



The Department of Public Works' Performance Measures Were Effective But Lacked Proper Controls

June 15, 2017

Audit Team:

Vilma Castro, Auditor-in-Charge

Yvonne Jones, Auditor

Lilai Gebreselassie, Audit Supervisor

A Report by the Office of the District of Columbia Auditor
Kathleen Patterson, District of Columbia Auditor



June 15, 2017

The Department of Public Works' Performance Measures Were Effective But Lacked Proper Controls

Why ODCA Did This Audit

The Office of the District of Columbia Auditor's (ODCA) audit of the performance measures of the Department of Public Works (DPW) originated from the mandate (D.C. Code 1-614.14c) stating that ODCA shall conduct an audit of selected performance measures presented in the Performance Accountability Report (PAR) of certain agencies each fiscal year. The PAR provides information about the agency's progress in achieving its goals for the previous year.

What ODCA Recommends

1. DPW should ensure that it has clear policies and procedures on how to collect, process, and measure Key Performance Indicators (KPIs) accurately and consistently, with particular emphasis on developing procedures to verify that data is complete prior to reporting it in the PAR.
2. The Chief Performance Officer of the Office of the City Administrator should develop and implement procedures to retain documentation detailing OCA's activities related to the review and approval of KPIs.

What ODCA Found

The mission of DPW is to provide environmentally healthy municipal services that are both ecologically sound and cost effective. DPW ensures the cleanliness of the District's residential neighborhoods, high-visibility commercial areas, gateway corridors, and industrial zones through a combination of direct services, education, and enforcement. The agency also ensures parking opportunities for District residents, businesses, and visitors by encouraging voluntary compliance with parking regulations. Through fleet management operations, DPW improves business processes by ensuring critical equipment will be available for core services for all agencies.

Our review found that DPW met the Office of the City Administrator (OCA) standards for effective performance measures. Although ODCA did note some areas for improvements, the majority of DPW's Key Performance Indicators (KPIs) were accurately reported in the DPW FY 2015 PAR. However, the OCA could not produce supporting documentation to corroborate that it monitored the development of DPW's KPIs.

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Background

The Government Managers Accountability Act of 1995 (GMAA)¹, as amended, mandates that all District of Columbia government agencies transmit to the Council of the District of Columbia (D.C. Council) a performance plan for each fiscal year that covers all publicly-funded activities of the agency. Agency performance plans must include the objectives that the agency is working toward, a list of initiatives that will be implemented in order to achieve agency objectives and a set of performance measures and targets that will be used to gauge progress from year to year. These performance plans and reports are required in order to help measure and improve the efficiency and effectiveness of District government services and strengthen government planning, management, and budgeting processes.

The GMAA also mandates that the Office of the District of Columbia Auditor (ODCA) conduct an audit of the Performance Accountability Report (PAR) submitted by select agencies each fiscal year. For this audit, ODCA has selected the PAR of the Department of Public Works (DPW) for review.

The mission of DPW is to provide environmentally healthy municipal services that are both ecologically sound and cost effective. The Office of the Director oversees the core operations of DPW that include those undertaken by the following three administration units.

Solid Waste Management Administration (SWMA)

Provides services in trash and recycling collection, sanitation education and enforcement, graffiti removal, public litter can service, fall leaf collection, and street and alley cleaning.

Parking Enforcement Management Administration (PEMA)

Provides services which include parking control, ticketing, towing, booting/impoundment, and removal of abandoned and dangerous vehicles that violate parking regulations.

Fleet Management Administration (FMA)

Supports municipal operations by procuring, fueling and maintaining thousands of District government vehicles, from sedans to heavy equipment. Fleet Management is also responsible for purchasing environmentally friendly, alternative-fuel vehicles (AFV) for the District.

In its FY 2015 PAR, DPW reported on 33 performance measures: 30 for its three core administration units, and three for the Office of the Director.

¹ See D.C. Code § 1-614.11 through 1-614.

