


Office of the District of Columbia Auditor

Date: February 10, 2014
To: Council of the District of Columbia
From: Yolanda Branche
District of Columbia Auditor 
Subject: Activity Report – February 2014

This report provides information on the activities of the Office of the District of Columbia Auditor (ODCA) since our last update to the Council. The report includes reports issued, announcements, and the status of current audit projects.

[Audit Reports:](#)

[Advisory Neighborhood Commission Security Fund Annual Financial Report for Fiscal Year 2013](#)

Released: December 20, 2013

Summary: The Advisory Neighborhood Commission Security Fund (Fund) was established for the purpose of insuring Advisory Neighborhood Commissions against unauthorized expenditures or loss of funds. The Fund does not cover any loss as the result of an expenditure authorized by a vote of a Commission. The Fund is held in the custody of a Board of Trustees (Trustees) composed of the Secretary of the District of Columbia, the General Counsel to the Council of the District of Columbia, and the District of Columbia Auditor.

As required by law, the Office of the District of Columbia Auditor performs an annual review and publishes an annual financial report of the Fund each year.

[Certified Business Enterprise Expenditures of Public-Private Development Construction Projects for Fiscal Year 2013](#)

Released: January 9, 2014

Summary: As of September 30, 2013, ODCA was aware of 192 public-private development construction projects with Certified Business Enterprise Agreements (CBEAs). Of the 192 projects, we found that 16 public-private developers met or exceeded their Certified Business Enterprise (CBE) expenditure goals and 47 developers, who submitted CBE expenditure reports in fiscal year (FY) 2013, are still working toward their CBE expenditure goals, which cannot be assessed until their projects are completed.

There were 129 construction projects that did not submit expenditure reports in FY 2013. In a previous report, we found that 13 of the 129 projects did not report meeting CBE expenditure goals as required and may be subject to penalties by DSLBD. For the remaining 116 projects, we could not determine whether the developers simply failed to submit expenditure reports or whether the construction projects ended.

[Audit of the Office of the People's Counsel Agency Fund for Fiscal Years 2009 – 2012 \(Issued as Four Separate Reports\)](#)

Released: January 14, 2014

Summary: ODCA performed four audits of the Office of the People's Counsel (OPC) Agency Fund to: verify public utility revenue deposits to and disbursements from the Fund; examine expenses charged against the Fund to determine whether expense vouchers were supported by adequate documentation and whether the expenses were reasonable and necessary; determine whether expense vouchers were properly reviewed and approved by appropriate OPC officials before payment; and determine the amount of refunds to public utilities that were processed against the Fund.

We found public utility assessments were properly deposited into the Fund; expenditures processed against the Fund were reasonable and necessary; refunds of unexpended assessments processed against the Fund were supported; the Economic Development and Regulation Cluster Shared Service Center did not deposit public utility assessment checks in a timely manner; and payments were not consistently processed in a timely manner by the OPC Finance Office. We further found that FY 2011 and 2012 refunds of unexpended assessments processed against the Fund were supported.

Announcements:

Joshua Stearns, an Analyst at ODCA, was selected to serve as a judge for the Association of Local Government Auditors' prestigious Knighton Award. The Knighton award is given to outstanding performance audit reports from the previous year. Winning audit reports are those that are innovative, concise, persuasive, and that contain effective recommendations likely to result in significant improvements to government operations.

ODCA has begun its annual internal quality review process. The review is part of our quality control procedures and involves an assessment of how well staff have complied with Government Auditing Standards during the previous fiscal year. Recommendations will be made to the Auditor for improvements in any areas where compliance has been lacking.

