


Date: October 6, 2016

To: Council of the District of Columbia

From: Kathleen Patterson 
District of Columbia Auditor

Subject: Quarterly Activity Report

This report provides information on the activities of the Office of the District of Columbia Auditor (ODCA) for July through September 2016. It includes reports issued, announcements, and the status of current FY 2016 audits and program evaluations. These reports are published on a quarterly basis.

Reports:

[The District May Have Forfeited Nearly \\$500,000 Through Changes to the Contract for the H.D. Cooke Elementary School Modernization Completed in 2010](#)

Released: July 13, 2016

Summary: This letter report was written pursuant to D.C. Code § 38- 2973.05, which requires the Auditor to annually monitor compliance with statutes, regulations, and policies regarding the school modernization program. We found that an unexplained change to the scope of work, combined with changing the form of contract at the project's conclusion, may have cost the District \$498,938 in contingency savings. And, as we wrote in our July 1, 2015, report, the Department of General Services was not able to provide evidence the general contractor submitted documentation to its predecessor agency detailing contingency savings on the H.D. Cooke modernization.

[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 2017](#)

Released: July 14, 2016

Summary: Pursuant to D.C. Code §10-1203.05 (b), we conducted a sufficiency certification of the sufficiency of the Washington Convention and Sports Authority (WCSA) projected revenues and excess reserve to meet their projected expenditures and reserve requirements for the upcoming fiscal year (FY). The certification letter report presents ODCA's determination that the WCSA's FY 2017 projected revenue and excess reserve is sufficient to meet the requirements of the upcoming fiscal year.

[Letter Report: Status of PERAA Recommendations](#)

Released: July 11, 2016

Summary: This letter report provides a summary of the Bowser Administration's follow-up on recommendations made by the National Research Council of the National Academies in their 2015

report, “An Evaluation of the Public Schools of the District of Columbia: Reform in a Changing Landscape.” The responses were provided by Deputy Mayor Jennifer Niles and include information provided by her office as well as the Office of the State Superintendent of Education.

[District Agencies Did Not Provide Sufficient Oversight of Private Development Projects and Have Not Collected Potentially Significant Fines](#)

Released: August 1, 2016

Summary: This letter report reviews the compliance of two developers with requirements to provide specific public benefits outlined in agreements the developers signed with the District of Columbia government. Our findings show that for the two selected projects, developers in many instances complied with requirements, but District agencies did not sufficiently monitor the developers’ compliance with agreed upon community benefits. Furthermore, two agencies – the Department of Small and Local Business Development and the Department of Employment Services – have persistently failed to monitor developers’ compliance with requirements that could allow the District to collect significant monetary penalties. We undertook this review based on a request from Councilmember Anita Bonds to look into alleged wage irregularities at a number of development projects in the District.

[Administrative Justice in the District of Columbia: Recommendations to Improve DC’s Office of Administrative Hearings](#)

Released: September 7, 2016

Summary: The District Council for Court Excellence (CCE), a nonprofit organization committed to improving the administration of justice in the nation’s capital, conducted a year-long review of the operations of the Office of Administrative Hearings (OAH) on contract with the ODCA. In their final report, CCE finds that OAH has not yet fulfilled its mission of creating a fair, efficient, and effective system of administrative hearings, but also highlights a series of reforms that are underway as well as a recent improvement in morale within the administrative court. The ODCA/CCE report offers a wide range of recommendations on topics as diverse as organizational structure and the litigant experience in an effort to support OAH’s internal efforts at reform and provides the Council with a draft bill to bring about the additional reforms the evaluation team is recommending.

Announcements

In July, the ODCA launched a Blog and Podcasts page on its website entitled: *Checked & Balanced*

The goal of the blog and podcast entries is to give District residents ready access to ODCA reports and the opportunity to learn more about the ODCA mission, staff, functions, and processes. Both platforms will feature a wide variety of topics and discussions for readers to explore as well as the opportunity to provide feedback. The new platforms add to the agency’s online presence, which already includes a public website and [Twitter account](#). Each blog and podcast posting links to the corresponding full report on the ODCA website.

ODCA’s Fiscal Year 2016 podcasts include:

[Review of Summer Youth Employment Programs](#)

[DYRS Can Strengthen the Management of DC YouthLink, Community-Based Residential Facilities, and Performance Reporting](#)

And blog posts:

[Secret Testers Used as an Evaluation Tool](#)

[The High Cost of Modernizing the Duke Ellington School of the Arts](#)

Highlighted Entry

The “[Secret Testers](#)” blog posting describes the mixed results uncovered in customer services tests conducted at seven major District government agencies. It provides information to our website viewers, including a chart of the key recommendations of the audit, and requests that our viewers respond to a brief survey to provide feedback on their experiences with District government.