In addition, as part of this audit ODCA examined the policies and procedures of the Office of the City Administrator (OCA). OCA provides District agencies with guidance on how to develop performance measures that accurately capture each agency's progress toward its objectives. At the end of each fiscal year, agencies report on the progress they have made towards the initiatives they have announced, as well as their efforts to achieve the targets set by their performance measures at the beginning of the year.

OCA and each agency work together to create the PAR each fiscal year, which includes both a narrative description of progress toward each initiative announced in the performance plan and a chart showing the data for each performance measure. In the PAR, OCA refers to performance measures as Key Performance Indicators (KPIs). In addition, each PAR contains workload measures that identify how much work was performed or how many units of service were provided. These measures do not have a target and do not reveal how efficiently or how well an agency performed.

OCA assigns a performance rating for each initiative and KPI as follows:

- **Fully Achieved** if the KPI's year-end value is equal to or greater than the target for the year.
- **Partially Achieved** if the agency achieves less than 100 percent of its KPI goal but equal to or more than 75 percent of the goal.
- **Not Achieved** when the agency achieves less than 75 percent of its KPI goal.

Agency performance plans and resulting PARs provide the DC Council with important information that can be used to conduct oversight over each District agency. In addition, because the PARs are made public, residents are informed about the progress each District agency has made towards achieving its objectives.

Objectives, Scope and Methodology

Objectives

The objectives of the audit were to determine whether:

- The Department of Public Works (DPW) accurately reported its KPIs in the FY 2015 PAR, and that controls are in place to ensure that KPIs are measured and reported accurately and consistently.
- KPIs reported by DPW in the FY 2015 PAR met with OCA's standards.
- OCA had a process in place to ensure that District agencies selected effective KPIs during development of performance plans.

Scope

The scope of the first and second audit objectives was DPW's FY 2015 PAR, and the activities conducted by DPW to collect and report its performance data. The scope of the third audit objective was OCA's activities during FY 2015 in support of the development of FY2016 KPIs.

Methodology

To accomplish our audit objectives, we performed the following:

- Reviewed OCA's "A Guide to Comprehensive Performance Management in the District of Columbia," and the "United States Government Accountability Office Standards for Internal Control in the Federal Government".
- Reviewed District law which mandates the establishment and audit of performance plans and measures for District agencies.
- Researched criteria set by other jurisdictions when selecting effective performance measures.
- Reviewed supporting documentation DPW used to calculate its Fully Achieved and Partially Achieved KPIs.
- Tested DPW's documentary evidence in an effort to recalculate the results presented in the FY 2015 PAR.
- Reviewed DPW's internal controls over collecting and reporting KPI data to determine if procedures were in place to provide an accurate representation of DPW's performance.
- Interviewed District staff responsible for the collection of data used to calculate KPIs and report them in the PAR.
- Interviewed staff and management of the Office of Performance Management (OPM) in the OCA and discussed policies and procedures on performance measure processes.

- Examined documents relevant to the development of FY 2016 Performance Plans and those evidencing the monitoring of KPIs.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results

DPW was compliant with OCA’s best practice standards for effective performance measures.

DPW’s FY 2015 PAR presented a total of 30 KPIs for its three administration units that carry out the agency’s core services: 14 KPIs in SWMA, six KPIs in PEMA, and 10 KPIs in FMA. These KPIs were measured against the agency’s year-end targets to determine the agency’s performance using the following rating scale:

Table 1: KPI Rating Scale

KPI Rating*	Target Met*
Fully Achieved	≥ 100%
Partially Achieved	75%-99.99%
Not Achieved	<75%

***Source: Department of Public Works FY 2012 Performance Accountability Report**

In FY 2015, DPW’s PAR reported the agency’s KPIs as follows:

- 9 KPIs as Fully Achieved
- 13 KPIs as Partially Achieved
- 8 KPIs as Not Achieved

ODCA reviewed a sample of 16 out of the 30 KPIs to determine if DPW met the criteria for effective performance measures set by OCA. For our sample, ODCA selected all 9 Fully Achieved KPIs and 7 of the 13 Partially Achieved KPIs.

