is expected to enhance the efficiency and accuracy of assessment processes significantly; digitizing data transfer and data entry, including photographs, data imagery and building sketches – for all property types – providing users with a powerful tool for on-the-go assessments.

79. For each tax relief program listed below, please provide the status of the program and note whether it is still offered. If the program is not active, please explain why. Additionally, include a comparison between the number of eligible filers and the number that utilize each program. For programs that are underutilized, please describe any efforts by OCFO to increase awareness or otherwise encourage residents to take advantage of them

- a. Assessment Cap Credit
- b. First-time Homebuyer in DC Recordation Tax Reduction
- c. Historic Properties
- d. Limited-Equity Cooperative (“LEC”)
- e. Lower Income Homeownership Tax Abatement
- f. Lower Income, Long-Term Homeowners Income Tax Credit
- g. Property Tax Deferral programs for all homeowners including low-income homeowners and low-income senior homeowners
- h. Real Property Tax Exemptions for non-profit organizations
- i. Resale Restricted Properties
- j. Senior or Disabled Owner Real Property Tax Relief
- k. Small Retailer Property Tax Relief Credit

**RESPONSE:**

- a. Assessment Cap Credit:

**RESPONSE:** The program is ongoing. In TY 2024, there were 32,055 properties benefiting from the Assessment CAP Credit

- b. First-time Homebuyer in DC Recordation Tax Reduction:

**RESPONSE:** The program is ongoing. In TY2024, there were 1332 property owners who participated in the program.

- Number of approved applications: 1,332
- Total recordation tax due: \$8,481,371.29
- Total recordation tax paid: \$4,526,661.40
- Taxpayer’s benefit: \$3,954,709.89

- c. Historic Properties:

**RESPONSE:** The program is ongoing. OTR provides courtesy notification for 30,225 properties with the annual Assessment Notices sent to property owners.

d. Limited-Equity Cooperative (“LEC”):

**RESPONSE:** The program is ongoing. There is a total of 54 COOP properties. DC Housing Authority can only identify how many filed under LEC.

e. Lower Income Homeownership Tax Abatement:

**RESPONSE:** The is the ongoing E0 program. Approximately 1299 homeowners are participating in the program.

f. Lower Income, Long-Term Homeowners Income Tax Credit

**RESPONSE:** The program is ongoing. As of January 2025, there have been approximately 24 filings. 9 Allowed credits with \$ 443.00 and 15 disallowed.

g. Property Tax Deferral programs for all homeowners including low-income homeowners and low-income senior homeowners:

**RESPONSE:** The program is ongoing. Approximately 171 homeowners are participating in the program.

- low-income homeowners (LO) – 113
- low-income senior homeowners (LS) – 58

h. Real Property Tax Exemptions for non-profit organizations:

**RESPONSE:** The program is ongoing. Non-profit organizations are spread across multiple exemption types such as Libraries, Religious, Educational, Charitable, Hospital, Cemeteries etc.  
There are approximately 2233 properties.

i. Resale Restricted Properties:

**RESPONSE:** The program is ongoing. There are 687.

j. Senior or Disabled Owner Real Property Tax Relief:

**RESPONSE:** The program is ongoing. 19,344 participants. (Senior: 18626 | Disabled: 718)

k. Small Retailer Property Tax Relief Credit:

**RESPONSE:** The program is ongoing. There were 657 participants filed, totaling \$ 2,556,363.

80. For Tax Years 2021, 2022, 2023, and 2024, where applicable, please provide data that measure the outcome of the real property tax relief programs listed in question 60 for low-income property owners and senior citizens in the District. Please provide the data in a chart that includes income and Ward, if available.

- a. Please provide the number of applications or forms for tax relief programs received.
- b. Please state the number of people or businesses that filed for each tax relief program and their corresponding wards.

**RESPONSE:**

- a. On average, annually OTR receives 1,400-1500 Senior Credit and 60-65 Disabled Credit applications. Unfortunately, Ward numbers are not available. For Income, each individual application would need to be reviewed, as our current technology tools do not allow us to track and separate by Ward and income.

b.

