



Office of the District of Columbia Auditor

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**AUDIT OF THE DISTRICT OF COLUMBIA
LOTTERY AND CHARITABLE GAMES CONTROL
BOARD FROM FISCAL YEAR (FY) 2007 TO FY 2009**

December 13, 2011

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EXECUTIVE SUMMARY

PURPOSE

The District of Columbia Auditor (Auditor) conducted an audit of the accounts and transactions of the District of Columbia Lottery and Charitable Games Control Board (the Lottery).

CONCLUSION

The Lottery is a revenue-generating agency of the District of Columbia. The mission of the Lottery is to generate revenue for the District of Columbia through the operation and regulation of a lottery, and through the regulation of charitable gaming. We found internal control weaknesses that the management of the Lottery must address to ensure that the mission of the agency is effectively and efficiently achieved. Our key findings include:

- The Lottery failed to comply with requirements of the Lottery's Policy and Procedures Manual regarding the processing of invoices.
- Employees began work before the Lottery received the results of fingerprint and background checks.
- The Lottery did not aggressively pursue collection of unpaid fees from sales agents.

Additionally, the functions and personnel of the Lottery are now within the Office of the Chief Financial Officer (OCFO). However, we found that Title 3, Chapter 13 of the District of Columbia Code (Code) has not been amended to reflect this change in the organizational structure of the Lottery. As a result, the Code refers to duties and responsibilities of a Lottery Board that no longer governs the Lottery.

To ensure that the Lottery continues to effectively and efficiently generate revenue for the District, the Lottery must take immediate steps to improve internal controls to address the audit report findings.

FINDINGS

1. Title 3, Chapter 13 of the D.C. Code does not reflect the Lottery's actual organizational structure.
2. Lottery officials failed to amend rules and regulations to reflect the current organizational structure of the Lottery.
3. The Lottery failed to establish a memorandum of understanding (MOU) for services provided by the Metropolitan Police Department (MPD).
4. The Lottery failed to comply with provisions of the Quick Payment Act.
5. The Lottery's procedures governing the processing of invoices were bypassed.
6. The Lottery's employees were employed prior to the Lottery's receipt of pre-employment background and fingerprint checks.
7. Employee security files lacked required documents.
8. The Lottery failed to collect \$705 from contractor.
9. The Lottery failed to comply with the Lottery's procedures and District of Columbia Municipal Regulations.
10. Minimum sales requirements were not enforced.
11. Sales agents failed to comply with the Lottery's procedures and regulations resulting in \$26,128 in lost revenue.
12. Lottery officials did not aggressively pursue collection of account receivables from sales agents with unpaid balances.
13. License files for sales agents were missing required documents.
14. The Lottery should strengthen internal control over the purchase card program.

RECOMMENDATIONS

1. The Council of the District of Columbia should amend the provisions of D.C. Code, Title 3, Chapter 13 to ensure conformity with the provisions of D.C. Code, Section 1-204.24a(c).
2. The Executive Director of the Lottery should immediately amend the Lottery's rules and regulations at District of Columbia Municipal Regulations, Title 30, Chapter 1 to reflect the Lottery's current organizational structure.
3. The Executive Director of the Lottery should establish an MOU for any future fingerprinting services MPD provides to the Lottery.
4. The Agency Fiscal Officer for the Lottery must take steps to ensure that vendors, who satisfactorily provide goods and services and submit a proper invoice for payment, are paid within 30 calendar days in accordance with the District's Quick Payment Act.
5. The Lottery's Agency Fiscal Officer (AFO) should take steps to ensure that the Lottery's employees comply with the Lottery's policies and procedures by properly logging in the date invoices were received.
6. The Lottery's Agency Fiscal Officer should take steps to ensure that all invoices are properly approved for payment by appropriate officials of the Lottery before invoices are processed for payment.
7. The Chief of Security of the Lottery should take steps to ensure that the results of pre-employment background and fingerprint checks are received and reviewed prior to an individual's employment.
8. The Lottery's Executive Director should request the OCFO's OIO to conduct periodic background and fingerprint checks for the Lottery's employees.
9. The Lottery's Executive Director should take steps to ensure that all appropriate documents including credit checks, hiring memorandum, authority to release information, copy of the employee's driver's license and employee personal history questionnaire are properly completed and maintained in each employee's security file.
10. The Chief Financial Officer and the Agency Fiscal Officer should ensure that the Lottery collects all fees for services provided by the Lottery including fees for fingerprint and background checks.
11. The Chief Financial Officer should bill LTE in the amount of \$705 for the background and fingerprint checks that were conducted.

12. The Lottery's Director of Sales should take steps to consistently enforce rules and regulations pertaining to the minimum sales requirement for agents.
13. The Agency Fiscal Officer must deactivate a sales agent's terminal after receiving the first notification that the sales agent's bank account had insufficient funds on the day the Lottery attempted to collect the agent's sales revenue. Additionally, the AFO must request that the Chief of Security investigate to collect payment.
14. The Agency Fiscal Officer for the Lottery must take steps to establish an effective collection policy for unpaid account receivables due from sales agents.
15. The Lottery's General Counsel must ensure that agents comply with the repayment agreements, and pursue collection of amounts owed in Superior Court, the U.S. Attorney for the District or the Attorney General of the District of Columbia.
16. The Agency Fiscal Officer should pursue collection of the \$228,041 and \$141,864 owed by sales agents as of FYs 2008 and 2009 respectively.
17. The Lottery must take steps to ensure that appropriate documents required to license sales agents are completed and properly maintained.
18. The Lottery's cardholder for the Lottery's P-Card program should not attend the Lottery's Agency Review Team (ART) meetings.
19. The Lottery's Executive Director should also designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.

Introduction

The District of Columbia Auditor (Auditor) conducted an audit of the accounts and transactions of the District of Columbia Lottery and Charitable Games Control Board (the Lottery).

Objectives, Scope, and Methodology

The objective of the audit was to determine if accounts and transactions of the Lottery complied with applicable laws, municipal regulations, and policies and procedures.

The audit covered the period October 1, 2007, through September 30, 2009.

In conducting this audit, we reviewed applicable District government laws and regulations including D.C. Code, Title 3, Chapter 13; District of Columbia Municipal Regulations (DCMR), Title 30; and the Lottery's internal policies and procedures. We examined supporting documentation related to the Lottery's accounts and transactions including, but not limited to, the following: invoices, purchase card (P-card) transactions, license/renewal applications for the Lottery's agents, agents' sales data and other relevant documents. We interviewed representatives of several Departments of the Lottery including Finance, Sales, Communication and Marketing, Information Technology, Security and the Lottery's General Counsel. We also interviewed representatives of the District's Office of Contracting and Procurement (OCP).

The audit was conducted 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.

Background

The Lottery is a revenue-generating agency of the District of Columbia. The mission of the Lottery is to generate revenue for the District of Columbia through the operation and regulation of a lottery, and through the regulation of charitable gaming. Retailers are licensed through the Lottery as sales agents to sell lottery tickets. Retailers receive a commission and the Lottery uses the revenue generated by the sale of lottery tickets to pay prizes, agents' commissions for selling and cashing winning tickets, contracts, other administrative costs and for transfers to the General Fund.

The Lottery was originally established pursuant to D. C. Law 3-172, and D. C. Code, Section 3-1301. On September 21, 1996, the Chairman of the District of Columbia Financial Responsibility and Management Assistance Authority (Control Board) adopted and issued a document entitled: "Resolution, Recommendations and Order Concerning the Lottery Board." In this document, the Chairman recommended: "that the Council, pursuant to its statutory authority, amend the provisions of Title 2 of the D.C. Code¹ relating to the Lottery and that the Mayor of the District of Columbia sign such legislation to provide that the operations and personnel of the D.C. Lottery shall be placed within the Office of the Chief Financial Officer of the District of Columbia, who shall have the powers and duties presently possessed and exercised by the Lottery Board and the authority to delegate any or all of such powers and duties to a designee of his choice." The Chairman further ordered that "during the pendency of the recommendations before the Council and the Mayor and until further Order of the Authority: . . . effective immediately the Chief Financial Officer of the District of Columbia shall be responsible for the operations and personnel of the Lottery Board, and the Executive Director and all personnel of the Lottery Board shall report to him rather than to the Lottery Board."

The Lottery was established as a subordinate office within the Office of the Chief Financial Officer (OCFO) pursuant to D.C. Code, Section 1-204.24a(c). The Lottery obtains its legal, human resources, contracting and procurement and internal auditing services through other District government agencies.

¹ Title 3 of the D.C. Code currently relates to the Lottery

Findings

TITLE 3, CHAPTER 13 OF THE D.C. CODE DOES NOT REFLECT THE LOTTERY'S ACTUAL ORGANIZATIONAL STRUCTURE

Title 3, Chapter 13 of the D.C. Code was not amended to ensure conformity with the provisions of D.C. Code, Section 1-204.24a(c), which established the Lottery as an office within the Office of the Chief Financial Officer (OCFO). Despite this change in the organizational structure of the Lottery, Title 3, Chapter 13 of the D.C. Code, continues to reference actions that must be undertaken by a Lottery Board (Board) that no longer governs the Lottery.

Before the Lottery was established as an office within the OCFO, the Lottery was governed by an Executive Director and a five-member Board whose members were appointed by the Mayor of the District of Columbia with the consent of the Council. The Board Chairperson was designated by the Mayor from one of the Board members.

The failure to amend D.C. Code, Title 3, Chapter 13, could result in confusion and a lack of clarity regarding the Lottery's operations. For example, D.C. Code, Section 3-1312 (b) states that a member of the Board should be one of the check signers for all disbursements in excess of \$500. As a result of the abolishment of the original Lottery Board, this provision is void. The law should be amended to reflect the fact that the Lottery Board is no longer in existence.

We determined that although the D.C. Code was not amended to reflect the Lottery's current organizational structure, the Lottery's organizational structure is consistent with the law that abolished the Lottery Board. As required by the law that abolished the Lottery Board, the Chief Financial Officer of the District of Columbia appoints the Executive Director of the Lottery and all personnel of the Lottery are accountable to and report, through the Executive Director, to the District's Chief Financial Officer as required by D.C. Code, Title 3, Chapter 13.

RECOMMENDATION

The Council of the District of Columbia should amend the provisions of D.C. Code, Title 3, Chapter 13 to ensure conformity with the provisions of D.C. Code, Section 1-204.24a(c).

LOTTERY OFFICIALS FAILED TO AMEND RULES AND REGULATIONS TO REFLECT CURRENT ORGANIZATIONAL STRUCTURE OF THE LOTTERY

We found that the Executive Director of the Lottery did not amend the rules and regulations of the Lottery as presented in DCMR, Title 30 to reflect the Lottery's current organizational structure. The current rules and regulations continue to reference actions that should be taken by a Lottery Board that is no longer in existence.

The rules and regulations of the Lottery do not reflect the fact that the Lottery is not governed by a Board but rather, the Lottery is a subordinate office within the OCFO. For example, rules contained in DCMR, Title 30, Chapter 1, entitled, "Organization of the Lottery and Charitable Games Board" pertain to the duties of the officers of the Lottery Board, Board meetings, and record keeping. Since the Lottery Board no longer exists, this provision is irrelevant, inaccurate and confusing.

RECOMMENDATION

The Executive Director of the Lottery should immediately amend the Lottery's rules and regulations at District of Columbia Municipal Regulations, Title 30, Chapter 1 to reflect the Lottery's current organizational structure.

THE LOTTERY FAILED TO ESTABLISH AN MOU FOR SERVICES PROVIDED BY MPD

According to officials in the District's Office of Contracting and Procurement, when any department, office, or agency of the District government places orders with another department, office or agency of the District for materials, supplies, equipment, work, or services of any kind, the entities should enter into a Memorandum of Understanding (MOU) to set forth the terms and conditions of orders. Further, the Chief Procurement Officer (CPO), of the Office of Contracting and Procurement, must sign the MOU.

We found that in fiscal years 2007, 2008 and 2009 the Metropolitan Police Department (MPD) provided fingerprinting services for persons being considered for employment at the Lottery. However, we found that in FY 2007 and FY 2008, the Lottery did not establish an MOU with MPD to provide finger printing services. The Lottery did establish an MOU with MPD in FY 2009 but the CPO did not sign the FY 2009 MOU.

The Lottery's failure to properly establish an MOU with MPD in FY 2007 and FY 2008 could have resulted in confusion regarding the terms and conditions as well as services to be rendered by MPD.