The District of Columbia’s Guide to Comprehensive Performance Management states that good performance measures should be:

- **Simple.** Keep measures simple and straightforward.
- **Results-oriented.** Focus primarily on outcomes, efficiencies, and outputs.
- **Selective.** Concentrate on the most important indicators of performance.
- **Useful.** Provide information of value to the agency and decision-makers.
- **Accessible.** Provide periodic information about results.
- **Reliable.** Provide accurate, consistent information over time.

Our review and assessment of the sample of 16 DPW KPIs showed that these performance measures as defined in the PAR met the OCA’s standards for KPIs. We examined each of these KPIs and compared them to the six

characteristics identified by the District of Columbia's Guide to Comprehensive Performance Management.

For example, SWMA KPI 1.1 measures the "percent of the District's gateways, commercial, and residential areas rated 'Clean' or 'Moderately Clean.'" Every quarter, cleanliness assessment teams survey and rate the cleanliness of the corridors/interstate highways, high-visibility streets and alleys, residential streets and alleys and industrial areas within each of the city's eight wards. Site surveys are conducted by six-person rating teams composed of one representative from the Office of the Clean City; three volunteer community representatives, and two employee participants from DPW's Street and Alley Cleaning Division.

Each survey rates the area on a scale of 1-4 as follows: 1 = Clean, 2 = Moderate, 3 = Dirty, and 4 = Hazardous. Once all the data is collected, it is summarized and provided to the DC Council, DPW, Department of Transportation, Department of Consumer and Regulatory Affairs, and the Mayor's Office of Community Affairs, all of which utilize this information to make informed decisions on the allocation of resources.

When comparing this KPI to the OCA's standards, we noted the following:

Simple. The KPI is simple in that the concept of cleanliness of an area is a basic and straightforward measure that is scored on a scale of 1-4.

Results-oriented. The measure focuses on DPW's goal of ensuring the cleanliness of the District. This is also tied to the agency's mission of providing environmentally healthy municipal services that are both ecologically sound and cost effective.

Selective. The KPI reflects a measurement for the core objective and function of one of DPW's administration units, which is to ensure the cleanliness of the District's residential neighborhoods, high-visibility commercial areas, gateway corridors, and industrial zones.

Useful. The KPI is the source of data for detailed reports on the cleanliness of the city which are provided to the District agencies that utilize the information to allocate resources as necessary.

Accessible. Information for this KPI is gathered and available every quarter.

Reliable. The KPI, as designed, provides stakeholders with an accurate and consistent performance measure for assessing cleanliness in the District over time.

Compliance with OCA's best practice standards demonstrated that DPW staff had a good understanding of the criteria for good performance measures, and designed and selected KPIs that best represented their work performance.

Meeting the best practice standards for KPIs provides information of value to the agency and decision makers, thereby contributing to effective financial and resource allocation decisions.

DPW accurately reported 13 of the 16 sample KPIs in the FY 2015 PAR, as recalculated by ODCA.

ODCA reviewed a sample of 16 KPIs to determine if DPW accurately reported performance measures. ODCA’s recalculation confirmed that 13 of those KPIs were accurately reported (i.e., calculated values were within ± 5% of the PAR-reported value).