Year	Ward	Low Income Deferral (LO)		Low Income Deferral-Senior (LS)		Low Income Abatement (EO)		Senior Credit		Disabled Credit	
		Count	Tax Amount	Count	Tax Amount	Count	Tax Amount	Count	Tax Amount	Count	Tax Amount
2024	1	12	\$44,673.50	4	\$25,460.00	77	\$251,606.15	1195	\$3,570,177.25	47	\$107,065.22
2024	2	6	\$46,899.00	4	\$25,918.32	84	\$193,975.61	1223	\$4,204,060.10	43	\$132,342.47
2024	3	7	\$29,271.58	7	\$72,311.20	81	\$207,906.74	2196	\$7,494,897.85	34	\$105,222.11
2024	4	21	\$103,721.92	11	\$42,187.94	87	\$228,452.96	3955	\$9,695,380.88	122	\$434,562.62
2024	5	33	\$134,434.65	12	\$41,639.92	156	\$362,167.50	3456	\$6,045,533.73	149	\$269,062.99
2024	6	4	\$13,940.98	7	\$106,801.61	41	\$124,635.88	1632	\$5,025,370.59	65	\$172,657.69
2024	7	21	\$74,534.93	6	\$8,608.38	333	\$890,672.19	3423	\$3,993,521.08	164	\$235,174.87
2024	8	16	\$30,603.70	8	\$14,183.96	304	\$841,021.68	1546	\$1,441,782.66	94	\$92,904.75
Total		120	\$478,080.26	59	\$337,111.33	1163	\$3,100,438.70	18626	\$41,470,724.14	718	\$1,548,992.72

LOWER INCOME/SHARED EQUITY HOMEOWNERSHIP  
EXEMPTION [ DC CODE SEC. 47-3502 (a) (1) 2001 ED.]

QUALIFYING INCOME TABLE: EFFECTIVE: October 1, 2022

PERSONS IN HOUSEHOLD	HOUSEHOLD INCOME LIMITS
1.	\$75,600
2.	\$86,400
3.	\$97,200
4.	\$108,000
5.	\$116,640
6.	\$125,280
7.	\$133,920
8.	\$142,560

81. Regarding Exempt Property Use filings for the April 1, 2023, and April 1, 2024, deadline:
- How many properties were required to file under D.C. Official Code § 47-4702?
  - How many properties were required to file under D.C. Official Code § 47-1007?
  - How many properties eligible for an exemption did not file by the deadline?
  - How many properties requested an extension?
  - Are there any properties still outstanding (i.e., properties that did not file by the deadline or request an exemption)? If so, please provide the name, address, ward, and square and lot number.
  - How many properties had their status revoked? Please provide the name, address, ward, and square and lot number for each.
  - Please provide an update on offering an e-filing solution to this filing.

**RESPONSE:**

Oversight Questions	Regarding FP-161 filing for Calendar Year 2022 that was due April 1, 2023	Regarding FP-161 filing for Calendar Year 2023 that was due April 1, 2024
a. How many properties were required to file under D.C. Official Code § 47-4702?	2,953	3,133
b. How many were required to file under D.C. Official Code § 47-1007?	2,953	3,133
c. How many properties eligible for an exemption did not file by the deadline?	758	462
d. How many properties requested an extension?	4	5
e. Are there any properties still outstanding (i.e. that did not file by the deadline or request an exemption)? If so, please provide the name, address, ward, and square and lot number.	132	177
f. How many properties had their status revoked (include name, address, ward, and square and lot number)?	132	177
g. Please provide an update on offering an e-filing solution to this filing.	The reports are filed online through MyTax.DC web portal, which has been in use since Tax Year 2021.	

FP 161 filing notice letters go out from MITS to exempt property owners usually in January. The Real Property Assessment Division sent 3,114 regular SSLs, and 19 Possessory Interest account letters on January 9, 2024, for a filing due date of April 1, 2024. Applications not received by April 1<sup>st</sup> receive a \$250 penalty, and MITS sends another letter to non-filers during the same week of April 1, after which the non-filing properties go to taxable status, and 2nd half tax bill is generated and mailed to the non-filer.

82. For Tax Years 2022 and 2023, provide a chart with the number of stand-alone Schedule H returns submitted and the number denied, broken down by Ward and the range of adjusted gross income (“AGI”). Please include filing status, age, and the amount of property tax credit received.

**RESPONSE:**

	<i>Submitted</i>	<i>Denied</i>	<i>Credit Amount Claimed*</i>
<i>2022</i>	<i>672</i>	<i>19</i>	<i>\$705,800.48</i>
<i>2023</i>	<i>436</i>	<i>17</i>	<i>\$461,789.04</i>

Please also refer to Attachment 82a-d, which provides details broken down by Ward, AGI and age.

83. Please provide a neighborhood assessment breakdown, for all four property classes of real property tax assessments completed in Fiscal Years 2024 and 2025, to date, and identify which classes saw a decline.

**RESPONSE:** Please refer to Attachment 83.

84. Please describe any active real property tax programs available for class 3 vacant real property. Please provide the amount in real property tax revenue collected from class 3 and 4 real properties during Tax Years 2019, 2020, 2021, 2022, and 2023, broken down by Ward.

**RESPONSE:**

There are no tax programs offered by OTR that are specifically targeted to those properties that have been designated as vacant or blighted; however, property owners may request forbearance from the Annual Tax Sale to have their properties excluded from the sale. The forbearance requests are reviewed, and if special circumstances are present, the request may be granted.