In October 2009, after the time period of this audit, D.C. Code, Section 1-301.01 (k) was amended. The amendment to D.C. Code, Section 1-301.01 (k) gives the Mayor, and not the Office of Contracting and Procurement, the authority to authorize heads of District departments, offices and agencies to place orders with any department, office or agency of the District. As a result of this amendment, the CPO of the Office of Contracting and Procurement is no longer required to sign MOUs issued by the Lottery. Our audit report does not include a recommendation regarding our finding that the CPO failed to sign the Lottery's FY 2009 MOU with MPD.

RECOMMENDATION

The Executive Director of the Lottery should establish an MOU for any future fingerprinting services MPD provides to the Lottery.

THE LOTTERY FAILED TO COMPLY WITH PROVISIONS OF THE QUICK PAYMENT ACT

The Quick Payment Act requires agencies to pay vendors, who satisfactorily provide goods and services and submit a proper invoice for payment, within 30 calendar days.

Based on our review of 369 invoices processed by the Lottery, we found that the Lottery made late payments to 30 vendors totaling \$307,744. We calculated that interest penalties on these late payments would have totaled \$1,583 if the provisions of the Quick Payment Act were enforced.

While Lottery officials were not required to pay interest penalties to any of the 30 vendors who received late payments, the Lottery's failure to make timely payments to vendors and comply with the Quick Payment Act exposed the District to potential liability for interest penalties.

RECOMMENDATION

The Agency Fiscal Officer for the Lottery must take steps to ensure that vendors, who satisfactorily provide goods and services and submit a proper invoice for payment, are paid within 30 calendar days in accordance with the District's Quick Payment Act.

THE LOTTERY'S PROCEDURES GOVERNING THE PROCESSING OF INVOICES WERE BYPASSED

According to the Government Accountability Office (GAO), Standards for Internal Control in the Federal Government:

"Internal control also serves as the first line of defense in safeguarding assets and preventing and detecting errors and fraud. . . Transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from the initiation and authorization through its final classification in summary records."

While the GAO Standards for Internal Control apply to federal employees, the standards provide useful guidance for employees of the District government.

Additionally, the Lottery's Policy and Procedures manual states:

"All invoices are received by the Agency's Correspondence Unit in Administration."

"Invoices shall be logged upon receipt noting the date received."

"Invoices shall be reviewed for appropriate signatures of approval indicating that the noted goods or services have been received and that it's all right to pay invoice. If approved authorization of payment is not available, resubmit invoice to appropriate party for approval."

We reviewed 369 invoices processed by the Lottery during the audit period. The invoices we reviewed did not include any indication of which Lottery department or unit initially received the invoice from the vendor. Therefore, we could not determine if invoices were initially received by the Lottery's correspondence unit (support services), as required by the Lottery's procedures. Also, we found that

the Lottery did not maintain a centralized log of all invoices that contained the date each invoice was received. Additionally, some vendors submitted invoices by e-mail directly to the Lottery department which procured the services. In these instances the correspondence unit (support services) did not receive a copy of the e-mailed invoice.

We also found that 180, or 49%, of the 369 invoices we reviewed, did not have a received date recorded on the invoice or any other evidence of the actual date the Lottery received the invoice from the vendor.

Additionally, we found that 55, or 15%, of the invoices we reviewed did not contain a signature of approval from an appropriate employee of the Lottery indicating that the goods or services had been received. According to Lottery's policy and procedure manual, an approval signature is required before payment of the invoice. Despite the required approval signature, the invoices were paid.

The failure of employees of the Lottery to comply with the policy and procedures of the Lottery could result in invoices not being processed in a timely manner. Although we did not find any such instances during the period of our audit, the failure to comply with procedures could also result in fraud and/or mistakes such as duplicate payments to vendors, incorrect or missed payments, and payments for goods and services that were not received.

RECOMMENDATIONS

1. The Lottery's Agency Fiscal Officer should take steps to ensure that the Lottery's employees comply with the Lottery's policies and procedures by properly logging in the date invoices were received.
2. The Lottery's Agency Fiscal Officer should take steps to ensure that all invoices are properly approved for payment by appropriate officials of the Lottery before invoices are processed for payment.

THE LOTTERY'S EMPLOYEES WERE EMPLOYED PRIOR TO THE LOTTERY'S RECEIPT OF PRE-EMPLOYMENT BACKGROUND AND FINGERPRINT CHECKS

D.C. Code, Section 3-1304 states:

. . . all persons employed by the Board shall be fingerprinted before, and as a condition of, employment.

Further, the Lottery's Standard Operating Procedures (SOP) for security background processing state:

. . . New employees, vendors, and contractors are required to complete background inquiries, including the taking of fingerprints and pertinent documentation; before they are employed by the D.C. Lottery as an employee, contractor, or a vendor.

We found that the Lottery did not comply with the D.C. Code and the Lottery's SOPs regarding background and fingerprint checks. The Lottery allowed employees to begin work prior to the Lottery receiving the results of the fingerprint and background checks. We found that of the 31 employees hired during the audit period, 30 began work prior to the Lottery's receipt of the results of fingerprint and background checks.

Of the 30 employees, the length of time between the employee's effective date or the date an employee was issued a Lottery access card and the date the Lottery received the results of the background and fingerprint checks ranged between 9 and 225 days.

The Lottery's failure to obtain the results of the fingerprint check prior to employment unnecessarily exposed the Lottery's operations to potential risk. Lottery receipt and review of pre-employment criminal and financial background checks prior to employment could prevent the Lottery from hiring individuals with criminal records, significant financial problems or other issues that do not meet the Lottery's security requirements.

We also found that after the initial background inquiry and fingerprint check, the Lottery's policies and procedures did not require subsequent, periodic fingerprint and background checks. The completion of periodic background checks would protect the Lottery's financial resources and would permit the Lottery to take appropriate proactive measures to protect the financial interests and assets of the Lottery.

RECOMMENDATIONS

1. The Chief of Security of the Lottery should take steps to ensure that the results of pre-employment background and fingerprint checks are received and reviewed prior to an individual's employment.
2. The Lottery's Executive Director should request the OCFO's Office of Integrity and Oversight to conduct periodic background and fingerprint checks for the Lottery's employees.

EMPLOYEE SECURITY FILES LACKED REQUIRED DOCUMENTS

The Government Accountability Office's Standards for Internal Control state the following: "Internal control of all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination."

We found that the Lottery did not maintain the appropriate documents in each employee's security file, as required by the Lottery's standard operating procedures. We reviewed the files of the 31 of the Lottery's employees hired during the audit period. Of the 31 security files reviewed:

- 29, or 94% of the files were missing the date of the credit check;
 - 26, or 84% of the files were missing the hiring memorandum;
 - 24, or 77% of the files were missing the employee's signed authority to release information;
 - 6, or 19% of the files were missing a copy of the employee's driver's license; and
 - 1 or 3% of the files was missing the employee personal history questionnaire.
- As a result of the failure of the Lottery to properly maintain accurate, complete files containing key documents neither the Auditor nor the Lottery could document that employees properly submitted required security documentation.

RECOMMENDATION

The Lottery's Executive Director should take steps to ensure that all appropriate documents including credit checks, hiring memorandum, authority to release information, copy of the employee's driver's license and employee personal history questionnaire are properly completed and maintained in each employee's file.

THE LOTTERY FAILED TO COLLECT \$705 FROM CONTRACTOR

The Lottery's security department was responsible for obtaining fingerprint and background checks for employees hired by LTE, the Lottery's gaming contractor. The Lottery's standard operating procedures state that LTE was required to pay the Lottery \$47 for each fingerprint and background check that the Lottery conducted.

We found that the Lottery conducted 15 fingerprint and background checks for LTE employees but LTE did not pay the Lottery \$705 ($\$47 \times 15 = \705) for the fingerprint and background checks that were conducted.

RECOMMENDATIONS

1. The Chief Financial Officer and the Agency Fiscal Officer should ensure that the Lottery collects all fees for services provided by the Lottery including fees for fingerprinting and background checks.
2. The Chief Financial Officer should bill LTE in the amount of \$705 for the background and fingerprint checks that were conducted.

THE LOTTERY FAILED TO COMPLY WITH THE LOTTERY'S PROCEDURES AND DISTRICT OF COLUMBIA MUNICIPAL REGULATIONS

The Lottery's policy and procedures during the audit period were contained in the Lottery's "*Office of Financial Services, Policy and Procedures Manual*," revised August 2005. The Manual provides an overview of the Lottery's accounting system and contains policies and procedures for various divisions of the Lottery's operations. Additionally, the Lottery's regulations are contained in the District of Columbia Code of Municipal Regulations, Chapter 30.

We found that Lottery officials did not ensure that each of the Lottery's departments followed applicable regulations and procedures regarding:

- minimum sales
- account receivables
- maintenance of complete and accurate files

Minimum sales requirements were not enforced

According to 30 DCMR, Section 205, the minimum sales standard for agents, (retailers who sell lottery products) was \$78,000 per fiscal year. Further, agents licensed after June 1, 2007, had one fiscal year to meet the minimum sales standard. Agents who did not meet the minimum sales standard were to be notified in writing and given 2 quarters of the next fiscal year, to make at least \$39,000 in sales. Failure to meet the minimum sales standard of \$39,000 could have resulted in suspension or revocation of the agent's license. The Lottery was to measure the performance of each agent at the end of the fiscal year.

According to the Lottery's Director of Sales, the Lottery did not enforce the minimum sales standard for agents. Additionally, the Lottery did not suspend or revoke licenses for agents who failed to meet the sales standard. The failure of the Lottery to enforce the minimum sales requirement for each agent could result in the Lottery not receiving anticipated revenue.

Sales Agents Failed to Comply with the Lottery's Procedures and Regulations Resulting in \$26,128 in Lost Revenue

The Lottery collects revenue from the Lottery's sales agents through an electronic transfer of funds from the sales agent's bank account to the Lottery's bank account. The sales agent is required to deposit funds promptly in the agent's bank account so the funds are available on the designated day of collection, but not later than the next banking day. The Lottery's regulations require that each of the Lottery's sales agents maintain a separate bank account for the deposit of revenues received by the sales agent from the sale of lottery tickets.

The Lottery's procedures require that if the Lottery's bank notifies the Lottery that there were insufficient funds in a sales agent's account to pay the amount owed by the sales agent for the sale of lottery tickets, the Lottery is required to deactivate the sales agents' on-line terminal. Deactivation of the on-line terminal prevents sales agents from selling additional lottery tickets. If the Lottery does not receive payment or cannot contact the sales agent by 10 a.m. on the following business day, a memo is to be sent to the Lottery's Chief of Security requesting an investigation of the sales agent.

We found that after the Lottery received notification that a sales agent had insufficient funds, Lottery officials did not consistently deactivate sales agents' online terminals. Additionally, the Lottery could not document that requests were made to the Lottery's Chief of Security to investigate a sales agent that did not make required payments and could not be reached by 10 AM on the following business day. As a result, sales agents that did not deposit required payments continued to sell lottery tickets. For example, one agent had insufficient funds for the week of February 3, 2009. The Lottery did not deactivate the agent's terminal and the agent continued to sell lottery tickets through the week of February 24, 2009 even though the agent had insufficient funds to pay the Lottery. The sales agent owed the Lottery \$12,542 before the terminal was finally deactivated. As of September 30, 2009, the sales agent had not paid the Lottery the \$12,542.

We also found that there were 16 additional sales agents that the Lottery allowed to continue selling tickets despite the fact that Lottery regulations required the deactivation of the agent's terminal. The unpaid balances for 4 of the 16 agents totaled \$26,128. The \$26,128 was written off by the Lottery in FY 2008.

As a result of the Lottery's failure to comply with policies and procedures to immediately deactivate agents' terminals and to refer agents with insufficient funds to the Chief of Security for investigation, the Lottery lost revenue and sales agents with unpaid balances were allowed to continue selling lottery tickets.

Lottery Officials did not Aggressively Pursue Collection of Account Receivables from Sales Agents with Unpaid Balances

The Lottery collects revenue from the Lottery's sales agents through an electronic transfer of funds from the sales agent's bank account to the Lottery's bank account. The sales agent is required to deposit funds promptly in the agent's bank account so the funds are available on the designated day of collection, but not later than the next banking day.

We found that Lottery officials did not collect \$228,041 in sales agents' account receivables. The \$228,041 in sales agents' account receivables were unpaid as of September 30, 2008. According to Lottery officials, these amounts were written off as uncollectible.

As of September 30, 2009, we found that at least 22 of the Lottery's sales agents had unpaid account balances totaling \$141,864. The balance for 6 of the 22 accounts had unpaid account balances since FY 2007. Of the 22 accounts, 6 accounts had unpaid account balances since FY 2008. Finally, of the 22 accounts, 10 accounts had not been paid since FY 2009.

