

Date: December 14, 2017
To: Council of the District of Columbia
From: Kathleen Patterson, District of Columbia Auditor 
Subject: ODCA Fiscal 2017 Fourth Quarter Activity Report

This report provides information on the activities of the Office of the District of Columbia Auditor (ODCA) for July 2017 through September 2017. It includes [reports](#) issued, announcements, and the status of current FY 2017 audits and other projects. These reports are published on a quarterly basis.

Reports

[Metropolitan Police Monitor Nearly 2,500 Demonstrations in 2014-2016 and Report No First Amendment Inquiries](#)

Released: July 3, 2017

Summary: In 2016 alone, the District hosted approximately 1,224 marches and demonstrations overseen by the Metropolitan Police Department (MPD). To ensure public safety, the MPD may deploy patrol officers at events and carry out investigations and surveillance of “First Amendment activities.” Police conduct is governed by the District’s First Amendment Rights and Police Standards Act of 2004, (FARPSA), which protects the constitutional rights and liberties of individuals and groups. As further protection, the law requires ODCA to “audit MPD files and records relating to investigations and preliminary inquiries involving First Amendment activities” while also authorizing the Office of Police Complaints to oversee police handling of demonstrations. MPD did not conduct any First Amendment preliminary inquiries and investigations during the scope of the audit, and so ODCA did not make any recommendations on that issue. ODCA did, however, release a Management Alert Letter on April 14, 2017, citing transparency as a key element of §5-331.16(a) of the D.C. Code, recommending that MPD release all relevant reports on the use of riot gear at a public assembly on January 20 to the Partnership for Civil Justice Fund. MPD had denied the organization’s request for the reports because it was “not aware of any riot gear or tactics employed at any assembly on January 20.” In its response to ODCA’s Management Alert Letter, MPD acknowledged use of riot gear on January 20, 2017, but disagreed with ODCA’s reading of the transparency requirement.

[Sufficiency Certification for the Washington Convention and Sports Authority \(Trading As Events DC\) Projected Revenues and Excess Reserve to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2018](#)

Released: July 14, 2017

Summary: Pursuant to D.C. Code §10-1203.05 (b), ODCA is required to prepare and deliver to the Mayor, D.C. Council, the Office of the Chief Financial Officer (OCFO), and the Chairman of the Washington Convention and Sports Authority (WCSA) a certification of the sufficiency of WCSA’s projected revenues and excess reserve

to meet their projected expenditures and reserve requirements for the upcoming fiscal year. Based upon a comparative analysis of WCSA's projected revenues and excess reserve, ODCA determined that WCSA's projected revenues and excess reserve should be sufficient to cover its expenditures and reserve requirements for FY 2018 barring any unforeseen events that would adversely impact revenues and expenditures. ODCA's analysis indicated that WCSA's projected FY 2018 revenues and excess reserve should exceed expenditures by approximately \$180.2 million. ODCA determined that WCSA's total projected revenues and excess reserve estimate for FY 2018 are sufficient to cover its projected expenditures.

The Department of General Services Needs Guidance and Assistance to Develop Effective Internal Controls

Released: July 17, 2017

Summary: The Office of the District of Columbia Auditor (ODCA) is mandated by D.C. Code §38-2973.05 to prepare an annual report on the use of capital funds by the District of Columbia's Public Schools (DCPS). The Department of General Services (DGS) is tasked with managing the capital improvement and construction program for District government facilities, which includes the modernization or new construction of District schools. In reports issued in FY 2014 and FY 2015, ODCA identified a number of internal control deficiencies in the District's school modernization program. ODCA's FY 2016 audit of the District's school modernization program related to processes to verify the accuracy of invoices prior to approval for payment, processes for closing out school modernization projects, processes for transferring custody of school modernization projects to its Facilities Management Division. In addition, ODCA found that DGS does not have sufficient processes in place to prevent, detect and/or correct violations of the Davis-Bacon Act, nor is the District monitoring the status of Davis-Bacon Act complaints filed by workers on its school modernization projects to ensure that contractors are paying appropriate wages and benefits. ODCA issued six recommendations: one to the D.C. Mayor to ensure DGS has guidance on implementing effective internal controls; four to DGS related to the internal controls findings and the Davis-Bacon Act issue; and one to the D.C. Council on holding an oversight hearing and creating a local law to ensure the District's compliance with Davis-Bacon Act enforcement. The report also describes ODCA's intent to research and make recommendations for longer term improvements in agency internal controls.