Please refer to Attachment 84.



85. Regarding data tracked related to Clean Hands Certification. Please provide an update on each of the following requests:

- a. For Fiscal Years 2022, 2023, and 2024, data of how many requests were received, how many requests were deemed compliant, and how many were deemed non-compliant, on a month-by-month basis;
- b. For Fiscal Years 2022, 2023, and 2024, data that tracks how often the Clean Hands requirements leads to a payment plan arrangement, on a month-by-month basis; and
- c. For Fiscal Years 2022, 2023, and 2024, data of how many of such requests were compliant and noncompliant and the average liability of the noncompliant requests.

**RESPONSE:** Please refer to Attachment 85a-c.

86. For each year between Fiscal Years 2014 and 2024, please provide the following information:

- a. Number of residential properties for which the agency sent a notice of tax sale.
- b. Number of residential properties that proceeded to tax sale.
- c. Number of residential properties that proceeded to tax sale where the amount owed was below \$7,500.
- d. Number of residential properties for which the homeowner sought forbearance from tax sale because they owed less than \$7,500 and they received the homestead deduction.
- e. Number of residential properties for which the homeowner sought forbearance from tax sale because they owed less than \$7,500 and they received the homestead deduction, and the request was granted.
- f. Number of residential properties for which the homeowner sought forbearance from tax sale because they owed less than \$7,500 and they received the homestead deduction, and the request was denied. If the answer is not zero, please provide the reasons for denial of these forbearance requests.
- g. Number of residential properties for which the homeowner sought forbearance from tax sale where the amount owed exceeded \$7,500 or where they did not receive the homestead deduction.
- h. Number of residential properties for which the homeowner sought forbearance from tax sale where the amount owed exceeded \$7,500 or where they did not receive the homestead deduction and the request was granted.
- i. Number of residential properties for which the homeowner sought forbearance from tax sale where the amount owed exceeded \$7,500 or where they did not receive the homestead deduction and the requested was denied; and
- j. Number of residential properties that proceeded to tax sale where the homeowner redeemed prior to an action being filed in Superior Court.

**RESPONSE:** Please refer to Attachment 86a-j.

87. What was the cost of sending out notices of tax sale to residential property owners in Fiscal Year 2024?

**RESPONSE:** The cost of sending tax sale notices to residential property owners in FY 2024 was **\$3,274.05**.

88. How much revenue did the agency collect in each year between Fiscal Years 2014 and 2024 after sending initial tax sale notices to owners of residential properties?

**RESPONSE:**

Revenue on Residential Properties after Tax Sale Notices sent (to date)	
Year	Collected Amount
2013	\$18,538,818.60
2014	\$10,671,208.15
2015	\$11,191,452.82
2016	\$13,661,508.24
2017	\$8,774,776.59
2018	\$6,394,550.34
2019	\$7,001,689.57
2020	N/A (No Tax Sale)
2021	\$41,057,744.55
2022	\$23,997,252.04
2023	\$13,413,625.16
2024	\$12,203,231.91

89. How much revenue did the agency collect in each year between Fiscal Years 2014 and 2024 after sending a second tax sale notice to owners of residential properties?

**RESPONSE:**

Revenue on Residential Properties after Second Courtesy Notices sent (till date) <b>June 20 and onwards</b>	
Year	Cumulative Collected Amount
2013	\$18,528,150.54
2014	\$10,671,208.15
2015	\$11,172,767.29
2016	\$13,646,181.81
2017	\$8,767,203.38
2018	\$6,367,926.76
2019	\$6,976,009.95
2020	N/A No Tax Sale
2021	\$29,794,849.64
2022	\$17,392,796.18
2023	\$7,275,072.87
2024	\$6,569,547.08

\*\*\*Note: These numbers are also included in question 88.  
Question 88 is the running total, and 89 is a subcategory.

90. How much revenue did the agency collect in each year between Fiscal Years 2014 and 2024 after the annual July tax sale of residential properties.

**RESPONSE:**

Revenue on Residential Properties after SALE (till date) <b>July 20 and onwards</b>	
Year	Cumulative Collected Amount
2013	\$18,511,285.80
2014	\$10,603,525.76
2015	\$11,172,467.29
2016	\$13,590,551.71
2017	\$8,740,715.47
2018	\$6,356,925.92
2019	\$6,969,408.35
2020	N/A No Tax Sale
2021	\$27,279,689.53
2022	\$13,477,639.46
2023	\$4,593,031.97 Discount Sale Added along with Annual Sale
2024	\$3,158,165.32

\*\*\*Note: These numbers are also included in question 88.  
Question 88 is the running total, and 90 is a subcategory.