The Lottery entered into a payment agreement with some sales agents which allowed sales agents to pay the unpaid balances over a specified period of time. We reviewed 9 payment agreements and found that of the 9 agreements, 5 of the agents complied with the terms of the agreements and paid the required amounts. However, 4 agents did not comply with the terms of the payment agreements and had not paid the required amounts owed as of September 30, 2009.

It is important to note that the payment agreements stated that the Lottery could pursue collection of the unpaid amounts in the Superior Court of the District of Columbia and to refer cases to the United States Attorney's Office for the District of Columbia or the Office of the Attorney General for the District of Columbia for criminal and civil enforcement proceedings. However, we found that the Lottery did not pursue collection of the amounts owed in Superior Court, the U. S. Attorney for the District or the Attorney General of the District of Columbia.

As a result of the Lottery's failure to aggressively pursue collection of receivables from agents with outstanding balances, the Lottery's officials failed to collect \$228,041 owed as of the end of FY 2008 and \$141,864 as of September 30, 2009.

License Files for Sales Agents Were Missing Required Documents

According to 30 DCMR, Section 201.2, to be eligible for a license from the Lottery to sell lottery tickets, an applicant shall demonstrate financial stability and responsibility. In determining whether the applicant meets the financial stability and responsibility requirement, the Lottery considers an agent's business performance records, business practices, financial resources, record of indebtedness and other factors relating to financial reliability of the applicant. 30 DCMR 308.1(l) requires agents to permit a representative of the Lottery to conduct on-site inspections of the Lottery's property including the on-line computer terminal. Additionally, 30 DCMR, Sections 203.4 and 308.1(w) respectively, state:

- *By filing an application, the applicant shall consent to have his or her name referred to the Metropolitan Police Department and the police department of the jurisdiction of his or her residence for a criminal history report and to undergo any procedures which may be required for that purpose, including fingerprinting.*
- *Agents shall provide a certificate of insurance which indicates that the agent has and maintains casualty insurance, approved by the Agency, to cover the replacement cost of the on-line computer terminal and other Agency property assigned to the agent.*

We reviewed 84, or 18%, of the Lottery's approximately 480 sales agent files and found that the required sales agent eligibility documentation was not included in each file.

Of the 84 files reviewed, we found the following:

- 82, or 98%, of the files did not contain a certificate of insurance documentation that the agent maintained casualty insurance;
- 19, or 23%, of the files failed to document compliance with the clean hands act indicating that the sales agent did not owe more than \$100 in outstanding debt to the District of Columbia government;

- 16, or 19%, of the files did not contain a certificate of good standing indicating that the sales agent had no outstanding tax liability with the District of Columbia;
- 19, or 23%, of the files failed to document that a criminal background check had been conducted; and
- 15, or 18%, of the files failed to document that the Lottery conducted an on-site inspection of the Lottery's property, including the on-line computer terminal.

The Lottery failed to consistently comply with the policies and procedures regarding the Lottery's required agent eligibility documentation.

As a result of the Lottery's failure to document adherence to the Lottery's procedures and District of Columbia Municipal Regulations, the Lottery's operations may be compromised.

The Lottery should implement the following recommendations regarding minimum sales, account receivables and file maintenance.

RECOMMENDATIONS

1. The Lottery must take steps to ensure that appropriate documents required to license sales agents are completed and properly maintained.
2. The Lottery's Director of Sales should take steps to consistently enforce rules and regulations pertaining to the minimum sales requirement for agents.
3. The Agency Fiscal Officer (AFO) must deactivate a sales agent's terminal after receiving the first notification that the sales agent's bank account had insufficient funds on the day the Lottery attempted to collect the agent's sales revenue. Additionally, the AFO must request that the Chief of Security investigate to collect payment.
4. The Agency Fiscal Officer for the Lottery must take steps to establish an effective collection policy for unpaid account receivables due from sales agents.
5. The Lottery's General Counsel must ensure that agents comply with the repayment agreements, and pursue collection of amounts owed in Superior Court, the U.S. Attorney for the District or the Attorney General of the District of Columbia.
6. The Agency Fiscal Officer should pursue collection of the \$228,041 and \$141,864 owed by sales agents as of FYs 2008 and 2009 respectively.

THE LOTTERY SHOULD STRENGTHEN INTERNAL CONTROL OVER THE PURCHASE CARD PROGRAM

The Lottery's purchase cardholder is designated by the Lottery's Executive Director. The Lottery's purchase cardholder's responsibilities include activating the purchase card, ensuring the price paid for goods and services is fair and reasonable, keeping complete and accurate records of card purchases, and maintaining balances of card purchases to avoid overspending delegated limits and available budgets. The Lottery's purchase card (P-Card) purchases totaled \$10,992 in FY 2008 and \$9,696 in FY 2009.

Policy and procedures for the Office of Contracting and Procurement for P-Cards require that each participating agency establish an Agency Review Team (ART) to oversee the purchase card activities of the agency. The ART is to be comprised of the agency director or designee, agency program coordinator (APC), approving official(s) and the designated billing official.

We found that the Lottery's purchase cardholder is also a member of the Lottery's ART, serves as the Agency Program Coordinator, and attends ART meetings. According to OCP's Purchase Card Program Manager, the cardholder should not attend the ART meetings. According to OCP's P-Card procedures, the ART oversees P-Card activities, reviews reports of P-Card activity, investigates instances of questionable purchases and recommends disciplinary actions, if any are needed. We note that as a member of the ART, the Lottery's cardholder would essentially be in the position to review and oversee purchases that were made while she was the Lottery's designated P-Card holder.

RECOMMENDATIONS

1. The Lottery's cardholder for the Lottery's P-Card program should not attend the Lottery's ART meetings.
2. The Lottery's Executive Director should also designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.

Conclusion

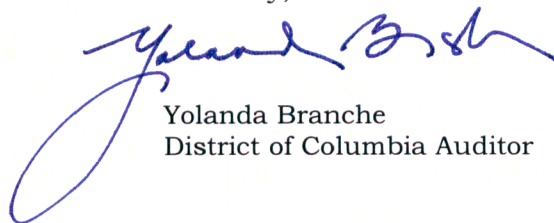
The Lottery is a revenue-generating agency of the District of Columbia. The mission of the Lottery is to generate revenue for the District of Columbia through the operation and regulation of a lottery, and through the regulation of charitable gaming. We found internal control weaknesses that the management of the Lottery must address to ensure that the mission of the agency is effectively and efficiently achieved. Our key findings include:

- The Lottery failed to comply with requirements of the Lottery's Policy and Procedures Manual regarding the processing of invoices.
- Employees began work before the Lottery received the results of fingerprint and background checks.
- The Lottery did not aggressively pursue collection of unpaid fees from sales agents.

Additionally, the functions and personnel of the Lottery are now within the Office of the Chief Financial Officer (OCFO). However, we found that Title 3, Chapter 13 of the District of Columbia Code (Code) has not been amended to reflect this change in the organizational structure of the Lottery. As a result, the Code refers to duties and responsibilities of a Lottery Board that no longer governs the Lottery.

To ensure that the Lottery continues to effectively and efficiently generate revenue for the District, the Lottery must take immediate steps to improve internal controls to address the audit report findings.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Yolanda Branche', with a large, stylized loop at the bottom left.

Yolanda Branche
District of Columbia Auditor

Agency Comments

On September 9, 2011, the District of Columbia Auditor (Auditor) submitted the report in draft form for review and comment to the Executive Director, District of Columbia Lottery and Charitable Games Control Board (the Lottery); Chief Financial Officer, Office of the Chief Financial Officer; Director, Department of Public Works, Chief, Metropolitan Police Department (MPD); and the Chief Procurement Officer, Office of Contracting and Procurement (OCP). The Auditor received written comments from the Lottery on October 7, 2011, MPD on October on 4, 2011 and DPW on September 21, 2011.

The written comments along with the Auditor's response to the comments are included in this report.

The Lottery's Comments

Finding #1:

The Lottery's Executive Director should work with the Council of the District of Columbia to immediately amend provisions of D.C. Code, title 3, Chapter 13 to reflect the Lottery's current organizational structure and operations.

Agency Response: Disagree

The draft audit report finds that officials of the Lottery did not work with the Council of the District of Columbia to amend Title 3, Chapter 13 of the D.C. Code to ensure conformity with the provisions of the D.C. Code § 1-204.24a(c). Conforming legislation was introduced into Council. Specifically, Bill 11-902, the "Lottery and Charitable Games Revision Amendment of 1996" was introduced by Chairman David Clarke. The legislation simply failed to become law at no fault of the Lottery. For reference purposes, a copy of Bill 11-902 is attached.

Finding #2:

The Executive Director of the Lottery shall immediately amend the Lottery's rules and regulations at District of Columbia Municipal Regulations, Title 30, Chapter 1 to reflect the Lottery's current organizational structure.

Agency Response: Agree

The Lottery will work to amend its rules and regulations at District of Columbia Municipal, Title 30, and Chapter 1 to reflect its current organizational structure.

Finding #3:

The Executive Director of the Lottery should establish Memoranda of Understandings for all future transactions with any District Government agency providing services to the Lottery.

Agency Response: Disagree

The DCLB is part of the Office of the Chief Financial Officer (OCFO) Agency. As an agency reporting to the OCFO, MOUs are not necessary to transact business between the entities. The Metropolitan Police Department (MPD) is the exception and an MOU will be established with MPD for all future transactions.

Finding #4:

The Lottery's Agency Fiscal Officer must ensure that appropriate agency officials sign all Memoranda of Understandings before services are rendered.

Agency Response: Agree

The Lottery's Agency Fiscal Officer will ensure that appropriate agency officials sign all Memoranda of Understandings before services are rendered.

Finding #5:

The Agency Fiscal Officer for the Lottery must take steps to ensure that vendors, who satisfactorily provide goods and services and submit a proper invoice for payment, are paid within 30 calendar days in accordance with the District's Quick Payment Act.

Agency Response: Agree

The Lottery tries to adhere to the Quick Payment Act (QPA), however, it cannot be ruled out that there are unusual cases for payment delays caused by system failures, invoice issues, POs, etc. We acknowledge that some invoice payments noted during the audit period may not have been paid in accordance with the QPA, some documents cited included incorrect invoice receipt dates and legitimate reasons for payment delays. For instance, our advertising agents often submit invoices already 30 calendar days old as a result of dealing with subcontractors and usually dated the last day of the month even though they are not received until a much later date. Some invoices are submitted in advance of service being rendered to accommodate third party and small vendors needing funds immediately upon providing services and goods. The agency purposely withholds payments until services and goods have been rendered to prevent advance payment situations. Invoices sent back for corrective actions are often re-submitted by respective vendors dated when the services or goods were provided rather than current dates.

The AFO will re-visit the District's Quick Payment Act and agency's current policies and procedures to ensure that vendors are paid within 30 calendar days of invoice receipt, when possible.

Finding #6:

The Lottery's Agency Fiscal Officer should take steps to ensure that Lottery employees comply with the Lottery's policies and procedures by properly logging in the date invoices are received.

Agency Response: Agree

The majority of invoices are received through the Support Services Unit as part of the mail receipt and delivery process. The practice has been to date stamp the envelope that documents were received in and not actual invoices or other payment media enclosed. In some cases, invoices, emails, etc. are sent directly to departments ordering the goods or services. The agency will require that all invoices be date stamped no matter how they are received by the agency/respective departments to help facilitate control and aging of invoices.

Finding #7:

The Lottery's Agency Fiscal Officer should take steps to ensure that all invoices are properly approved for payment by appropriate officials of the Lottery before invoices are processed for payment.

Agency Response: Agree

The AFO feels that sufficient controls are in place to ensure that invoices paid are properly approved prior to payment. After implementation of the PASS System in FY 2005, agency departments implemented various methods for receiving and approving goods and services. The various methods of indicating receipt of goods and services and approving payments need to be standardized across the board and codified into the agency's standard operating procedures for documentation and consistency purposes.

Finding #8:

The Chief of Security of the Lottery should take steps to ensure that the results of pre-employment background and fingerprint checks are received and reviewed prior to an individual's employment.

Agency Response: Disagree

The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources for consideration and follow-up as determined necessary.

Finding #9:

The Lottery's Executive Director should take steps to establish and implement policies and procedures that require periodic background and fingerprint checks for lottery employees.

Agency Response: Disagree

The Lottery is under the direction of the Office of the Chief Financial Officer (OCFO) and as a result does not conduct background and fingerprint checks for Lottery employees. The Office of Integrity & Oversight (OIO) periodically conducts background checks on behalf of all OCFO employees.