Current Audits:

	Audit Agency	Purpose	Status
1	Office of the People's Counsel (OPC)	To verify revenue deposits to, and disbursements from, OPC Fund for FYs 2009 through 2012; to determine whether expense vouchers were reviewed and appropriately approved before payment; and to determine the amount of refunds to public utilities that were processed against the Fund	Final Issued 12/06/13
2	D.C. Children and Youth Investment Trust Corporation (CYITC)	To determine whether CYITC complied with applicable rules, regulations and laws pertaining to the grant making process; established and implemented adequate internal controls; and properly used District funds	Draft Issued 10/22/13
3	Department of General Services (DGS)	To determine whether revenue was properly collected and deposited to the Eastern Market bank account and recorded in System of Accounting and Reporting to determine whether disbursements made from the Eastern Market bank account were related to Eastern Market activities	Reporting
4	Metropolitan Police Department (MPD)	To ensure MPD complied with rules, regulations and laws pertaining to MPD investigations concerning first amendment activities during FY 2012 and to determine whether MPD implemented 13 recommendations of the Office of the D.C. Auditor (ODCA) contained in the ODCA audit report to MPD issued in September 2012	Draft Issued 1/10/14
5	Department of General Services (DGS)	To determine whether DGS complied with D.C. Code § 2-218.46 pertaining to contracting services under the District of Columbia Public Schools Modernization Program	Fieldwork
6	Advisory Neighborhood Commissioners (ANC)	To determine whether ANC Commissioners administered and operated ANC financial accounts in accordance with applicable District laws and regulations	Fieldwork
7	District Department of Transportation (DDOT)	To determine whether DDOT considered contractor capacity during the bid process; to review DDOT's process for ensuring contractual compliance prior to scheduled payments; and to analyze how DDOT ensures road projects are as durable as is required by the contract	Reporting

	Audit Agency	Purpose	Status
8	University of the District of Columbia (UDC)	To determine whether UDC Land-Grant Endowment Fund accounts were in compliance with relevant laws, rules and regulations; UDC endowment accounts and funds were managed in accordance with UDC policies and procedures; and expenditures from UDC endowment accounts and funds were in compliance with applicable rules and regulations	Reporting
9	Homeland Security Emergency Management (HSEMA)	To examine the criteria used to determine costs associated with special events; to determine whether the criteria are equitably applied; and to review costs charged for special events	Reporting
10	Department of Health Care Finance (DHCF)	To verify whether less than 90 percent of the Nursing Facility Quality of Care Fund was expended on "Quality of Care Initiatives." Additionally, review income and expenses of the Fund to determine compliance with rules, regulations and laws	Fieldwork
11	Department of Consumer and Regulatory Affairs (DCRA)	To examine the program's cost and effectiveness	Survey
12	Department of General Services (DGS)	To evaluate the use of the DCPS Capital Improvement Fund to include a school and project specific audit of all expenditures for school facility capital improvements, maintenance, repairs, and operating costs and to determine whether the District met the process, quality, schedule, and cost objectives of the Facilities Master Plan and Capital Improvement Plan and Budget for FY 2010 through 2012	Survey
13	Department of Motor Vehicles (DMV)	To determine whether DMV met the performance measurement outcomes presented in the Performance Accountability Report for FY 2012	Survey
14	Public-Private Developers	To determine whether developers complied with the requirements of Certified Business Enterprise Agreements (CBEAs) for FY 2013 and to report on the progress of developers in reaching CBE goals established in CBEAs	Final Issued 1/09/14
15	Department of Small and Local Business Development (DSLBD)	To determine the FY 2014 SBE expenditures of District agencies through the 1st quarter of FY 2014 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements	Ongoing

	Audit Agency	Purpose	Status
16	Department of Small and Local Business Development (DSLBD)	To determine whether District agencies met the required goal of procuring 50 percent of agency expendable budgets with SBEs in FY 2013 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements	Not Started
17	Department of Small and Local Business Development (DSLBD)	To determine the SBE FY 2014 expenditures of District agencies through the 2nd quarter of FY 2014 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements	Not Started
18	Department of Small and Local Business Development (DSLBD)	To determine the SBE FY 2014 expenditures of District agencies through the 3rd quarter of FY 2014 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements	Not Started
19	Advisory Neighborhood Commission (ANC)	To present a consolidated annual report of the financial activity of all Advisory Neighborhood Commissions regarding the expenditure of District funds and quarterly financial reports that were submitted to the Office of the District of Columbia Auditor for FY 2013	Not Started
20	Advisory Neighborhood Commission (ANC)	To present the Security Fund Annual Financial Report of the Advisory Neighborhood Commission for FY 2013	Final Issued 12/20/13
21	District of Columbia Public Schools (DCPS)	To present a brief snapshot of key indicators for 2012 – 2013 school year with a five-year trend analysis for human resource operations and human capital strategies of DCPS, with an emphasis on teachers and principals	Ongoing
22	District of Columbia Public Schools (DCPS)	To present a brief snapshot of key indicators for 2008 – 2009 school year with a five-year trend analysis for certain business practices and strategies and student achievement of DCPS	Ongoing
23	District of Columbia Public Schools (DCPS)	To present a brief snapshot of key indicators for 2009 – 2010 school year with a five-year trend analysis for certain business practices and strategies of DCPS	Ongoing
24	District of Columbia Public Schools (DCPS)	To present a comprehensive report covering five years regarding implementation of PERAA and whether sufficient progress in DCPS education was achieved to warrant continuation of the provisions and requirements of PERAA or whether a new law, and a new system of education should be enacted	Ongoing