Table 2: DPW KPIs Accurately Reported in the FY 2015 PAR per ODCA Recalculation

KPI #	Key Performance Indicators (KPIs)	Rating	FY15 YE Target	DPW PAR-reported KPIs	Result of ODCA Recalculation	Difference (within +/- 5% range)
1. SWMA KPI 1.1	Percent of the District’s Gateways, commercial and residential areas rated “Clean” or “Moderately Clean”	Fully Achieved	95.00%	95.35%	95.35%	0.00%
2. SWMA KPI 1.2	Percent of trash collection routes completed on the scheduled day	Partially Achieved	99.80%	94.73%	94.73%	0.00%
3. SWMA KPI 1.5	Percent of residential recycling collection routes completed on the scheduled day	Partially Achieved	99.89%	92.66%	92.66%	0.00%
4. SWMA KPI 1.8	Residential recycling diversion rate	Fully Achieved	25.00%	28.56%	28.46%	0.10%
5. SWMA KPI 1.9	Percent of sanitation enforcement requests resolved within 5 business days	Fully Achieved	80.00%	84.11%	84.11%	0.00%
6. SWMA KPI 1.10	Percent of bulk pickup requests collected on day of appointment	Partially Achieved	98.00%	91.89%	91.88%	0.01%

KPI #	Key Performance Indicators (KPIs)	Rating	FY15 YE Target	DPW PAR-reported KPIs	Result of ODCA Recalculation	Difference (within +/- 5% range)
7. PEMA KPI 1.2	Percent of reported abandoned vehicles on public space resolved within 5 business days	Fully Achieved	90.00%	95.98%	96.00%	-0.02%
8. PEMA KPI 1.3	Percent of general enforcement requests responded to within 24 hours	Fully Achieved	98.00%	98.36%	98.36%	0.00%
9. PEMA KPI 1.5	Percent of Residential Parking Permit (RPP) program blocks covered by daily enforcement	Partially Achieved	85.00%	66.47%	66.47%	0.00%
10. FMA KPI 1.3	Percent of light vehicle maintenance (excluding engine, transmission and body work) completed within 24 hours	Fully Achieved	60.00%	91.23%	91.23%	0.00%
11. FMA KPI 1.4	Percent of mechanics with at least one ASE or professional certification	Fully Achieved	27.00%	74.55%	74.55%	0.00%
12. FMA KPI 1.7	Citywide compliance rate with preventive maintenance appointments	Partially Achieved	80.39%	63.84%	63.84%	0.00%
13. FMA KPI 1.9	Percentage of repairs needing rework. Goal <2% of total repairs (excluding electrical diagnostic issues)	Partially Achieved	1.90%	2.46%	2.46%	0.00%

Accurate reporting of KPIs in the PAR demonstrated that DPW staff had knowledge and experience in carrying out PAR-related tasks. They recognized the importance of recording, measuring, and reporting KPIs accurately, and finding ways to improve KPI processes.

Among these 13 KPIs are the following:

1. **SWMA KPI 1.2** which is the “percent of trash collection routes completed on the scheduled day.” In FY 2015, the number of scheduled trash collection routes was more than 8,900, and the number of routes completed on-time or on the same day was 8,500, an average annual rate of 95%. With the exception of three winter months in FY 2015, DPW’s on-time trash collection rates for the rest of the year were even higher at 99%-100%.
2. **SWMA KPI 1.9** is the “percent of sanitation enforcement requests resolved within five business days.” In FY 2015, DPW received 10,819 requests for sanitation enforcement. The agency resolved 9,100, or more than 84%, of these requests within five business days.
3. **PEMA KPI 1.3** is “the percent of general enforcement requests responded to within 24 hours.” In FY 2015, DPW received 28,620 requests for general enforcement of parking and resolved 28,152 or 98.36% within 24 hours. Requests included residential parking permit violations, out of state parking violations, and general parking enforcements.
4. **FMA KPI 1.3** is the “percent of light vehicle maintenance (excluding engine, transmission and body work) completed within 24 hours.” In FY 2015, DPW had 4,446 work orders for light shop repairs and the agency completed 91.55%, or 4,056 jobs, within 24 hours.

The majority of requests for DPW services were initiated by District residents that called 311, a toll-free number that allows people in the District to request assistance 24 hours a day, 365 days a year. Residents may also access the service via an app for mobile devices.

The Office of Unified Communications (OUC) oversees all 311 calls in its call center, which is staffed with trained customer service representatives. OUC provides a one-stop service experience for constituents, residents, and visitors searching for DC government services, numbers, and information. Requests for services were also made via an online portal, text message, live chat, and Twitter.