Finding #10:

The Lottery's Chief of Security should take steps to ensure that all appropriate documents including credit checks, hiring, memorandum, authority to release information, affidavit not to purchase lottery tickets, driver's license photograph and employee history are properly completed and maintained in each employee's security file.

Agency Response: Disagree

The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources and the Office of Integrity and Oversight to ensure that relevant information is maintained in employees' files.

Finding #11:

The Chief Financial Officer and the Agency Fiscal Officer should ensure that the Lottery collects \$47 from the contractor for each fingerprint/background check processed for the contractor.

Agency Response: Agree

The Chief Financial Officer/Agency Fiscal Officer will ensure going forward that the cost to process fingerprints and background checks on behalf of the gaming system contractor's employees and others will be billed and collected.

Finding #12:

The Chief Financial Officer should bill LTE in the amount of \$705 for the background and fingerprint checks that were performed.

Agency Response: Disagree

Lottery Technology Enterprises (LTE) contract with the Lottery as the gaming system contractor expired November 22, 2010. LTE was a joint venture specifically organized to provide gaming system related services for the Lottery over the first twenty-eight (28) years of its operations. The joint venture is no longer in business. It is the Lottery's recommendation that the debt be forgiven taking into consideration the period of time expenses were incurred, potential efforts required to find joint venture officials and related costs associated while attempting to collect such a demure amount. As noted above and going forward, we will bill and collect fees for fingerprinting and background checks processed on behalf of the gaming system contractor.

Finding #13:

The Lottery's Director of Sales should take steps to consistently enforce rules and regulations pertaining to the minimum sales requirement for agents.

Agency Response: Agree

The Lottery agrees that it may have not enforced its rules and regulations pertaining to the minimum sales requirements for agents. From a business perspective, it is sometimes more feasible to allow an agent to participate even though the minimum sales requirement is not being met due to an overall decline in sales, desire for an agent's presence in a specific location to accommodate players, etc. The Lottery is considering discontinuance of the minimum sales requirement since it is not being enforced.

Finding #14:

The Agency Fiscal Officer must deactivate a sales agent's terminal after receiving the first notification that the sales agent's bank account had insufficient funds on the day the Lottery attempted to collect the agent's sales revenue. Additionally, the AFO must request that the Chief of Security investigate to collect payment.

Agency Response: Disagree

The agency's current Non-Sufficient Funds (NSF) collection policy require that all agents' terminals be de-activated immediately upon notification from the banking institution that a NSF incident has occurred without exception. The

respective agent's terminal is not re-activated until the NSF has been paid in full, re-payment agreement has been signed, Executive Director's directive, and/or for other legitimate reasons such as incorrect charge by bank, deposit errors, etc. It should also be noted that a NSF will occur under any circumstance when less than 100% of funds owed are not deposited to an agent's account at time of weekly sweep. In addition, an agent's terminal account can be de-activated to prevent selling of tickets but transactions such as instant tickets settlements will still reflect as weekly transactions until fully billed. The Chief of Security is notified to assist in collection of funds when robbery and other criminal activities are involved or suspected.

Finding #15:

The Agency Fiscal Officer for the Lottery must take steps to establish an effective collection policy for unpaid accounts receivable due from sales agents.

Agency Response: Disagree

The Lottery feels it has an effective collection policy for unpaid accounts receivable due from sales agents. Since inception, the Lottery has collected over 99.99% of monies owed by retailer/sales agents. While the agency is always looking for ways to strengthen its policy and to collect all funds due, it is a fact that some accounts will not be collected due to disappearance of retailers and the inability of retailers to pay due to bankruptcy and other business dissolutions. The extent of collection efforts must be weighed against feasibility of actions and amounts owed at some point. The Office of the Attorney General will not act on any debt below \$2500. Prior to FY2010, all agents were bonded and annual revenue collections were sufficient to cover unpaid receivables balances written-off.

Finding #16:

The Lottery's General Counsel must ensure that agents comply with repayment agreements, and pursue collection of amounts owed in Superior Court, the U. S. Attorney General for the District or the Attorney General of the District of Columbia.

Agency Response: Agree

The Lottery's General Counsel will extend necessary efforts to ensure that agents comply with repayment agreements. Previous history of using civil law suits and other filings have proven to be less than effective.

Finding #17:

The Agency Fiscal Officer should pursue collection of the \$228,041 and \$141,864 owed by sales agents as of FY 2008 and FY 2009 respectively.

Agency Response: Agree

A review of documents supporting agents' balances owed and comprising the amounts noted above indicates that the majority of the agents/respective principals in questions can no longer be reached. Approximately \$37,400 of the FY 2009 balance owed has been collected. It should be noted that in FY 2005, our independent auditors recommended that we discontinue the deposit of bonding fees to a miscellaneous trust fund specifically established to cover delinquent and uncollectible agents' receivables. Bonding fees in excess of \$1.0 million were recognized as revenue in FY 2005. For FYs 2007 thru 2009, the agency collected bonding fees totaling over \$559,000 and averaging almost \$140,000 per annually. The amounts collected were used to offset agents' accounts receivable written-off over the same time period. The agency will pursue other balances owed if it's determined feasible and actions are likely to result in positive returns. We feel that the agency has extended great efforts in protecting itself from losses due to uncollectible debt and using all means available to collect funds.

Finding #18:

The Lottery must take steps to ensure that appropriate documents required to license sales agents are complete and properly maintained.

Agency Response: Agree

During the time frame of the audit, the agency's policy was to renew lottery licenses on a biennial basis. This may account for the fact that a certain percentage of file folders did not contain clean hands act certifications, good standing certificates, criminal background checks, and evidence of inspections. FY 2009 was the last year of license renewals prior to the agency ending the requirement; depending on which renewal group a particular agent was in and when the audit took place, the subject documentation may not have been available in the file as the renewal cycle may not have occurred. The rule will be amended to remove the requirement for good standing certificates.

Finding #19:

The Lottery's cardholder for the Lottery's P-Card program should not attend the Lottery's ART meetings.

Agency Response: Agree

The Lottery has attempted to limit the number of transactions processed on behalf of the agency to amounts less than \$2,500 using the P-Card. The Lottery's cardholder is the same person as the Agency Program Coordinator as approved by the Office of Contracts and Procurement (OCP). All P-Card transactions are approved by the Agency Fiscal Officer (AFO) prior to using the card. Once processed by the card-holder, all transactions are approved to the JP Morgan system by the AFO. Members of the Lottery's ART meeting review and discuss each transaction, related reports, and supporting documentation for authenticity purposes on a monthly basis. Lottery management will ensure that the card-holder for the P-Card program does not attend regular ART meetings.

Finding #20:

The Lottery's Executive Director should also designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.

Agency Response: Agree

The Lottery's Executive Director will designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.

Auditor's Response to the Lottery's Comments

The Auditor appreciates comments on the draft of this report that were provided by the Executive Director of the Lottery. Where appropriate, the Auditor made revisions to the final report based on these comments, and offers the following response to certain Lottery comments.

- 1. The Lottery's Executive Director should work with the Council of the District of Columbia to immediately amend provisions of D.C. Code, title 3, Chapter 13 to reflect the Lottery's current organizational structure and operations.**

The Lottery's Response: Disagree

The draft audit report finds that officials of the Lottery did not work with the Council of the District of Columbia to amend Title 3, Chapter 13 of the D.C. Code to ensure conformity with the provisions of the D.C. Code § 1-204.24a(c). Conforming legislation was introduced into Council. Specifically, Bill 11-902, the "Lottery and Charitable Games Revision Amendment of 1996" was introduced by Chairman David Clarke. The legislation simply failed to become law at no fault of the Lottery. For reference purposes, a copy of Bill 11-902 is attached.

Auditor's response: We revised this finding and the related recommendation.

- 2. The Executive Director of the Lottery should establish Memoranda of Understandings for all future transactions with any District Government agency providing services to the Lottery.**

The Lottery's Response: Disagree

The DCLB is part of the Office of the Chief Financial Officer (OCFO) Agency. As an agency reporting to the OCFO, MOUs are not necessary to transact business between the entities. The Metropolitan Police Department (MPD) is the exception and an MOU will be established with MPD for all future transactions.

Auditor's response: We revised the audit report relating to this finding and recommendation that the Lottery establish Memoranda of Understanding (MOU) with agencies reporting to the OCFO. However, the Auditor maintains that the Lottery should establish an MOU when they obtain services from the Metropolitan Police Department as the Lottery agreed to do in their comments.

3. The Chief of Security of the Lottery should take steps to ensure that the results of pre-employment background and fingerprint checks are received and reviewed prior to an individual's employment.

The Lottery's Response: Disagree

The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources for consideration and follow-up as determined necessary.

Auditor's response: We accept the Lottery's comments that they will communicate this finding to the OMA - Director of Human Resources.

4. The Lottery's Executive Director should take steps to establish and implement policies and procedures that require periodic background and fingerprint checks for the Lottery's employees.

The Lottery's Response: Disagree

The Lottery is under the direction of the Office of the Chief Financial Officer (OCFO) and as a result does not conduct background and fingerprint checks for Lottery employees. The Office of Integrity & Oversight (OIO) periodically conducts background checks on behalf of all OCFO employees.

Auditor's response: We revised our report to recommend that the Lottery request the OCFO's OIO to conduct periodic background and fingerprint checks for employees of the Lottery.

5. The Lottery's Chief of Security should take steps to ensure that all appropriate documents including credit checks, hiring, memorandum questionnaire, authority to release information, affidavit not to purchase lottery tickets, driver's license photograph and employee history are properly completed and maintained in each employee's security file.

The Lottery's Response: Disagree

The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources and the Office of Integrity and Oversight to ensure that relevant information is maintained in employees' files.

Auditor's Response: We accept the Lottery's response that they will communicate this finding to the OMA-Director of Human Resources and the Office of Integrity and Oversight. The Lottery should also ensure that the required documentation is maintained in files located at the Lottery.

6. The Chief Financial Officer should bill LTE in the amount of \$705 for the background and fingerprint checks that were performed.

The Lottery's Response: Disagree

Lottery Technology Enterprises (LTE) contract with the Lottery as the gaming system contractor expired November 22, 2010. LTE was a joint venture specifically organized to provide gaming system related services for the Lottery over the first twenty-eight (28) years of its operations. The joint venture is no longer in business. It is the Lottery's recommendation that the debt be forgiven taking into consideration the period of time expenses were incurred, potential efforts required to find joint venture officials and related costs associated while attempting to collect such a demure amount. As noted above and going forward, we will bill and collect fees for fingerprinting and background checks processed on behalf of the gaming system contractor.

Auditor's Response: The Auditor maintains that the Lottery should attempt to collect the \$705 that is owed to the Lottery.

7. The Agency Fiscal Officer must deactivate a sales agent's terminal after receiving the first notification that the sales agent's bank account had insufficient funds on the day the Lottery attempted to collect the agent's sales revenue. Additionally, the AFO must request that the Chief of Security investigate to collect payment.

The Lottery's Response: Disagree

The agency's current Non-Sufficient Funds (NSF) collection policy require that all agents' terminals be de-activated immediately upon notification from the banking institution that a NSF incident has occurred without exception. The respective agent's terminal is not re-activated until the NSF has been paid in full, re-payment agreement has been signed, Executive Director's directive, and/or for other legitimate reasons such as incorrect charge by bank, deposit errors, etc. It should also be noted that a NSF will occur under any circumstance when less than 100% of funds owed are not deposited to an agent's account at time of weekly sweep. In addition, an agent's terminal account can be de-activated to prevent selling of tickets but transactions such as instant tickets settlements will still reflect as weekly transactions until fully billed. The Chief of Security is notified to assist in collection of funds when robbery and other criminal activities are involved or suspected.

Auditor's Response: Notwithstanding the Lottery's response, we found instances in which agents with outstanding balances from a previous week continued to have online sales in the following week.

Also, the Lottery's procedures require the Chief of Security to be contacted if the Lottery does not receive payment or cannot contact agent by 10:00 a.m. on the following business day after notification of non-payment.

8. The Agency Fiscal Officer for the Lottery must take steps to establish an effective collection policy for unpaid accounts receivable due from sales agents.

The Lottery's Response: Disagree

The Lottery feels it has an effective collection policy for unpaid accounts receivable due from sales agents. Since inception, the Lottery has collected over 99.99% of monies owed by retailer/sales agents. While the agency is always looking for ways to strengthen its policy and to collect all funds due, it is a fact that some accounts will not be collected due to disappearance of retailers and the inability of retailers to pay due to bankruptcy and other business dissolutions. The extent of collection efforts must be weighed against feasibility of actions and amounts owed at some point. The Office of the Attorney General will not act on any debt below \$2500. Prior to FY2010, all agents were bonded and annual revenue collections were sufficient to cover unpaid receivables balances written-off.