Completed and Current Projects:

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
1	DPR Aquatic Center Payment Evaluation	Discretionary	Department of Parks and Recreation (DPR)	To determine whether DPR is collecting aquatic center payments appropriately.	Complete	Report Issued: February 3, 2016
2	RPTAC Audit	D.C. Code § 47-825.01(l)(2)	Real Property Tax Appeal Commission	To determine whether the operations of the Real Property Tax Appeal Commission were efficient, effective, economical, and complied with relevant rules, regulations and laws.	Complete	Report Issued: March 4, 2016
3	Public Private Developer Evaluation	Councilmember Bonds	Public Private Developers	Review the agreements made between various District agencies and developers for two specific development projects. Assess compliance with those agreements.	Complete	Report Issued: August 1, 2016
4	Events DC Audit	D.C. Code § 10-1203.05(a)	Washington Convention and Sports Authority (Events DC)	To determine whether Events DC and Destination DC are achieving goals.	Complete	Report Issued: October 30, 2015
5	DYRS Youth and Family Programs Audit	Risk Based Audit	Department of Youth Rehabilitation Services (DYRS)	To determine whether the DYRS Youth and Family Programs division is achieving goals.	Complete	Report Issued: March 17, 2016
6	MPD Use of Force Evaluation	Discretionary	Metropolitan Police Department (MPD)	Contract review by The Bromwich Group to assess compliance with 2001 MOA with DOJ on police use of force.	Complete	Report Issued: January 28, 2016
7	BOE Voter Files Evaluation	Discretionary	Board of Elections	To determine whether DCBOE's processes for maintaining the voter file are sufficient and appropriate.	Complete	Report Issued: June 7, 2016
8	Audit of Homeless Services Contract	Councilmember Cheh	Homeless programs affiliated with Nonprofit Organizations	To review the TCP management contract to determine redundancy, waste, inefficiency, and inadequate accountability.	Complete	Report Issued: March 9, 2016
9	MPD Patrol Services Audit	Risk Based Audit	Metropolitan Police Department (MPD)	To determine whether MPD Patrol Services is achieving goals.	Reporting	October 2016

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
10	Recommendation Compliance Report	GAGAS	Previously Audited Agencies	To determine whether recommendations issued from FY 2013 to present were implemented.	Complete	Report Issued: January 4, 2016
11	DCPS Capital Improvement Fund Evaluation, FY 2014 (H.D. Cooke)	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 2014 with a focus on H.D. Cooke.	Complete	Report Issued: July 13, 2016
12	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.	Reporting	Management Alert Issued: February 12, 2016 October 6, 2016
13	Customer Service Testing	Discretionary	311 Call Center, OCFO, DCRA, MPD, DCPS, DHS, and DPW	To test D.C. government agencies' ability to respond to resident inquiries in a timely, knowledgeable, and courteous fashion.	Complete	Report Issued: June 27, 2016
14	DCPS Capital Improvement Fund Evaluation, FY 2015 (Ellington)	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 2015 with a focus on the Duke Ellington School for the Arts.	Complete	Report Issued: May 31, 2016
15	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.	Reporting	November 2016
16	Sustainable Energy Trust Fund Audit	Discretionary	Department of Energy and Environment (DOEE) and the D.C. Sustainable Energy Utility (DCSEU)	Review fund revenues and ensure that funds are used as intended.	Complete	Report Issued: June 20, 2016

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17	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 three specific schools in varying phases of the capital construction process.	Ongoing	December 2016
18	Office of Administrative Hearings Evaluation	Discretionary	Office of Administrative Hearings (OAH)	10-Year contract review of OAH's performance in providing timely access to administrative justice.	Complete	Report Issued: September 7, 2016
19	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.	Ongoing	First Report Issued: June 2, 2016 Second and third anticipated by year's end
20	Summer Youth Employment Program Review	Discretionary	Department of Employment Services (DOES) and sister agencies in other cities	To provide context for the review of the District's Summer Youth Employment Program with data on objectives, activities, and outcomes of summer jobs programs in other cities.	Complete	Report Issued: April 21, 2016
21	Housing Production Trust Fund (HPTF) Audit/Evaluation	Councilmember Evans	Department of Housing and Community Development (DHCD)	To assess whether the Housing Production Trust Fund is meeting its objectives.	Ongoing	Management Alert Issued: March 15, 2016
22	Revenue Audit #1	Discretionary	Revenue source and relevant agency to be determined during survey phase	To determine whether one or more specific revenue sources are being properly assessed and collected.	Not Started	TBD

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
23	Audit of Vacant/Blighted Properties	Risk Based Audit	Department of Consumer and Regulatory Affairs (DCRA)	To determine whether DCRA is 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.	Ongoing	December 2016
24	Evaluation of Tax Exempt Properties	Discretionary		To review tax exempt properties in the District and compare to the IRS tax exempt listing.	On Hold	TBD
25	PAR Evaluation	D.C. Code § 1-614.14(c)	Review of DPW performance reporting	To identify best and worst case examples of performance measurement for District agencies.	Field work	December 2016
26	Fair Criminal Record Screening Act Audit	D.C. Code § 32-1345(c)	Office of Human Rights (OHR)	To determine progress on hiring of applicants with criminal backgrounds by employers and impact of law on employers.	Complete	Report Issued: June 10, 2016
27	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 2016 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	Report Issued: June 24, 2016
28	MPD First Amendment Audit	D.C. Code § 5-333.12(d)(1) and § 5-333.12(d)(2)	Metropolitan Police Department (MPD)	To ensure MPD complied with rules, regulations and laws pertaining to MPD investigations concerning first amendment activities and to determine whether MPD implemented recommendations in previous ODCA audit reports.	Not Started	TBD