	Audit Agency	Purpose	Status
25	Department of Employment Services (DOES)/ Department of Human Resources (DCHR)	To determine whether employers met the posting requirements of the Act; agencies met the administrative requirements of the Act; and whether there was an economic impact on the private sector as a result of the Act	Not Started
26	Department of General Services (DGS)	To evaluate the use of the Public School Capital Improvement Fund to include a school and project specific audit of all expenditures for school facility capital improvements, maintenance, repairs, and operating costs and assess whether the District met the process, quality, schedule, and cost objectives of the Facilities Master Plan and Capital Improvement Plan and Budget for FY 2013	Survey
27	Washington Convention and Sports Authority (Events DC)	To determine whether FY 2015 projected dedicated tax revenues, operation revenues, and excess reserve will be sufficient to meet the FY 2015 projected expenditures and reserve requirements of Events DC	Not Started
28	Washington Convention and Sports Authority (Events DC)	To determine whether the accounts and operations of Events DC complied with applicable laws, regulations, and policies and procedures	Not Started
29	Metropolitan Police Department (MPD)	To ensure MPD complied with rules, regulations and laws pertaining to MPD investigations concerning first amendment activities during FY 2013	Not Started
30	Lottery and Charitable Games Control Board (Lottery)	To determine whether accounts and transactions of the Lottery complied with applicable laws, municipal regulations, policies and procedures	Survey
31	Homeless programs affiliated with Nonprofit Organizations	To review homeless programs affiliated with nonprofit organizations to determine redundancy, waste, inefficiency, and inadequate accountability	Not Started
32	Metropolitan Police Department (MPD)	To determine whether operations were efficient, effective, economical, and complied with rules, regulation and laws	Not Started
33	Department of Behavioral Health (DBH)	To determine whether the operations of Saint Elizabeths were efficient, effective, economical, and complied with rules, regulations and laws	Survey
34	Public Charter School Board (PCSB)/ Public Charter Schools (PCS)	To determine whether accounts and operations were managed effectively and economically and complied with rules, regulations and laws	Fieldwork

	Audit Agency	Purpose	Status
35	District of Columbia Public Schools (DCPS)	To determine whether operations were efficient, effective, economical, and complied with rules, regulations and laws	Fieldwork
36	Department of Health (DOH)	To determine whether operations were efficient, effective, economical, and complied with rules, regulations and laws	Not Started
37	Board of Elections	To determine whether the voter files were accurate and complied with relevant rules, regulations and laws	Not Started
38	Department of the Environment	To determine whether the department managed the Anacostia River Clean Up and Protection Program in an effective and efficient manner and complied with rules, regulations and laws	Fieldwork
39	Department of Unified Communications	To determine whether 311 Call Center was managed in an effective and efficient manner and complied with rules, regulations and law	Not Started
40	Previously Audited Agencies	To determine whether agreed upon recommendations issued during FY 2012 and 2013 were implemented	Ongoing
41	Office of the Chief Financial Officer (OCFO)	District of Columbia Revenue Certification for FY 2014 Bond Issuance	Reporting
42	Office of the Deputy Mayor for Planning and Economic Development (DMPED) and District of Columbia Housing Authority (DCHA)	To determine whether the New Communities Initiative operations are efficient, effective, economical, and comply with rules, regulations and laws	Not Started