Auditor's Response: The Auditor's response remains that the Lottery must establish an effective collection policy. The Auditor found instances where amounts in excess of \$2,500 were not submitted to the Office of the Attorney General for collection action.

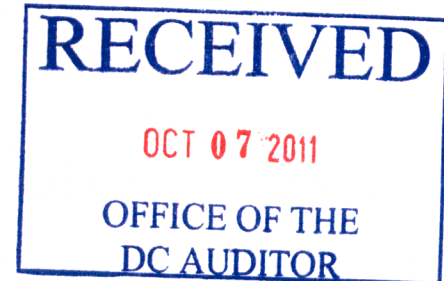


GOVERNMENT OF THE DISTRICT OF COLUMBIA
D.C. LOTTERY AND CHARITABLE GAMES CONTROL BOARD
2101 MARTIN LUTHER KING, JR. AVENUE, S.E., 5TH FLOOR
WASHINGTON, D.C. 20020-5731



October 6, 2011

Ms. Yolanda Branche
Acting District of Columbia Auditor
Office of the District of Columbia Auditor
717 14th Street, N.W., Suite 900
Washington, D.C. 2005



Dear Ms. Branche:

The D.C. Lottery and Charitable Games Control Board (Lottery) has completed its review of your draft audit report and recommendations from Fiscal Year (FY) 2006 to FY 2009. Our responses to the report and noted recommendations have been recorded to the attached Recommendations Summary sheets.

It was a pleasure working with you and your staff during the audit of Lottery operations. If we can be of further assistance, please do not hesitate to contact me at 202-645-8010 or William Robinson, Agency Fiscal Officer at 202-645-8064.

Sincerely,

Buddy Roogow
Executive Director

Office of the District of Columbia Auditor
Audit of the District of Columbia Lottery and Charitable Games Control Board
Fiscal Year (FY) 2007 to FY 2009
Audit Report Recommendations Summary

Recommendation	Agency Agrees Date Agency will Implement Recommendation	Agency Disagrees Alternative Recommendation
The Lottery's Executive Director should work with the Council of the District of Columbia to immediately amend the provisions of D.C. Code, Title 3, Chapter 13 to reflect the Lottery's current organizational structure and operations.		The draft audit report finds that officials of the Lottery did not work with the Council of the District of Columbia to amend Title 3, Chapter 13 of the D.C. Code to ensure conformity with the provisions of the D.C. Code § 1-204.24a(c). Conforming legislation was introduced into Council. Specifically, Bill 11-902, the "Lottery and Charitable Games Revision Amendment of 1996" was introduced by Chairman David Clarke. The legislation simply failed to become law at no fault of the Lottery. For reference purposes, a copy of Bill 11-902 is attached.
The Executive Director of the Lottery should immediately amend the Lottery's rules and regulations at District of Columbia Municipal Regulations, Title 30, and Chapter 1 to reflect the Lottery's current organizational structure.	The Lottery will work to amend its rules and regulations at District of Columbia Municipal, Title 30, and Chapter 1 to reflect its current organizational structure.	
The Executive Director of the Lottery should establish Memoranda of Understanding for all future transactions with any District government agency providing services to the Lottery.		The DCLB is part of the Office of the Chief Financial Officer (OCFO) Agency. As an agency reporting to the OCFO, MOUs are not necessary to transact business between the entities. The Metropolitan Police Department (MPD) is the exception and an MOU will be established with MPD for all future transactions.
The Lottery's Agency Fiscal Officer must ensure that appropriate agency	The Lottery's Agency Fiscal Officer will ensure that appropriate agency officials sign all Memoranda of	

officials sign all Memoranda of Understanding <i>before</i> services are rendered.	Understandings before services are rendered.	
The Agency Fiscal Officer for the Lottery must take steps to ensure that vendors, who satisfactorily provide goods and services and submit a proper invoice for payment, are paid within 30 calendar days in accordance with the District's Quick Payment Act.	The Lottery tries to adhere to the Quick Payment Act (QPA), however, it cannot be ruled out that there are unusual cases for payment delays caused by system failures, invoice issues, POs, etc. We acknowledge that some invoice payments noted during the audit period may not have been paid in accordance with the QPA, some documents cited included incorrect invoice receipt dates and legitimate reasons for payment delays. For instance, our advertising agents often submit invoices already 30 calendar days old as a result of dealing with subcontractors and usually dated the last day of the month even though they are not received until a much later date. Some invoices are submitted in advance of service being rendered to accommodate third party and small vendors needing funds immediately upon providing services and goods. The agency purposely withholds payments until services and goods have been rendered to prevent advance payment situations. Invoices sent back for corrective actions are often re-submitted by respective vendors dated when the services or goods were provided rather than current dates. The AFO will re-visit the District's Quick Payment Act and agency's current policies and procedures to ensure that vendors are paid within 30 calendar days of invoice receipt, when possible.	
The Lottery's Agency Fiscal Officer	The majority of invoices are received through the Support Services Unit as	

should take steps to ensure that Lottery employees comply with the Lottery's policies and procedures by properly logging in the date invoices were received.	part of the mail receipt and delivery process. The practice has been to date stamp the envelope that documents were received in and not actual invoices or other payment media enclosed. In some cases, invoices, emails, etc. are sent directly to departments ordering the goods or services. The agency will require that all invoices be date stamped no matter how they are received by the agency/respective departments to help facilitate control and aging of invoices.	
The Lottery's Agency Fiscal Officer should take steps to ensure that all invoices are properly approved for payment by appropriate officials of the Lottery before invoices are processed for payment.	The AFO feels that sufficient controls are in place to ensure that invoices paid are properly approved prior to payment. After implementation of the PASS System in FY 2005, agency departments implemented various methods for receiving and approving goods and services. The various methods of indicating receipt of goods and services and approving payments need to be standardized across the board and codified into the agency's standard operating procedures for documentation and consistency purposes.	.
The Chief of Security of the Lottery should take steps to ensure that the results of pre-employment background and fingerprint checks are received and reviewed prior to an individual's employment.		The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources for consideration and follow-up as determined necessary.
The Lottery's Executive Director should take steps to establish and implement policies and procedures that require periodic background and fingerprint checks for Lottery employees.		The Lottery is under the direction of the Office of the Chief Financial Officer (OCFO) and as a result does not conduct background and fingerprint checks for Lottery employees. The Office of Integrity & Oversight (OIO) periodically conducts background

		checks on behalf of all OCFO employees.
The Lottery's Chief of Security should take steps to ensure that all appropriate documents including credit checks, hiring memorandum, authority to release information, affidavit not to purchase lottery tickets, driver's license photograph and employee history are properly completed and maintained in each employee's security file.		The Lottery's Human Resources Division falls under the direction of the Office of the Chief Financial Officer and is subject to its procedures and controls. The Lottery will communicate this finding to the OMA - Director of Human Resources and the Office of Integrity and Oversight to ensure that relevant information is maintained in employees' files.
The Chief Financial Officer and the Agency Fiscal Officer should ensure that the Lottery collects \$47 from the contractor for each fingerprint/background check processed for the contractor.	The Chief Financial Officer/Agency Fiscal Officer will ensure going forward that the cost to process fingerprints and background checks on behalf of the gaming system contractor's employees and others will be billed and collected.	
The Chief Financial Officer should bill LTE in the amount of \$705 for the background and fingerprint checks that were performed.		Lottery Technology Enterprises (LTE) contract with the Lottery as the gaming system contractor expired November 22, 2010. LTE was a joint venture specifically organized to provide gaming system related services for the Lottery over the first twenty-eight (28) years of its operations. The joint venture is no longer in business. It is the Lottery's recommendation that the debt be forgiven taking into consideration the period of time expenses were incurred, potential efforts required to find joint venture officials and related costs associated while attempting to collect such a demure amount. As noted above and going forward, we will bill and collect fees for fingerprinting and background

		checks processed on behalf of the gaming system contractor.
The Lottery's Director of Sales should take steps to consistently enforce rules and regulations pertaining to the minimum sales requirement for agents.	The Lottery agrees that it may have not enforced its rules and regulations pertaining to the minimum sales requirements for agents. From a business perspective, it is sometimes more feasible to allow an agent to participate even though the minimum sales requirement is not being met due to an overall decline in sales, desire for an agent's presence in a specific location to accommodate players, etc. The Lottery is considering discontinuance of the minimum sales requirement since it is not being enforced.	
The Agency Fiscal Officer must deactivate a sales agent's terminal after receiving the first notification that the sales agent's bank account had insufficient funds on the day the Lottery attempted to collect the agent's sales revenue. Additionally, the AFO must request that the Chief of Security investigate to collect payment.		The agency's current Non-Sufficient Funds (NSF) collection policy require that all agents' terminals be de-activated immediately upon notification from the banking institution that a NSF incident has occurred without exception. The respective agent's terminal is not re-activated until the NSF has been paid in full, re-payment agreement has been signed, Executive Director's directive, and/or for other legitimate reasons such as incorrect charge by bank, deposit errors, etc. It should also be noted that a NSF will occur under any circumstance when less than 100% of funds owed are not deposited to an agent's account at time of weekly sweep. In addition, an agent's terminal account can be de-activated to prevent selling of tickets but transactions such as instant tickets settlements will still reflect as weekly transactions until fully billed. The Chief of Security is notified to assist in collection of funds when robbery and other criminal activities are involved or suspected.

The Agency Fiscal Officer for the Lottery must take steps to establish an effective collection policy for unpaid account receivables due from sales agents.		The Lottery feels it has an effective collection policy for unpaid accounts receivable due from sales agents. Since inception, the Lottery has collected over 99.99% of monies owed by retailer/sales agents. While the agency is always looking for ways to strengthen its policy and to collect all funds due, it is a fact that some accounts will not be collected due to disappearance of retailers and the inability of retailers to pay due to bankruptcy and other business dissolutions. The extent of collection efforts must be weighed against feasibility of actions and amounts owed at some point. The Office of the Attorney General will not act on any debt below \$2500. Prior to FY2010, all agents were bonded and annual revenue collections were sufficient to cover unpaid receivables balances written-off.
The Lottery's General Counsel must ensure that agents comply with the repayment agreements, and pursue collection of amounts owed in Superior Court, the U.S. Attorney for the District or the Attorney General of the District of Columbia.	The Lottery's General Counsel will extend necessary efforts to ensure that agents comply with repayment agreements. Previous history of using civil law suits and other filings have proven to be less than effective.	
The Agency Fiscal Officer should pursue collection of the \$228,041 and \$141,864 owed by sales agents as of FYs 2008 and 2009 respectively.	A review of documents supporting agents' balances owed and comprising the amounts noted above indicates that the majority of the agents/respective principals in questions can no longer be reached.	

	Approximately \$37,400 of the FY 2009 balance owed has been collected. It should be noted that in FY 2005, our independent auditors recommended that we discontinue the deposit of bonding fees to a miscellaneous trust fund specifically established to cover delinquent and uncollectible agents' receivables. Bonding fees in excess of \$1.0 million were recognized as revenue in FY 2005. For FYs 2006 thru 2009, the agency collected bonding fees totaling over \$559,000 and averaging almost \$140,000 per annually. The amounts collected were used to offset agents' accounts receivable written-off over the same time period. The agency will pursue other balances owed if it's determined feasible and actions are likely to result in positive returns. We feel that the agency has extended great efforts in protecting itself from losses due to uncollectible debt and using all means available to collect funds.	
The Lottery must take steps to ensure that appropriate documents required to license sales agents are complete and properly maintained.	During the time frame of the audit, the agency's policy was to renew lottery licenses on a biennial basis. This may account for the fact that a certain percentage of file folders did not contain clean hands act certifications, good standing certificates, criminal background checks, and evidence of inspections. FY 2009 was the last year of license renewals prior to the agency ending the requirement; depending on which renewal group a particular agent was in and when the audit took place, the subject documentation may not have been available in the file as the renewal cycle may not have occurred. The rule will be amended to remove the requirement for good standing certificates.	
The Lottery's cardholder for the	The Lottery has attempted to limit	

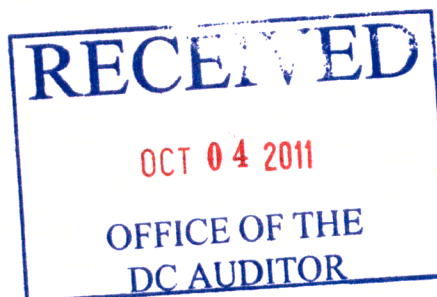
Lottery's P-Card program should not attend the Lottery's ART meetings.	the number of transactions processed on behalf of the agency to amounts less than \$2,500 using the P-Card. The Lottery's cardholder is the same person as the Agency Program Coordinator as approved by the Office of Contracts and Procurement (OCP). All P-Card transactions are approved by the Agency Fiscal Officer (AFO) prior to using the card. Once processed by the card-holder, all transactions are approved to the JP Morgan system by the AFO. Members of the Lottery's ART meeting review and discuss each transaction, related reports, and supporting documentation for authenticity purposes on a monthly basis. Lottery management will ensure that the card-holder for the P-Card program does not attend regular ART meetings.	
The Lottery's Executive Director should also designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.	The Lottery's Executive Director will designate an employee other than the Lottery's cardholder to serve as the Lottery's Agency Program Coordinator.	