Critical Work of the Child Fatality Review Committee Should Build on Recent Reforms

Released: July 21, 2017

Summary: ODCA conducted this audit to analyze data about child fatalities and identify trends, (2) evaluate the extent to which recommendations of the Child Fatality Review Committee (CFRC) address the trends, and (3) assess the response of D.C. government agencies to selected recommendations of the CFRC. The District's child death rate decreased by 39 percent from 2008 to 2015, reflecting a sharp drop in the 5-19 age groups, though there has been a troubling increase between 2013-2015. Infant mortality, which accounts for a majority of child deaths, dropped by 30 percent from 2008 to 2014. The child death rate remained 69 percent higher than the national average (2015 data) and the infant death rate exceeded the national average by 27 percent (2014 data). Sharp racial and geographic disparities in child mortality persist, placing African-American children and children in Wards 5, 7, and 8 at particular risk. Child fatalities in D.C. disproportionately affect boys and young men, particularly African-American males. Among the ODCA recommendations are: One to the CFRC to continue to draft recommendations based on case findings, using the SMART (specific, measurable, action-oriented, relevant, and time-based) model as a guideline; one to the D.C. Council, to ensure that CFRC recommendations receive a thorough review by policymakers via a public hearing on each CFRC annual report (as required by law); one to the City Administrator to ensure that agencies incorporate CFRC recommendations into their annual performance plans (also required by law); and two to the Office of the Chief Medical Examiner to allocate an

additional staff position to help the CFRC fulfill its duty to review all child deaths and publish the CFRC's annual report by September 30 of the following year.

[Fiscal Year 2016 Annual Report on Advisory Neighborhood Commissions](#)

Released: August 4, 2017

Summary: In accordance with D.C. Code § 1-309.13 (d) (1), the Office of the District of Columbia Auditor (ODCA) submitted the fiscal year (FY) 2016 consolidated Annual Report on Advisory Neighborhood Commissions (ANCs). Information presented in the report is a compilation of financial activity obtained from quarterly financial reports submitted by ANCs for FY 2016 and information from the District of Columbia Office of the Chief Financial Officer (OCFO). For FY 2016, ANCs received an appropriation of \$677,688.00, which was identical to the amount appropriated ANC appropriation for FY 2015, and was apportioned among the 40 ANCs. ODCA recommended releasing a total of \$553,999.58 of the appropriation, disallowing a total of \$73,883.35 for ANC expenditures that did not comply with D.C. Code and legal advice and opinions of the Office of the Attorney General. Five ANCs forfeited a total of \$49,805.07 because they did not submit all of their quarterly reports for FY 2016. Effective April 1, 2017, the Office of Advisory Neighborhood Commissions has replaced ODCA as the recipient of ANC quarterly financial reports and now has responsibility for monitoring the compliance of each ANC with laws and applicable OAG opinions regarding the expenditure of funds. ODCA remains committed to strengthening the financial accountability of each ANC through annual reports and occasional audits.

[Significant Improvements Needed in DCRA Management of Vacant and Blighted Property Program](#)

Released: September 21, 2017

Summary: In 2015, ODCA surveyed Advisory Neighborhood Commission members on which agencies and programs weren't meeting the public's expectations for high-quality services. Commissioners agreed that D.C.'s handling of vacant and blighted properties was a major concern, and D.C.'s elected officials concurred. ODCA looked at whether DCRA effectively managed the program in FY 2015, whether the Office of Tax and Revenue (OTR) effectively managed property tax collection in FY 2015, and the community and fiscal impacts of both agencies' management. ODCA issued 16 recommendations in the 99-page report that found DCRA's mismanagement of the vacant and blighted program—including improper granting of exemptions, not following legal requirements, errors with communication with OTR, and weaknesses in processes related to occupied status—resulted in almost \$1 million in lost potential revenue from sample of only 31 properties. With anywhere from 1,000-3,000 more vacant and blighted properties in D.C., the true financial impact could be far more significant. The community impact has been no less grievous: deteriorating buildings; fewer neighbors and eyes on the street; magnets for illegal activity; and frustration from neighbors and elected officials when their repeated complaints do not produce results. As indicated throughout the report, the Bowser Administration has made reforming DCRA and the vacant and blighted property program a priority in the nearly two years that have elapsed since the end of this audit's scope.