DPW inaccurately reported three out of a sample of 16 KPIs in the FY 2015 PAR, based on supporting documentation and recalculation performed by ODCA.

The OCA Guide to Comprehensive Performance Management stipulates that a good performance measure should provide accurate and consistent information over time. Further, the GAO’s Standards for Internal Control in the Federal Government also cites that management should design control activities to ensure that all transactions are completely and accurately recorded, and to validate the appropriateness, consistency, and accuracy of performance indicators.

ODCA recalculation of three KPIs based on documentation provided by DPW showed that they were inaccurately measured and reported in the PAR.

Table 3: DPW KPIs Inaccurately Measured and Reported in FY 2015 PAR

KPI	KPI Rating	KPI Target	Reported in the FYDPW PAR	ODCA Calculation	Difference Between PAR/ODCA Values	% Difference
SWMA KPI 1.13 Percent Change of Collisions Compared to FY10 Baseline	Partially Achieved	38%	33.12%	18.83%	14.29%	43.15%
SWMA KPI 1.14 Cost for Vehicle Accidents Compared to FY11 Baseline	Fully Achieved	\$611,327	\$117,659.55	\$136,869	-\$19,209.45	-16.33%
FMA KPI 1.5 Percent Increase in Alternative Fuel Consumed Compared to FY09 Baseline	Fully Achieved	500%	764.17%	664.17%	100%	13.09%

The variance between the KPIs as reported in the PAR and as supported by DPW documentation could be attributed to a lack of clear procedures or guidelines, and a lack of communication to ensure accurate reporting of the three KPIs in the PAR. There could also be errors in the calculation, recording, and/or reporting of the KPIs. Inaccurate and incomplete reporting of KPIs could lead to inappropriate operating decisions and allocation of resources.

Details for each of the three inaccurately reported KPIs are as follows:

SWMA KPI 1.13: Percent Change of Collisions Compared to FY10 Baseline, Which is Equal to 154

The collisions change rate was calculated by deducting the number of collisions in FY 2015 from the FY 2010 baseline of 154 collisions, and then dividing the result by 154. Data on the number of collisions where SWMA vehicles were involved was compiled by DPW. The FY 2015 DPW PAR reported 103 collisions (in KPI 1.12, which was not part of the audit sample). Using that number in the calculation of KPI 1.13 resulted in a change rate of 33.12%, and the value reported in the FY 2015 PAR was Partially Achieved.

However, supporting documentation titled List of FY 2015 Accidents provided by SWMA revealed that there were actually 183 collisions. ODCA's recalculation, using 183 as the number of collisions, resulted in a change rate of 18.83%, which would mean that KPI 1.13 should have been reported as Not Achieved.

According to DPW, the difference between the PAR-reported figure for collisions and the List of FY 2015 Accidents reported collisions could be attributed to augmentation of the list after the KPI was reported, possibly due to unreported activities or incidents still being investigated at the time of DPW's PAR submission. Another reason could be the lack of adequate communication between staff responsible for the data collection and staff responsible for data reporting.

SWMA KPI 1.14: Cost for Vehicle Accidents Compared to FY 2011 Baseline, Which is Equal to \$649,429

The cost for vehicle accidents was based on a compilation of DPW FY 2015 judgments and settlements provided by the Office of the Chief Financial Officer (OCFO). The FY 2015 DPW PAR reported that the cost for vehicle accidents was \$117,659.55. However, the list of judgments and settlements to support that figure indicated the total cost for vehicle accidents was \$136,869.

According to DPW, the discrepancy between the PAR-reported values and the values in the list of judgements and settlements could be attributed to accidents that were not reported in a timely manner or to damage discovered once the vehicles were removed from active use for service. Further, OCFO may have made additions to the list as additional accidents or damage were reported. There seemed to be a lack of clarity on the collection, timing, and reporting of this PAR-related data, and information about the proper execution of these tasks may not have been adequately communicated to relevant staff.

