


Date: September 11, 2014
To: Council of the District of Columbia
From: Lawrence Perry 
Acting District of Columbia Auditor
Subject: Activity Report – August 2014

This report provides information on the activities of the Office of the District of Columbia Auditor (ODCA) for August 2014. The report includes reports issued, announcements, the status of current audit projects, and a summary of planned Fiscal Year 2014 audits.

[Audit Reports:](#)

[Contractor Selection and Quality Assurance for Select DDOT Road Projects](#)

Released: August 6, 2014

Summary: District Department of Transportation (DDOT) is the lead agency in the District of Columbia for managing road construction and re-construction projects. Using both local and federal funds, DDOT is responsible for advertising planned construction opportunities, selecting the winning contractor from among firms submitting bids, and managing the project to ensure it is completed on time, on budget, and according to the plans. DDOT has put into place policies and procedures that are designed to ensure that these responsibilities are carried out effectively. Overall, we found that the agency's quality assurance process is well designed and appears to be working effectively. We did, however, find some weaknesses in DDOT's contractor selection process that may increase the risks of choosing a contractor that does not have the capacity to complete all work assigned to them.

[DC Public Education Reform Amendment Act \(PERAA\) Report No. 3 Part II](#)

Released: August 22, 2014

Summary: "Trends in Teacher Effectiveness in the District of Columbia Public (DCPS), School Years 2008-2009 & 2012-2013" is the third in a series of interim reports prepared by the Education Consortium for Research and Evaluation (EdCORE) at the George Washington University. This third report addresses human resources and includes two parts. Part I (released June 30, 2014), focuses on teacher effectiveness (as measured by IMPACT) and retention in District of Columbia Public Schools (DCPS). Part II provides information on trends in teacher effectiveness by ward and socioeconomic status (SES) of schools in DCPS.

Announcements:

ODCA is nearing completion of a comprehensive risk assessment, in which we assigned a score to potential audit areas based upon specific risk factors related to an agency’s operations, internal controls, and liability to the District. In July, we provided a list of the 25 agency divisions with the highest risk scores to each member of the Council, as well as, to the agency directors who oversee the 25 divisions. We asked each member of the Council for input on whether they have any specific areas of concern related to these 25 divisions. We also asked the agency directors, overseeing the 25 divisions, to complete a short questionnaire on the programs, processes, and objectives of the divisions that they feel warrant further investigation. Using the information gathered from the Councilmembers and agency directors, we will make further adjustments to the risk scores for each division.

Due to competing priorities for several of the agencies, ODCA extended the due date for the questionnaires. As a result, ODCA expects to complete the risk assessment by September 30, 2014.

Current Audits:

	Audit Agency	Purpose	Status
1	<u>Office of the People’s Counsel (OPC)</u>	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 1/14/2014
2	<u>D.C. Children and Youth Investment Trust Corporation (CYITC)</u>	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	Final Issued 2/12/2014
3	<u>Department of General Services (DGS)</u>	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	Final Issued 7/29/2014
4	<u>Metropolitan Police Department (MPD)</u>	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	Final Issued 3/19/2014

	Audit Agency	Purpose	Status
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	Reporting
6	Advisory Neighborhood Commissioners (ANC)	To determine whether ANC Commissioners administered and operated ANC financial accounts in accordance with applicable District laws and regulations	Reporting/ Fieldwork ANC 8B Draft Issued 9/5/2014
7	<u>District Department of Transportation (DDOT)</u>	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	Final Issued 8/6/2014
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	Draft Issued 8/15/2014
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	Draft Issued 8/15/2014
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	Draft Issued 8/13/2014
11	Department of Consumer and Regulatory Affairs (DCRA)	To examine the program's cost and effectiveness	Terminated
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	Fieldwork

	Audit Agency	Purpose	Status
13	Department of Motor Vehicles (DMV)	To determine whether DMV met the performance measurement outcomes presented in the Performance Accountability Report for FY 2012	Draft issued 9/5/2014
14	<u>Public-Private Developers</u>	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 1/9/2014
15	<u>Department of Small and Local Business Development (DSLBD)</u>	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	Final Issued 5/14/2014
16	<u>Department of Small and Local Business Development (DSLBD)</u>	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	Final Issued 7/7/2014
17	<u>Department of Small and Local Business Development (DSLBD)</u>	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	Final Issued 6/18/2014
18	<u>Department of Small and Local Business Development (DSLBD)</u>	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	Final Issued 9/3/2014
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	Ongoing
20	<u>Advisory Neighborhood Commission (ANC)</u>	To present the Security Fund Annual Financial Report of the Advisory Neighborhood Commission for FY 2013	Final Issued 12/20/2013
21	District of Columbia Public Schools (DCPS) The Public Education Reform Amendment Act (PERAA)	To present a comprehensive quantitative analyses of human resources operations and human capital strategies, five-year trend analysis that will be due no later than June 30, 2014.	Report Issued (Report No. 3 Part I) 7/9/2014 Report Issued (Report No. 3 Part II)

	Audit Agency	Purpose	Status
			8/22/2014
22	District of Columbia Public Schools (DCPS)	To present a five-year trend analysis of student achievement that addresses academic growth, proficiency, and non-academic values. In addition, multi-year analyses would be conducted of several other student outcomes, depending on available data that will be completed by September 5, 2014.	Ongoing Report No. 4 Issued 9/5/2014
23	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	Survey
24	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	Fieldwork
25	<u>Washington Convention and Sports Authority (Events DC)</u>	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	Final Issued 7/14/2014
26	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
27	Metropolitan Police Department (MPD)	To ensure MPD complied with rules, regulations and laws pertaining to MPD investigations concerning first amendment activities during FY 2013	Draft Issued 8/15/2014
28	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	Draft issued 9/5/2014
29	Homeless programs affiliated with Nonprofit Organizations	To review homeless programs affiliated with nonprofit organizations to determine redundancy, waste, inefficiency, and inadequate accountability	Survey
30	Metropolitan Police Department (MPD)	To determine whether operations were efficient, effective, economical, and complied with rules, regulation and laws	Not Started

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31	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
32	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	Reporting
33	District of Columbia Public Schools (DCPS)	To determine whether operations were efficient, effective, economical, and complied with rules, regulations and laws	Final issued 9/10/2014
34	Department of Health (DOH)	To determine whether operations were efficient, effective, economical, and complied with rules, regulations and laws	Not Started
35	Board of Elections	To determine whether the voter files were accurate and complied with relevant rules, regulations and laws	Survey
36	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	Draft Issued 8/8/2014 Revised Draft Issued 9/8/2014
37	Office of Unified Communications	To determine whether 311 Call Center was managed in an effective and efficient manner and complied with rules, regulations and law	Draft issued 8/14/2014
38	Previously Audited Agencies	To determine whether agreed upon recommendations issued during FY 2012 and 2013 were implemented	Ongoing
39	<u>Office of the Chief Financial Officer (OCFO)</u>	District of Columbia Revenue Certification for FY 2014 Bond Issuance	Final Issued 4/3/2014
40	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	Suspended

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41	<u>Department of Human Services</u>	To determine the number of families affected by the second reduction in TANF benefits and to identify if the families have had changes in education performance, health and new interactions with social services	Final Issued 5/28/2014
42	<u>Office of the Chief Financial Officer (OCFO)</u>	District of Columbia Revenue Certification for FY 2014 Bond Issuance (2 nd Issuance)	Reporting