GOVERNMENT OF THE DISTRICT OF COLUMBIA
METROPOLITAN POLICE DEPARTMENT

SEP 27 2011

Ms. Yolanda Branche
Acting District of Columbia Auditor
Office of the District of Columbia Auditor
717 14th Street, N.W., Suite 900
Washington, D.C. 20005



Dear Ms. Branche:

Thank you for providing the Metropolitan Police Department (MPD) the opportunity to respond to the draft report entitled "Audit of the District of Columbia Lottery and Charitable Games Control Board from Fiscal Year (FY) 2006 to FY 2009." MPD concurs with the recommendation that Memoranda of Understanding (MOUs) should be established before services are rendered.

As noted in the audit, MOUs were not provided for FYs 2007 and 2008. It should be noted that this has been rectified for FYs 2009-current.

If you have any questions, please contact me on 202-727-4218.

Sincerely,

Cathy L. Lanier
Chief of Police

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF PUBLIC WORKS



Office of the Director

September 19, 2011

Yolanda Branche
Acting District of Columbia Auditor
Office of the District of Columbia Auditor
717 14th Street NW, Suite 900
Washington, DC 20005

Re: Draft Report entitled, "Audit of the District of Columbia Lottery and Charitable Games Control Board from Fiscal year (FY) 2006 to FY 2009"

Auditor Branche:

In the above referenced draft report, your office noted that the District of Columbia Lottery and Charitable Games Control Board (Lottery) could not provide MOUs for services provided by the Department of Public Works (DPW) for fiscal years 2007, 2008 and 2009. Enclosed, for your review, are copies of the City Wide Fixed Cost MOUs for fiscal years 2007, 2008 and 2009. The MOUs include the projected cost of DPW's Fleet services for each agency, including the Lottery.

Should you have any further questions, feel free to contact me at (202) 673-6833.

Sincerely,


William O. Howland, Jr.
Director

Enclosures

MEMORANDUM OF UNDERSTANDING
FOR
City Wide Fixed Costs (INTRA-DISTRICT FUNDING)
FY 2007

This Memorandum of Understanding ("MOU") is made as of this ____ day of October 2006, by and between the Office of Property Management or Office Chief Technology Officer or Department of Public Works ("Seller") and the Office of City Administrator ("Buyer") on behalf of City wide District Agencies.

Beginning with the execution of the FY07 fixed cost budget, there will be one citywide MOU for all fixed costs. The City Administrator will sign the MOU on behalf of all agencies. The Office of Property Management, the Office of the Chief Technology Officer and the Department of Public Works will sign as "seller", OFRM and DPW will collect 100% of the fixed costs forecast (including fleet services) at the start of the fiscal year in order to obligate funds for purchase orders. Agencies will have 30 days (until November 1st) to resolve any budget issues. In the event the forecast exceeds the budget, agencies must obtain resolution by the November 1st deadline. Agencies should be working to resolve any issues with fixed costs up and during the fixed costs MOU summit.

WHEREAS, a project or specific services are provided by the Seller to the Buyer and budgeted under Intra-District funding; and

WHEREAS, the Seller and Buyer agencies must budget for the same amount by project to ensure that such agencies are reflecting the agreed upon costs for the proposed project or services; and

WHEREAS, the Seller will be funded at the beginning of the fiscal year for Intra-District projects or services provided to the Buyer during such fiscal year; and

WHEREAS, the Buyer shall assume responsibility for expenditures incurred for the consumption of goods and services provided by the Seller under this MOU and shall make available funds to pay for such goods and services as consumed by the Buyer. In the absence of available funds the Buyer shall accept all expenditures charged directly to the Buyer's budget by the Seller for such goods and services consumed under this MOU.

For and in consideration of the mutual premises contained herein, the Seller and Buyer agencies (hereafter the "Parties") agree as follows:

Obligations of the Seller

1. The Seller agency will make sure that the revenues for this project are reflected in the budget entry budget line item detail screen and the appropriate accumulators.
2. The Seller must establish an agency internal service fund with a corresponding index that ties to the fund and agency organization structure.

3. The Seller must provide the projected costs of providing the services under this MOU.
4. The Seller shall make available to the Buyer a monthly report that indicates the status of projects covered under this MOU. The report shall provide information regarding the total advance received by the Seller, the year to date expenditures booked to the project, the remaining balance of the advance, and a year end projection of expenditures for the goods and services as set forth in this MOU.
5. The Seller shall provide copies of invoices paid against the advance for the goods and services provided under this MOU.
6. Any portion of the Buyer's advance not used for the payment of goods and services consumed by the Buyer will be returned to the Buyer by the Seller after all invoices have been received.

Obligations of the Buyer

1. The Buyer agrees to the terms, projected cost and fund availability associated with MOU.
2. The Buyer agrees to provide a single point of collection of advance for each project as set forth under this MOU, or, the Buyer shall be responsible for submitting the advance to the Seller if there is more than one point of collection for a project set forth in this MOU.
3. Where the Buyer is required to process the advance, the Buyer agrees to submit the advance within 10 working days of the beginning of the fiscal year, or within 5 business days of the receipt of this MOU.
4. The Buyer processes an advance of the projected costs to the Seller on an agreed upon frequency (quarterly or annually).

Additional Terms of Agreement

These terms are agreed to by both the Buyer and Seller:

Fixed costs include all consumption-driven commodities (electricity, fuel, water, steam, natural gas, postage, custodial, security, occupancy, and rent). Projections for these commodities are based on information provided by the Office of Property Management (OPM). *Non-recurring telephone projections are based on information provided by the Office of the Chief Technology Officer (OCTO) and are not included in this projection. Although the Office of Finance and Resource Management (OFRM) will provide monthly updates for budget/expenditure comparison, it is the responsibility of each agency to review the reports and to inform OPM or OCTO of any current or future activities, or purchases outside of the MOU which will affect the fixed costs budget.

The buyer of a good or service is responsible for all charges over and above these MOU amounts which are incurred through contract re-negotiations for services, salary increases for protective services employees, un-anticipated costs increases generated by market

forces outside of the control of the District of Columbia Government. The Office of Finance and Resource Management and Department of Public Works shall make every effort to notify agencies in the event increased costs are to occur.

IN WITNESS WHEREOF, the Parties hereto have signed this MOU as of the day and year first written above.

Seller: Carol Mitten (OPM) _____ (Date)

Seller: Suzanne Peck (OCTO) _____ (Date)

Seller: William Holland (DPW) _____ (Date)

Buyer: Robert Bobb, City Administrator Robert Bobb 9/21/06 (Date)

Barbara Jumper: Associated CFO (GOC) Barbara Jumper 9/25/06 (Date)

Pamela Graham: Associate CFO (GSC) _____ (Date)

**FY2007
FLEET SERVICE ESTIMATES**

Agency/Department	FLEET SIZE	NO. OF LEASE	FY 2005 YEAR- END PROJECTION	REVISED FY 2006 ESTIMATES {FY 2005*15%}	FY2007 ESTIMATES	PRIMARY USES
AA1000 - OFFICE OF THE MAYOR	5	1	23,699	27,254	29,980	F, SM, L, UM
AB1000 - DISTRICT OF COLUMBIA COUNCIL	3	1	5,049	5,806	6,387	F, SM, UM
AD1000 - OFFICE OF THE INSPECTOR GENERAL	10	0	5,806	6,677	7,345	F, SM, L, UM
AE1000 - OFFICE OF THE CITY ADMINISTRATOR	11	9	51,088	58,751	64,627	F, SM, L, UM
AM1000 - OFC OF PROPERTY MANAGEMENT	85	4	200,409	230,471	253,518	F, SM, L, R, UM
AS1000 - OFC OF FINANCIAL RESOURCE MANAGEMENT	1	0	778	895	985	F, SM, UM
AT1000 - OFFICE OF THE CHIEF FINANCIAL OFFICER	28		15,619	17,962	19,758	F
BA1100 - OFFICE OF THE SECRETARY	1		2,431	2,795	3,075	F, SM
BD01000 - OFFICE OF PLANNING	3		4,508	5,185	5,703	F, SM, UM
BE1000 - OFFICE OF PERSONNEL	1		3,404	3,915	4,306	F, SM, UM
BN0100 - EMERGENCY MANAGEMENT AGENCY	8		14,081	16,193	17,812	F, SM, UM
BY0100 - OFFICE ON AGING	1		3,514	4,041	4,445	F, SM, UM
CA0100 - OFFICE OF TAX AND REVENUE	3		2,530	2,909	3,200	
CB0100 - OFFICE OF THE ATTORNEY GENERAL	13	11	93,164	107,138	117,852	F, SM, L, UM
CE1000 - PUBLIC LIBRARY	31	3	72,870	83,801	92,181	F, SM, UM
CF1000 - EMPLOYMENT SERVICES	21	18	151,767	174,532	191,986	F, SM, L, UM
CJ1000 - OFFICE OF CAMPAIGN FINANCE	1		576	662	729	F, SM, UM
CR0100 - CONSUMER AND REGULATORY AFFAIRS	112	6	184,513	212,190	233,409	F, SM, UM
CT1000 - OFFICE OF CABLE TELEVISION	6	3	28,061	32,270	35,497	F, SM, L, UM
DB1000 - DEPT. OF HOUSING & COMMUNITY DEVELOPMENT	19		26,276	30,217	33,239	F, SM, UM
DC0100 - LOTTERY & CHARITABLE GAMES CONTROL	20		25,108	28,875	31,762	F, SM, UM
DH0100 - DC PUBLIC SERVICE COMMISSION	4		814	936	1,030	F, SM
DJ0100 - OFFICE OF PEOPLE'S COUNSEL	1		452	520	572	F, SM
DL0100 - BOARD OF ELECTIONS & ETHICS	4	1	12,541	14,422	15,865	F, SM, UM
EN01001 - OFC OF LOCAL BUSINESS DEVELOPMENT	2		1,861	2,141	2,355	F, SM, UM
FA0100 - MPD, CHIEF OF POLICE	1408		3,007,175	3,458,251	3,804,076	F
FB0000 - DCFD, OFFICE OF THE CHIEF	305		861,874	991,155	1,090,270	F
FH0100 - OFFICE OF CITIZEN COMPLAINT REVIEW	2		4,944	5,685	6,254	F, SM
FL0100 - DEPT. OF CORRECTIONS	55		46,741	53,752	59,127	F, UM
FX1000 - OFFICE OF CHIEF MEDICAL EXAMINER	15		29,714	34,171	37,588	F, SM, UM
GA9DB0 - DC PUBLIC SCHOOLS	1025		2,013,717	2,315,774	2,547,351	F, UM
GD0100 - STATE EDUCATION OFFICE	1		2,324	2,673	2,940	F, SM
GF0100 - UNIVERSITY OF THE DISTRICT OF COLUMBIA	24	2	58,553	67,336	74,070	F, SM, L, UM
HA1000 - DEPT. OF PARKS & RECREATION	136	3	272,122	312,940	344,234	F, SM, L, R, UM
HC0100 - DEPT. OF HEALTH	175	30	405,213	465,995	512,595	F, SM, L, R, UM
JZ0000 - DEPT. OF YOUTH AND REHABILITATION SERVICES	53	12	40,954	47,097	169,796	F, SM, L, R, UM
JA1000 - DEPT. OF HUMAN SERVICES	69	33	432,828	497,750	547,525	F, SM, L, UM
JF1000 - D.C. ENERGY OFFICE	5		5,241	6,028	6,630	F, SM, UM
KA6000 - DC DEPT. OF TRANSPORTATION	604	42	2,148,472	2,470,742	2,717,817	F, SM, L, R, UM
KA6000 - DC DEPT. OF TRANSPORTATION SNOW REMOVAL			645,742	742,603	816,863	
KT DEPT. OF PUBLIC WORKS	935	0	6,892,102	7,925,917	8,718,509	F, SM, UM
DPW, OFFICE OF DIRECTOR	2		3,275	3,766	4,143	
DPW, RISK MANAGEMENT	1			0	0	
DPW, OFCO	1		1,661	1,910	2,101	
DPW, OITS	3		1,389	1,597	1,757	
DPW, OAS	3		6,895	7,929	8,722	
DPW, FLEET MANAGEMENT ADMIN.	147			0	0	
DPW, PARKING SERVICES ADMIN.	156		685,236	788,021	866,823	
DPW, SMWA	622		6,193,647	7,122,694	7,834,964	
KV05010 - DEPT. OF MOTOR VEHICLES	8		11,335	13,036	14,339	F, SM, UM
LA1000 - WATER AND SEWER AUTHORITY	628		532,235	612,071	673,278	F
LQ0100 - ALCOHOLIC BEVERAGE REGULATION ADMIN.	9	3	25,211	28,993	31,892	F, SM, L, UM
PH1000 - DC HOUSING AUTHORITY	214		22,301	25,646	28,211	F, UM
PO0100 - OFC. OF CONTRACTING & PROCUREMENT	7	2	14,470	16,640	18,304	F, SM, L, UM
RL1006 - CHILD AND FAMILY SERVICES	73		187,171	215,246	236,771	F, SM, UM
TK01000- MOTION PICTURE & TV DEV.	1		2,422	2,786	3,064	F, SM, UM
RM1007 - DEPT. OF MENTAL HEALTH	175		4,735	5,445	5,990	F, UM
TC1000 - DC TAXICAB COMMISSION	7	4	30,546	35,128	38,640	F, SM, L, UM
TO1000 - OFFICE OF CHIEF TECHNOLOGY OFFICER	15	8	40,209	46,241	50,865	F, SM, L, UM
					71,568	
(48) TOTAL	7278	196	18,669,269	21,469,659	23,806,182	
F = Fuel						
SM = Scheduled Maintenance						
L = Leasing costs						
R = Rental costs						
UM=Unscheduled Maintenance						
NOTE:						
The FY2007 estimate "optimistically" assumes that fuel prices will reduce slightly from current rates and then level off by January. However, we should all note that if the fuel rates and fuel usage stay the same/continue to increase the actual estimate could go as high as \$26.8m						