[Readiness, Response, Recovery: A Discussion with Members of the D.C. Homeland Security Commission](#)

Released: September 28, 2017

Summary: This report is the result of the first in a series of thought-provoking and lively dialogues in which experts will share with D.C. policymakers their perspectives on issues affecting the District government. The 60-minute discussion with current and past members of the the Commission focused on how to ensure that the Commission's recommendations remain focused, actionable, and valuable, and how the Commission expertise can be leveraged to identify emerging issues. Given the timing of the meeting—in the wake of Harvey's hammering of Houston and as Irma was hurtling toward Florida—the conversation was animated with references to decisions made and not made in Texas, the impact of social media on response and

recovery there, and the status of evacuation planning in the District. Commissioners debated whether and how they can assure that their work and their recommendations are given due consideration, an open question that may be the most important takeaway from the discussion. The transcript of the discussion provides the D.C. Council and the public with a perspective on the Commission and its work, as well as ways security preparedness in D.C. can be improved. The meeting was organized by the ODCA, with D.C. Councilmember Charles Allen, Chairperson of the Committee on the Judiciary and Public Safety, presiding. The panelists were Interim Director of the Homeland Security and Emergency Management Agency Brian C. Baker; Philip McNamara, Homeland Security Commissioner; Susan Reinertson, Homeland Security Commissioner; Rebecca Katz, PhD, MPH, Homeland Security Commissioner; Barbara Childs-Pair, Former Commissioner; and John Contestabile, Former Commissioner.

Media Placements

[D.C. Auditor: Proposed changes to Affordable Care Act could be 'catastrophic' for District residents](#), NBC4, July 13, 2017.

[Child death rate declines in the District, report says](#), Washington Post, July 21, 2017.

[Infant, child deaths in DC fall dramatically but officials still see 'troubling' numbers](#), WTOP, July 21, 2017.

[Number of child fatalities in DC rising again](#), DCW-50, July 22, 2017.

[D.C. mistakenly disclosed confidential information of homeless residents to advocacy group](#), WAMU, July 26, 2017.

[Audit: Department of Public Works' performance measures were effective but lacked proper controls](#), NASACT Weekly News, July 24.

[D.C. police officer will not face criminal charges in 2016 fatal shooting of motorcyclist](#), Washington Post, August 9, 2017

[Cop who fatally shot unarmed motorcyclist won't face charges](#), DCist, August 10, 2017

[Were D.C. police really held accountable in this man's shooting death?](#), Washington Post, August 11, 2017

[MPD is now investigating another violent logo worn by police officers](#), DCist, August 15, 2017

[Dramatic renovation changes face of Duke Ellington School of the Arts](#), NBC4-TV, August 17, 2017

[Duke Ellington School opens next week, double original budget](#), WJLA-TV, August 18, 2017

[Gleaming Duke Ellington school is reopening after massive \(and over budget\) renovations](#), DCist, August 18, 2017

[Duke Ellington School unveils flashy, pricey new campus](#), Current Newspapers, August 23, 2017

[D.C.'s report on child fatalities shows progress — and more to be done](#), Washington Post, August 27, 2017

[D.C. to target zombie properties](#), Washington Times, September 29, 2017

[D.C. failing to crack down on abandoned buildings, report finds](#), Washington Post, September 21, 2017

[DC Auditor: District neglected dozens of vacant properties, lost millions in taxes](#), ABC7, September 21, 2017

[D.C. failed to enforce law on vacant and blighted homes, audit says](#), WAMU, September 21, 2017

[D.C. Auditor slams city agency responsible for vacant property enforcement](#), Washington City Paper, September 22, 2017

[D.C. is teeming with police officers, so the mystery may be why crime happens at all](#), Washington City Paper, Sept. 21, 2017

Office of the D.C. Auditor, Completed and Current Projects, as of Fourth Quarter 2017

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
1	DCPS Food Service Contract Evaluation	Councilmember Cheh	D.C. Public Schools (DCPS)	Review of DCPS' contracts with food service management companies, the decision to outsource food services, and current and historic cost drivers and program operations.	Complete	10/07/16
2	FY 2016 ANC Annual Report	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (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 2016.	Completed	8/4/17
3	ANC Security Fund Review	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (ANC)	To present the Security Fund Annual Financial Report of the Advisory Neighborhood Commission for FY 2016	Complete	12/8/16
4	Certification of OCFO Revenue Estimate	D.C. Code § 1-206.03	Office of the Chief Financial Officer (OCFO)	To review, analyze and assess the reasonableness and attainability of the CFO's FY 2017 local source revenue estimate, and to determine if the issuance of the proposed general obligation bonds would cause the District to exceed its debt ceiling, as outlined in D.C. Code § 1-206.03(b)(1)	Complete	12/19/17