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
29	Evaluation of Overtime Payments for District Employees	Discretionary	TBD	To evaluate trends in overtime payments for District employees.	Not Started	TBD
30	Contract Evaluation of Systems Development Processes in the District	Discretionary	Department of Consumer and Regulatory Affairs (DCRA), Office of the Deputy Mayor for Planning and Economic Development (DMPED)	To conduct a case study and evaluate the costs of the DC Business Portal as an example of IT development process.	Reporting	October 2016
31	PERAA Recommendation Compliance Review	Discretionary	Deputy Mayor for Education (DME)	To review compliance with the recommendations contained in the PERAA reports.	Complete	Report Issued: July 11, 2016
32	Internal Control Review of Various Data Systems	Discretionary	DC Department of Human Resources (DCHR), Child and Family Services (CFSA), Department of Employment Services (DOES)	To review sufficiency and appropriateness of controls of Personally Identifiable Information.	Reporting	October 2016
33	Events DC Revenue Certification	D.C. Code § 10-1203.05(b)	Washington Convention and Sports Authority (Events DC)	To determine whether FY 2017 projected dedicated tax revenues, operation revenues, and excess reserve will be sufficient to meet the FY 2017 projected expenditures and reserve requirements of Events DC.	Complete	Report Issued: July 14, 2016

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
34	Home Visiting Program and Services Contract Review	Discretionary	Deputy Mayor for Children, Youth and Families	To produce 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.	Ongoing	January 2017
35	Audit of DC Government Subsidized Parking	Discretionary	Department of General Services	A review of subsidized parking for District government employees including owned and leased properties.	Ongoing	February 2017

ANC REVIEWS AND REPORTS

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
36	ANC Annual Report	D.C. Code § 1-309.13(d)(1)	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 2014.	Complete	Report Issued: December 11, 2015
37	Review of Quarterly ANC Reports Allotment: Q1 FY16 Report: Q3 FY15	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (ANC)	Review quarterly reports submitted by ANCs and, once verified, authorize the release of quarterly allotments.	Complete	Allotments Issued
38	ANC Security Fund Review	D.C. Code § 1-309.14(f)	Advisory Neighborhood Commissions (ANC)	To present the Security Fund Annual Financial Report of the Advisory Neighborhood Commission for FY 2015.	Complete	Report Issued: December 9, 2015
39	Review of Quarterly ANC Reports Allotment: Q2 FY16 Report: Q4 FY15	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (ANC)	Review quarterly reports submitted by ANCs and, once verified, authorize the release of quarterly allotments.	Complete	Allotments Issued
40	Audit of Selected ANC Expenditure Categories	D.C. Code § 1-309.13(d)(1)	Advisory Neighborhood Commissions (ANC)	To determine whether ANC Commissioners administered and operated ANC financial accounts in accordance with applicable District laws and regulations from FY 2009 - Q1 FY 2012.	On Hold	TBD

ANC REVIEWS AND REPORTS (continued)

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
41	ANC Annual Report	D.C. Code § 1-309.13(d)(1)	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 2015.	Complete	May 19,2016
42	Review of Quarterly ANC Reports Allotment: Q3 FY16 Report: Q1 FY16	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (ANC)	Review quarterly reports submitted by ANCs and, once verified, authorize the release of quarterly allotments.	Completed	Allotments Issued
43	Review of Quarterly ANC Reports Allotment: Q4 FY16 Report: Q2 FY16	D.C. Code § 1-309.13	Advisory Neighborhood Commissions (ANC)	Review quarterly reports submitted by ANCs and, once verified, authorize the release of quarterly allotments.	Ongoing	August 2016

CBE COMPLIANCE REPORTS

Item #	Name	Origination	Agency	Purpose	Audit Phase/ Status	Expected Date of Completion
44	Developer CBE Compliance Review	D.C. Code § 1-301.183	Department of Small and Local Business Development (DSLBD)	To evaluate DSLBD's process for tracking the progress of developers in reaching CBE expenditure goals.	Complete	Report Issued: July 5, 2016
45	Agency SBE Compliance Review, Quarter 1 FY 2016	D.C. Code § 1-301.184	Department of Small and Local Business Development (DSLBD)	To determine the FY 2016 SBE expenditures of District agencies through the 1st quarter of FY 2016 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements.	Complete	Report Issued: March 16, 2016
46	Agency SBE Compliance, FY 2015	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 2015 and to determine the compliance of District agencies with SBE goals and expenditure reporting requirements.	Complete	Report Issued: March 31, 2016
47	Agency SBE Compliance Evaluation Quarters 2 and 3 FY 2016	D.C. 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.	Reporting	October 2016