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
GOVERNMENT OPERATIONS CLUSTER**



**MEMORANDUM OF UNDERSTANDING
FOR
City Wide Fixed Costs (INTRA-DISTRICT FUNDING)
FY 2008**

This Memorandum of Understanding ("MOU") is made as of this 1st day of October 2007, by and between the Office of Property Management (OPM) or Office Chief Technology Officer (OCTO) or Department of Public Works ("Seller") and the Office of City Administrator ("Buyer") on behalf of City wide District Agencies.

Beginning with the execution of the FY08 fixed cost budget, there will be one citywide MOU for all fixed costs. The City Administrator will sign the MOU on behalf of all agencies. The Office of Property Management, the Office of the Chief Technology Officer and the Department of Public Works will sign as "seller", Office of Finance and Resource Management (OFRM) will collect 100% of the budgeted amount for fixed costs, at the start of the fiscal year, in order to obligate funds for purchase orders. Agencies will have 30 days (until November 1st) to resolve any budget issues. In the event the agencies do not resolve any differences between the budgeted and forecasted amounts, during the 30 day period, OFRM will collect the remaining balance of the forecasted amounts.

DPW will be collecting 100% of the forecasted amounts for Fleet Services, starting October 1, 2007.

WHEREAS, a project or specific services are provided by the Seller to the Buyer and budgeted under Intra-District funding; and

WHEREAS, the Seller and Buyer agencies must budget for the same amount by project to ensure that such agencies are reflecting the agreed upon costs for the proposed project or services; and

WHEREAS, the Seller will be funded at the beginning of the fiscal year for Intra-District projects or services provided to the Buyer during such fiscal year; and

WHEREAS, the Buyer shall assume responsibility for expenditures incurred for the consumption of goods and services provided by the Seller under this MOU and shall make available funds to pay for such goods and services as consumed by the Buyer. In the absence of available funds the Buyer shall accept all expenditures charged directly to the Buyer's budget by the Seller for such goods and services consumed under this MOU.

For and in consideration of the mutual premises contained herein, the Seller and Buyer agencies (hereafter the "Parties") agree as follows:

Obligations of the Seller

1. The Seller agency will make sure that the revenues for this project are reflected in the budget entry budget line item detail screen and the appropriate accumulators.
2. The Seller must establish an agency internal service fund with a corresponding index that ties to the fund and agency organization structure.
3. The Seller must provide the projected costs of providing the services under this MOU.
4. The Seller shall make available to the Buyer a monthly report that indicates the status of projects covered under this MOU. The report shall provide information regarding the total advance received by the Seller, the year to date expenditures booked to the project, the remaining balance of the advance, and a year end projection of expenditures for the goods and services as set forth in this MOU.
5. The Seller shall provide copies of invoices paid against the advance for the goods and services provided under this MOU.
6. Any portion of the Buyer's advance not used for the payment of goods and services consumed by the Buyer will be returned to the Buyer by the Seller after all invoices have been received.

Obligations of the Buyer

1. The Buyer agrees to the terms, projected cost and fund availability associated with MOU.
2. The Buyer agrees to provide a single point of collection of advance for each project as set forth under this MOU, or, the Buyer shall be responsible for submitting the advance to the Seller if there is more than one point of collection for a project set forth in this MOU.
3. Where the Buyer is required to process the advance, the Buyer agrees to submit the advance within 10 working days of the beginning of the fiscal year, or within 5 business days of the receipt of this MOU.
4. The Buyer processes an advance of the projected costs to the Seller on an agreed upon frequency (quarterly or annually).

Additional Terms of Agreement

These terms are agreed to by both the Buyer and Seller:

Fixed costs include all consumption-driven commodities (electricity, fuel, water, steam, natural gas, postage, custodial, security, occupancy, and rent). Projections for these commodities are based on information provided by the OPM. ***Non-recurring** telephone projections are based on information provided by the OCTO **and are not included in**

this projection. Although the OFRM will provide monthly updates for budget/expenditure comparison, it is the responsibility of each agency to review the reports and to inform OPM or OCTO of any current or future activities, or purchases outside of the MOU which will affect the fixed costs budget.

The buyer of a good or service is responsible for all charges over and above these MOU amounts which are incurred through contract re-negotiations for services, salary increases for protective services employees, un-anticipated costs increases generated by market forces outside of the control of the District of Columbia Government. OFRM and DPW shall make every effort to notify agencies in the event increased costs are to occur.

IN WITNESS WHEREOF, the Parties hereto have signed this MOU as of the day and year first written above.

Buyer: Dan Tangherlini, City Administrator

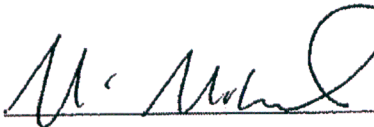
 (Date) 10/1/07

Seller: Vivek Kundra, Chief Technology Officer (OCTO) _____ (Date)
(Telecommunications)

Seller: Etzkorn, Lars, Director OPM _____ (Date)
(All other fixed Costs)

 4 Oct 07

Mohamed Mohamed, Associated CFO (GOC)

 (Date) 10/1/07

FY08 SUMMARY OF AGENCY ESTIMATED FIXED COSTS

		\$40,326,481	\$32,089,146	\$9,281,307	\$12,952,767	\$1,647,829	\$150,749,216	\$4,821,032	\$32,771,636	\$14,298,088	\$1,123,503	\$352,223	\$300,393,208
CODE	AGENCY	ELECTRIC	NATURAL GAS	WATER&SEWER	FUEL	STEAM	RENT	JANITORIAL	SECURITY	OCCUPANCY	POSTAGE	STORAGE	TOTAL
AA	OFFICE OF THE MAYOR	\$95,024	\$0	\$5,083	\$0	\$0	\$0	\$43,120	\$54,371	\$113,490	\$8,250	\$1,760	\$321,077
AC	OFFICE OF THE DC AUDITOR	\$0	\$0	\$0	\$0	\$0	\$410,956	\$0	\$5,032	\$0	\$0	\$520	\$416,508
AD	OFFICE OF INSPECTOR GENERAL	\$0	\$0	\$0	\$0	\$0	\$1,235,380	\$0	\$28,491	\$0	\$4,034	\$2,020	\$1,267,925
AE	CITY ADMINISTRATOR	\$37,100	\$0	\$2,204	\$0	\$0	\$0	\$18,545	\$22,277	\$48,569	\$0	\$1,960	\$130,654
AF	CONTRACT APPEALS BOARD	\$0	\$0	\$0	\$0	\$0	\$209,858	\$0	\$4,741	\$0	\$0	\$0	\$214,599
AM	PROPERTY MANAGEMENT	\$2,033,405	\$2,269,560	\$601,112	\$374,949	\$122,097	\$0	\$354,768	\$1,448,769	\$1,188,725	\$3,258	\$9,558	\$8,406,201
AP	ASIAN & PACIFIC ISLANDERS AFFAIRS	\$9,652	\$0	\$624	\$0	\$0	\$0	\$5,220	\$5,653	\$13,784	\$0	\$0	\$34,932
AS	FINANCE & RESOURCE MANAGEMENT	\$43,387	\$0	\$2,804	\$0	\$0	\$0	\$23,485	\$25,411	\$61,961	\$7,701	\$0	\$164,728
AT	CHIEF FINANCIAL OFFICER	\$168,914	\$0	\$49,125	\$0	\$30,564	\$11,938,714	\$108,432	\$1,269,894	\$315,892	\$193	\$61,423	\$13,943,150
BA	OFFICE OF THE SECRETARY	\$16,464	\$0	\$1,064	\$0	\$0	\$708,500	\$8,904	\$9,643	\$23,513	\$24,152	\$3,263	\$793,503
BD	OFFICE OF PLANNING	\$0	\$0	\$0	\$0	\$0	\$1,207,183	\$0	\$0	\$0	\$38,783	\$909	\$1,246,855
BE	OFFICE OF PERSONNEL	\$206,497	\$0	\$11,961	\$0	\$0	\$0	\$101,801	\$152,477	\$261,837	\$86,663	\$6,675	\$837,911
BJ	BOARD OF ZONING	\$44,638	\$0	\$2,885	\$0	\$0	\$0	\$24,141	\$26,143	\$63,747	\$15,206	\$4,711	\$181,472
BN	HOMELAND SECURITY & EMERGENCY P	\$336,218	\$81,746	\$14,573	\$22,004	\$0	\$400,000	\$0	\$139,298	\$316,231	\$1,260	\$545	\$1,311,875
BX	ARTS & HUMANITIES	\$18,767	\$0	\$2,672	\$0	\$0	\$217,284	\$3,863	\$94,917	\$0	\$32	\$552	\$336,087
BY	OFFICE ON AGING	\$45,623	\$0	\$2,519	\$0	\$0	\$0	\$21,078	\$22,826	\$55,661	\$12,696	\$0	\$160,403
BZ	LATINO AFFAIRS	\$24,100	\$0	\$1,187	\$0	\$0	\$0	\$10,391	\$16,455	\$25,589	\$0	\$553	\$78,255
CB	OFFICE OF THE ATTORNEY GENERAL	\$514,263	\$0	\$33,233	\$0	\$0	\$839,817	\$281,183	\$301,644	\$734,409	\$47,724	\$30,013	\$2,582,286
CE	PUBLIC LIBRARY	\$1,620,528	\$401,802	\$111,862	\$0	\$545,762	\$237,149	\$0	\$0	\$0	\$12,815	\$0	\$2,929,718
CF	EMPLOYMENT SERVICES	\$75,883	\$0	\$0	\$0	\$0	\$9,361,167	\$0	\$1,457,639	\$0	\$0	\$584	\$10,895,283
CG	PUBLIC EMPLOYEES RELATIONS BOARD	\$0	\$0	\$0	\$0	\$0	\$138,150	\$0	\$2,922	\$0	\$0	\$0	\$141,072
CH	OFFICE OF EMPLOYEE APPEALS	\$0	\$0	\$0	\$0	\$0	\$390,206	\$0	\$9,156	\$0	\$0	\$0	\$399,362
CJ	CAMPAIGN FINANCE	\$39,088	\$0	\$1,924	\$0	\$0	\$0	\$16,846	\$38,569	\$41,450	\$8,333	\$560	\$144,750
CR	CONSUMER & REGULATORY AFFAIRS	\$16,748	\$7,286	\$0	\$0	\$0	\$6,210,785	\$26,597	\$120,785	\$0	\$0	\$68,831	\$6,451,012
CT	OFFICE OF CABLE TELEVISION	\$0	\$0	\$0	\$0	\$0	\$1,498,230	\$0	\$0	\$0	\$1,168	\$0	\$1,499,398
DA	BOARD OF REAL PROPERTY	\$12,487	\$0	\$807	\$0	\$0	\$0	\$6,753	\$7,314	\$17,834	\$2,295	\$0	\$47,490
DB	DEPT OF HOUSING & COMM DEV	\$5,105	\$0	\$0	\$0	\$0	\$2,587,137	\$11,048	\$83,598	\$0	\$12,815	\$1,782	\$2,701,485
DC	LOTTERY & CHARITABLE GAMES	\$10,943	\$0	\$539	\$0	\$0	\$3,067,560	\$4,718	\$10,157	\$11,610	\$12,815	\$0	\$3,118,342
DH	PUBLIC SERVICE COMMISSION	\$0	\$0	\$0	\$0	\$0	\$1,667,652	\$0	\$0	\$0	\$12,815	\$1,509	\$1,681,976
DJ	OFFICE OF THE PEOPLES COUNSEL	\$0	\$0	\$0	\$0	\$0	\$642,004	\$0	\$0	\$0	\$12,815	\$0	\$654,819
DL	BOARD OF ELECTIONS	\$78,934	\$33,690	\$3,872	\$0	\$0	\$288,317	\$40,848	\$33,275	\$81,140	\$0	\$0	\$559,875
EB	ECONOMIC DEVELOPMENT	\$0	\$0	\$0	\$0	\$0	\$436,951	\$0	\$14,276	\$0	\$1,145	\$1,086	\$453,458
EN	LOCAL BUSINESS	\$16,620	\$0	\$1,048	\$0	\$0	\$0	\$8,899	\$9,210	\$23,499	\$0	\$0	\$59,276
FA	POLICE DEPARTMENT	\$2,390,326	\$736,123	\$250,093	\$9,792	\$457,483	\$23,288,016	\$1,905,245	\$971,462	\$3,703,631	\$0	\$23,144	\$33,727,314
FB	FIRE DEPARTMENT	\$1,190,983	\$829,444	\$186,694	\$0	\$0	\$285,740	\$31,011	\$201,575	\$154,161	\$15,006	\$4,303	\$2,898,916
FH	CIVILIAN COMPLAINT REVIEW BOARD	\$0	\$0	\$0	\$0	\$0	\$475,748	\$0	\$0	\$0	\$1,431	\$0	\$477,179
FJ	CRIMINAL JUSTICE COORDINATING CO	\$11,325	\$0	\$732	\$0	\$0	\$0	\$6,125	\$6,633	\$16,173	\$0	\$0	\$40,988
FK	NATIONAL GUARD	\$392,290	\$235,417	\$125,000	\$71,479	\$0	\$0	\$0	\$0	\$151,345	\$12,815	\$0	\$988,346
FL	CORRECTIONS	\$1,117,594	\$11,838	\$729,021	\$5,294	\$5,611	\$1,140,000	\$5,135	\$9,939	\$18,810	\$13,199	\$23,248	\$3,079,889
FS	OFFICE OF ADMINISTRATIVE HEARINGS	\$9,085	\$0	\$588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$533	\$10,206
FX	CHIEF MEDICAL OFFICER	\$164,900	\$116,855	\$76,036	\$71,798	\$0	\$0	\$182,321	\$911,749	\$218,385	\$12,815	\$3,880	\$1,748,319
FZ	ADVISORY COMMISSION ON SENTENCIN	\$6,747	\$0	\$435	\$0	\$0	\$0	\$3,649	\$3,951	\$9,635	\$433	\$0	\$24,850
GA	PUBLIC SCHOOLS	\$16,370,161	\$18,289,548	\$3,525,324	\$767,333	\$0	\$8,652,613	\$59,235	\$452,418	\$678,848	\$12,815	\$0	\$48,788,293
GD	STATE SUPERINTENDANT OF EDUCATIO	\$49,617	\$0	\$3,206	\$0	\$0	\$1,851,909	\$26,833	\$29,058	\$70,857	\$81,728	\$0	\$2,093,208
HA	PARKS & RECREATION	\$1,996,679	\$908,626	\$880,815	\$6,000	\$0	\$297,351	\$0	\$1,101,319	\$0	\$17,434	\$1,424	\$5,207,648
HC	DEPARTMENT OF HEALTH	\$272,419	\$113,983	\$187,896	\$100,114	\$18,874	\$15,790,145	\$31,033	\$3,230,567	\$1,152,284	\$102,466	\$25,926	\$21,025,706
HD	HUMAN RESOURCE DEV FUND WORKFO	\$84,024	\$0	\$4,050	\$0	\$0	\$0	\$34,005	\$39,246	\$89,357	\$0	\$0	\$230,682
HM	HUMAN RIGHTS	\$28,581	\$0	\$1,796	\$0	\$0	\$13,110	\$16,708	\$20,493	\$39,713	\$40,446	\$2,787	\$163,634
JA	HUMAN SERVICES	\$1,457,210	\$1,047,135	\$485,966	\$104,452	\$392,384	\$23,867,326	\$25,707	\$5,185,531	\$773,861	\$104,312	\$37,839	\$33,291,723