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
5	Agency SBE Compliance Evaluation, Quarter 2/3 FY 2016	DC Code § 1-301.184	Department of Small and Local Business Development (DSLBD)	To determine the FY 2016 SBE expenditures of District agencies through the 3rd quarter of FY 2016 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements	Complete	12/22/16
6	Summer Youth Employment Site Visit Program Evaluation	Councilmember Silverman & D.C. Code § 32-241-(g)(5)	Department of Employment Services (DOES)	Evaluation of site visits of DC's Summer Youth Employment Program	Complete	12/21/16
7	Internal Control Review of Various Data Systems (PII Review)	Discretionary	DC Department of Human Resources (DCHR), Child and Family Services (CFSA), Department of Employment Services (DOES)	To review sufficiency and appropriateness of internal control for several District data systems	Complete	1/06/17
8	Snow Removal Review	Councilmember Cheh	Department of Public Works (DPW)	To review expenditures associated with snow removal for Winter Storm Jonas	Complete	1/11/16
9	Recommendation Compliance Report	GAGAS	Previously Audited Agencies	To determine whether recommendations issued from FY 2014 to present were implemented	Complete	1/13/17
10	Impact of Potential Changes to ACA/Medicaid	CM Evans	Department of Health Care Finance (DHCF)	To examine the potential effects to the District of changes to provisions in the Affordable Care Act and to the Medicaid program. This review will examine effects on the District's budget as well as effects on potential insurance coverage for District residents.	Complete	1/25/17

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
11	MPD Patrol Services Audit	Risk Based Audit	Metropolitan Police Department (MPD)	To determine whether MPD Patrol Services is achieving goals	Complete	2/3/17
12	Evaluation of Systems Development Processes in the District	Discretionary	DCRA, DMPED, OCTO, OCFO, DSLBD	To conduct a case study and evaluate the costs of the DC Business Center as example of IT development process	Complete	2/9/17
13	UDC Audit	Risk Based Audit	University of the District of Columbia	To determine whether UDC is achieving its goals with a focus on elements of the new strategic plan	Complete	3/10/17
14	Housing Production Trust Fund (HPTF) Audit	Councilmember Evans	Department of Housing and Community Development (DHCD)	To assess whether the Housing Production Trust Fund is meeting its objectives	Complete	3/16/17
15	MPD Use of Force Recommendation Compliance	Discretionary	MPD	To determine MPD's progress in implementing the 38 recommendations contained in ODCA's report "The Durability of Police Reform."	Complete	Letter issued 3/20/17
16	Summer Youth Employment Program Evaluation	Councilmember Silverman	Department of Employment Services (DOES)	Contract review of program data, processes, and internal controls of the District's Summer Youth Employment Program	Complete	3/21/17

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
17	Home Visiting Program and Services Review	Discretionary	Deputy Mayor for Children, Youth and Families	Contract with D.C. Action for Children for a status report on home visiting programs and services in the District of Columbia, including a baseline on who is served, by which services and programs, at what cost – local and federal -- and the extent to which there may be unmet needs in the District.	Complete	3/23/17
18	PAR Audit FY 2016	D.C. Code § 1-614.14(c)	Department of Public Works (DPW) and Office of the City Administrator (OCA)	To identify best and worst case examples of performance measurement for District agencies.	Complete	6/15/17
19	Agency SBE Compliance, FY 2016	D.C. Code § 2-218.53 and § 1-301.184	Department of Small and Local Business Development (DSLBD)	To determine whether District agencies met the required goal of procuring 50% of agency expendable budgets with SBEs in FY 2016 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements.	Complete	6/28/17
20	2016 MPD First Amendment Evaluation	DC Code § 5-333.12(d)(1) and (2)	Metropolitan Police Department (MPD)	To ensure MPD complied with rules, regulations and laws pertaining to MPD investigations during FY 2014-2016 concerning first amendment activities during and to determine whether MPD implemented recommendations in previous ODCA audit reports.	Complete	7/3/17