Both the reported value of \$117,659.55 and the correct value of \$136,869 resulted in a rating of Fully Achieved, because both amounts are below the target value of \$611,327.

FMA KPI 1.5: Percentage Increase in Alternative Fuel Consumed Compared to FY 2009 Baseline, Which is Equal to 225,099.41 Gallons.

The percentage increase in alternative fuel consumption was derived by calculating the difference between the total number of gallons of alternative fuel used in FY 2015 and the FY 2009 baseline value of 225,099.41 gallons, and then dividing the result by 225,099.41.

ODCA's recalculation based on the summarized data provided by DPW resulted in a percentage increase of 664.17% but DPW reported a 764.17% increase in the PAR. Using either percentage, however, does not have an impact on the KPI rating; either still warrants a Fully Achieved rating.

Recommendation

1. DPW should ensure that it has clear policies and procedures on how to collect, process, and measure KPIs accurately and consistently, with particular emphasis on developing procedures to verify that data is complete prior to reporting it in the PAR.

OCA could not produce documentation to show how it monitored the development of each District agency's KPIs in Fiscal Year 2016 performance plans and ensured that the KPIs were effective.

According to OCA's Performance Management Guidelines, KPIs are standards of measure that are approved by OCA annually and used to gauge quantifiable components of performance. These metrics should provide insight into the performance of a program in terms of inputs, outputs, efficiency, service quality, and/or outcomes.

The OCA's Guidelines also state that effective KPIs and performance plans add value by:

- Improving management and highlighting priorities.
- Emphasizing progress toward agency goals and objectives.
- Helping to make better budget, operational, personnel, and policy decisions.
- Providing a basis for future goals and actions.
- Encouraging accountability and transparency.
- Tracking results.

KPIs and performance plans for each agency should be reviewed as they are developed to ensure they are appropriate, and if found to be appropriate, approved by OCA management.

Having useful, reliable Key Performance Indicators is an important component of effective management, as it contributes to efficient operating decisions, effective performance monitoring and resource allocation.

However, in response to an ODCA request, OCA responded that it could not produce documentation to show how it monitored the development of KPIs for FY 2016 performance plans and ensured that they were effective.

The absence of documentation to evidence OCA's process for reviewing the development of KPIs for FY 2016 performance plans can be attributed to a lack of internal controls with regard to document retention and/or an insufficient transfer of information from the incumbent Chief Performance Officer to the incoming Chief Performance Officer.

Because OCA lacked documentation to support its processes, ODCA was unable to determine if or how KPI development was monitored and reviewed by OCA staff.

Recommendation

2. The Chief Performance Officer of the Office of the City Administrator should develop and implement procedures to retain documentation detailing OCA's activities related to the review and approval of KPIs.

Audit Results Summary

Our audit identified two areas in performance plan and Performance Accountability Report (PAR) data recording, processing, document retention, and reporting that could be improved by the Department of Public Works (DPW) and the Office of the City Administrator (OCA). To ensure compliance with the OCA guidelines and Government Accountability Office (GAO) standards, we recommend:

Finding	Recommendation
The Department of Public Works (DPW) was compliant with the Office of the City Administrator’s (OCA) best practice standards for effective performance measures.	
The Department of Public Works accurately reported 13 out of a sample of 16 Key Performance Indicators (KPIs) in the FY 2015 Performance Accountability Report, as recalculated by the Office of the District of Columbia Auditor (ODCA).	
DPW inaccurately reported 3 out of a sample of 16 KPIs in the FY 2015 PAR, based on supporting documentation and recalculation made by ODCA.	1. DPW should ensure that it has clear policies and procedures on how to collect, process, and measure Key Performance Indicators accurately and consistently, with particular emphasis on developing procedures to verify that data is complete prior to reporting it in the PAR.
The Office of the City Administrator could not produce documentation to substantiate that they monitored the development of each District agency’s KPIs and ensured that they were effective.	2. The Chief Performance Officer of the Office of the City Administrator should develop and implement procedures to retain documentation detailing OCA’s activities related to the review and approval of KPIs.