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
21	Events DC Revenue Sufficiency Review	D.C. Code § 1-1203.05(b)	Washington Convention and Sports Authority (Events DC)	To determine whether FY 2018 projected dedicated tax revenues, operation revenues, and excess reserve will be sufficient to meet the FY 2018 projected expenditures and reserve requirements of Events DC.	Complete	7/14/17
22	DCPS Capital Improvement Fund Evaluation, FY 2016	D.C. Code § 38-2973.05	Department of General Services (DGS)	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 2016 with a focus on the construction and close-out phases of the Shepherd and Roosevelt projects.	Complete	7/17/17
23	Evaluation of Child Fatality Review Committee Reports	Discretionary	Office of the Chief Medical Examiner (OCME)	Capstone group from GWU will review Child Fatality Review Committee reports regarding: (1) trends and types; and (2) recommendations and status.	Complete	7/21/17
24	Housing Production Trust Fund (HPTF) Data Report	Councilmember Evans	Departement of Housing and Community Develoment (DHCD)	To complete the final objective of the HPTF audit by documenting HPTF revenue/expenditure and number of units produced.	Ongoing	February 2018

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
25	Audit of Vacant/Blighted Properties	Risk Based Audit	Department of Consumer and Regulatory Affairs (DCRA) and OCFO's Office of Tax and Revenue (OTR)	To determine whether DCRA and OTR are effectively managing vacant and blighted properties by reviewing: the number, location, and type of properties; trends in number of properties; community effects of properties; exemptions from punitive tax rates; enforcement tools; legal actions; and/or interagency coordination.	Complete	9/21/17
26	HSEMA Analysis	Discretionary	Homeland Security and Emergency Management Agency (HSEMA)	To host an event with current and former members of the DC Homeland Security Commission to discuss problems, opportunities, and plans for the future	Complete	Transcript posted 9/28/17
27	Worksite Parking Program Audit	Discretionary	Department of General Services (DGS)	To review subsidized parking for District government employees. Includes parking in District-owned and leased properties. Will update a previous review of subsidized parking.	Field Work	March 2018
28	DCPS Elementary School Staffing Study	Discretionary	District of Columbia Public Schools (DCPS)	To identify similarities and differences in staffing patterns among schools and examine schools' use of formula funding and their sources of funding.	Complete	10/31/17
29	Public Vehicles-For-Hire Consumer Fund Audit	D.C. Code § 50-301.20(j)	Department of For-Hire Vehicles (DFHV)	To audit the Public Vehicles-For-Hire Fund	Complete	11/2/17

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
30	DC Early Intervention Program Analysis	CM Grosso	Office of the State Superintendent of Education (OSSE)	To analyze the District's use of federal IDEA Part C funds (early intervention services) to determine whether OSSE has appropriate budget and fiscal management practices to handle expansions under the Enhanced Special Education Services Amendment Act of 2014.	Field Work	February 2018
31	DBH and the DC Justice System	Discretionary	Department of Behavioral Health	Contract project of the Council for Court Excellent to determine efficacy of DBH policies and procedures governing the provision of services to individuals involved in the criminal justice system.	Ongoing	February 2018
32	First Source Compliance Review	Discretionary	Department of Employment Services (DOES)	To evaluate DOES's performance in enforcement of compliance of companies doing business with the District in meeting First Source requirements to hire D.C. residents.	Reporting	January 2018
33	Evaluation of Overtime Payments for District Employees	Discretionary	DPW, DOC, DYRS and DFS	To evaluate trends in overtime payments for District employees.	Field Work	February 2018
34	Amber Overlook Project Review	Discretionary	Department of Housing and Community Development	To review the management of the Amber Overlook project at DHCD as part of HPTF review	Reporting	January 2018

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
35	D.C. Jail Review	Discretionary	Program Evaluation	To evaluate conditions within the District's Central Detention Facility and Correctional Treatment Facility including the physical condition of the cells and common areas;	Field Work	April 2018
36	Internal Control Assessment of the District Government	Discretionary	Program Evaluation	To develop a white paper that will focus on overall business processes and internal controls development in D.C. government.	Ongoing	March 2018
37	DCRA Business Process Review	Councilmember Mendelson	Contract Evaluation	To review DCRA's business processes.	Ongoing	January 2018
38	Audit of ANCs	DC Code § 1-309.13(d)(1)	Advisory Neighborhood Commissions (ANC)	<i>To determine whether the recommendations of ANCs were given "great weight" during FY 2016</i>	Survey	May 2018
39	Revenue Evaluation	Discretionary	Revenue source and relevant agency to be determined during survey phase	To determine whether revenues are being properly assessed and collected. Possible areas: Hotel Occupancy Tax, Tax for online hotel booking sites	Ongoing	December 20