Conclusion

The Department of Public Works (DPW) is generally in compliance with the 2015 Office of the City Administrator (OCA) Guide to Comprehensive Performance Management and the GAO's Standards for Internal Control in the Federal Government. DPW's effective design of KPIs could serve as a best practice for other District agencies who are working to improve their performance measures. Their effort to identify activities which could enhance the performance measure process is also notable.

However, the establishment of clear guidelines, policies and procedures is imperative to ensure that DPW consistently and accurately measures, validates, monitors, and reports every Key Performance Indicator in the agency's annual Performance Accountability Report (PAR). These control activities should be documented and disseminated to staff whose functions include the collection, processing and validation of data for annual reporting in the PAR.

Additionally, the Chief Performance Officer should ensure that OCA retains documentation corroborating its process for the review and approval of KPIs.

Agency Comments

On May 25, 2017, we sent a draft copy of this report to the Director of DPW and to the OCA Chief Performance Officer for review and written comment. DPW responded with comments on June 7, 2017. OCA responded with comments on June 15, 2017. Agency comments are included below in their entirety.



DEPARTMENT OF PUBLIC WORKS
OFFICE OF THE DIRECTOR

TO: Kathleen Patterson, DC Auditor
FROM: Christopher J. Shorter
DATE: June 7, 2017
SUBJECT: Response to the 2015 PAR Audit Recommendation #1

DPW is in agreement with the ODCA's recommendation that the agency should ensure that there are clear policies and procedures on how to collect, process and measure KPIs accurately and consistently, with particular emphasis on developing procedures to verify that data is complete prior to reporting it in the PAR.

DPW plans to develop a relevant policy and procedures document by March 2018. The agency will conduct an internal comprehensive review of its KPI measures and implement specific practices and procedures to ensure data reporting integrity prior to developing such a document.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the City Administrator



June 9, 2017

Kathleen Patterson, District of Columbia Auditor
Office of the District of Columbia Auditor
717 14th Street, NW, Suite 900
Washington, DC 20005

Re: Office of the District of Columbia Auditor's draft audit report entitled "The Department of Public Works' Performance Measures Were Effective But Lacked Proper Controls"

Dear Ms. Patterson:

Thank you for the opportunity to review and provide comments on the Office of the District of Columbia Auditor's draft audit report entitled "The Department of Public Works' Performance Measures Were Effective But Lacked Proper Controls", dated May 25, 2017.

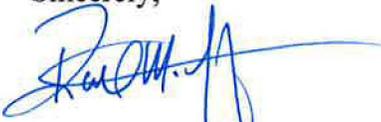
In that report, your office recommended that the Chief Performance Officer, who resides within the Office of the City Administrator ("OCA"), develop procedures to retain documentation detailing OCA's activities related to the review and approval of key performance indicators ("KPIs") used in agencies' annual performance plans. This recommendation was based on your office's review of activities during fiscal year 2015 in support of the development of the fiscal year 2016 KPIs.

OCA agrees with this recommendation. In fact, since the time period covered by the audit, OCA's Office of Performance Management ("OPM") put in place a procedure that documents and tracks the review and approval of annual performance plans, including KPIs, and that also ensures the retention of that documentation. While this procedure did not exist during the audit period, it was utilized for the fiscal year 2017 performance plan development and the fiscal year 2018 performance plan development. OPM is also in the process of promulgating a formal internal policy and procedures document covering OCA's approval of annual performance plans, including KPIs; the policy will include formal procedures regarding the documentation of the review and approval of annual performance plans and the retention of that documentation. We expect the formal policy to be completed by July 2017.



Thank you again for providing the opportunity to review and comment on the draft report. If you have any questions, please do not hesitate to contact me, or have your staff contact Jennifer Reed, Chief Performance Officer, at 202- 478-9206.

Sincerely,



Rashad M. Young
City Administrator

cc: Yvonne Jones, Auditor, Office of the District of Columbia Auditor