CODE	AGENCY	ELECTRIC	NATURAL GAS	WATER&SEWER	FUEL	STEAM	RENT	JANITORIAL	SECURITY	OCCUPANCY	POSTAGE	STORAGE	TOTAL
KG	DEPT OF THE ENVIRONMENT	\$60,831	\$0	\$2,998	\$0	\$0	\$1,800,000	\$16,785	\$125,000	\$64,539	\$21,133	\$2,035	\$2,093,319
JZ	YOUTH & REHABILITATION SERVICES	\$953,563	\$479,317	\$108,457	\$319,579	\$0	\$2,992,437	\$238,953	\$154,952	\$510,921	\$10,123	\$0	\$5,786,301
KA	TRANSPORTATION	\$1,728,386	\$48,148	\$31,978	\$0	\$0	\$3,150,798	\$236,194	\$1,288,915	\$527,562	\$0	\$0	\$7,009,977
KT	PUBLIC WORKS	\$1,280,450	\$578,667	\$55,151	\$10,427,470	\$0	\$728,824	\$311,573	\$3,048,582	\$275,984	\$73,000	\$16,728	\$16,794,437
KV	MOTOR VEHICLES	\$349,429	\$136,482	\$38,153	\$108	\$70,001	\$591,529	\$211,281	\$2,087,191	\$462,497	\$12,815	\$0	\$3,939,446
PO	CHIEF PROCUREMENT OFFICER	\$156,815	\$11,013	\$9,129	\$0	\$0	\$0	\$82,481	\$154,893	\$289,188	\$8,670	\$0	\$712,189
RK	RISK MANAGEMENT	\$34,804	\$0	\$2,248	\$0	\$0	\$0	\$18,822	\$20,383	\$48,703	\$0	\$0	\$125,960
RL	CHILD & FAMILY SERVICES	\$20,959	\$0	\$0	\$0	\$0	\$8,146,857	\$0	\$890,251	\$0	\$114,446	\$0	\$9,172,513
RM	COMMISSION ON MENTAL HEALTH	\$2,248,670	\$5,500,481	\$1,480,880	\$577,949	\$4,852	\$4,413,335	\$2,783	\$3,751,492	\$20,300	\$0	\$11,157	\$17,991,859
SR	DEPARTMENT OF INSURANCE & SECUR	\$0	\$0	\$0	\$0	\$0	\$2,086,368	\$0	\$0	\$0	\$12,815	\$618	\$2,079,801
TC	DC TAXI COMMISSION	\$0	\$0	\$0	\$0	\$0	\$168,933	\$0	\$0	\$0	\$12,815	\$0	\$181,748
TK	OFFICE OF MOTION PICTURE	\$5,934	\$0	\$384	\$0	\$0	\$0	\$3,209	\$3,474	\$8,474	\$0	\$0	\$21,475
TO	CHIEF TECHNOLOGY OFFICER	\$727,962	\$0	\$19,169	\$2,996	\$0	\$6,237,199	\$155,922	\$860,697	\$424,836	\$7,323	\$0	\$8,436,104
UC	OFFICE OF UNIFIED COMMUNICATIONS	\$1,255,101	\$274,427	\$51,095	\$91,449	\$0	\$0	\$91,941	\$802,911	\$1,178,894	\$40,815	\$0	\$3,786,633
VA	VETERAN AFFAIRS	\$6,434	\$0	\$415	\$0	\$0	\$0	\$3,481	\$3,789	\$9,189	\$374	\$0	\$23,662
ZZ	1350 PENNSYLVANIA AVENUE	\$526,834	\$0	\$174,742	\$0	\$0	\$1,500,000	\$0	\$2,018,284	\$0	\$77,306	\$0	\$4,295,146
TOTAL		\$40,326,481	\$32,089,146	\$9,261,307	\$12,952,787	\$1,847,829	\$150,749,216	\$4,821,032	\$32,771,836	\$14,298,068	\$1,123,503	\$352,223	\$300,963,208

**FY2008
FLEET SERVICE ESTIMATES
(@ 10% OVER FY2007 Actual)**

Agency/Department	FLEET SIZE	NO. OF LEASE	FY2008 ESTIMATES {FY2007*10%}
AA1000 - OFFICE OF THE MAYOR	5	1	28,000
AB1000 - DISTRICT OF COLUMBIA COUNCIL	3	1	7,026
AD1000 - OFFICE OF THE INSPECTOR GENERAL	10	0	12,226
AE1000 - OFFICE OF THE CITY ADMINISTRATOR	11	9	87,389
AM1000 - OFC OF PROPERTY MANAGEMENT	85	4	368,269
AS1000 - OFC OF FINANCIAL RESOURCE MANAGEMENT	1	0	1,239
AT1000 - OFFICE OF THE CHIEF FINANCIAL OFFICER	28		43,910
BA1100 - OFFICE OF THE SECRETARY	1		4,735
BD01000 - OFFICE OF PLANNING	3		9,502
BE1000 - OFFICE OF Human Resources	1		2,408
BN0100 - EMERGENCY MANAGEMENT AGENCY	8		19,593
BY0100 - OFFICE ON AGING	1		1,000
CB0100 - OFFICE OF THE ATTORNEY GENERAL	13	11	102,200
CE1000 - PUBLIC LIBRARY	31	3	117,877
CF1000 - EMPLOYMENT SERVICES	21	18	103,334
CJ1000 - OFFICE OF CAMPAIGN FINANCE	1		801
CR0100 - CONSUMER AND REGULATORY AFFAIRS	112	6	239,393
CT1000 - OFFICE OF CABLE TELEVISION	6	3	39,047
DB1000 - DEPT. OF HOUSING & COMMUNITY DEVELOPMENT	19		36,563
DC0100 - LOTTERY & CHARITABLE GAMES CONTROL	20		34,938
DH0100 - DC PUBLIC SERVICE COMMISSION	4		1,719
DJ0100 - OFFICE OF PEOPLE'S COUNSEL	1		500
DL0100 - BOARD OF ELECTIONS & ETHICS	4	1	24,641
DS1000 - OFFICE OF DISABILITY SERVICES			13,053
EN01001 - OFC OF LOCAL BUSINESS DEVELOPMENT	2		4,621
FA0100 - MPD, CHIEF OF POLICE	1408		4,300,000
FB0000 - DCFD, OFFICE OF THE CHIEF	305		1,312,491
FH0100 - OFFICE OF POLICE COMPLAINTS	2		6,879
FL0100 - DEPT. OF CORRECTIONS	55		77,000
FX1000 - OFFICE OF CHIEF MEDICAL EXAMINER	15		41,347
GA9DB0 - DC PUBLIC SCHOOLS	1025		3,159,941
GD0100 - STATE EDUCATION OFFICE	1		3,234
GF0100 - UNIVERSITY OF THE DISTRICT OF COLUMBIA	24	2	81,477
HA1000 - DEPT. OF PARKS & RECREATION	136	3	435,735
HC0100 - DEPT. OF HEALTH	128	30	417,271
JA1000 - DEPT. OF HUMAN SERVICES	69	33	456,675
JZ1000 - DEPT. OF YOUTH AND REHABILITATION SERVICES	53	12	211,856
KA6000 - DC DEPT. OF TRANSPORTATION	604	42	2,989,598
KA6000 - DC DEPT. OF TRANSPORTATION SNOW REMOVAL			538,991
KG6000 - DC DEPT. OF ENVIRONMENT	57		145,220
KT DEPT. OF PUBLIC WORKS	935	0	9,590,360
KV05010 - DEPT. OF MOTOR VEHICLES	8		58,596
LA1000 - WATER AND SEWER AUTHORITY	628		869,290
LQ0100 - ALCOHOLIC BEVERAGE REGULATION ADMIN.	9	3	35,082
PH1000 - DC HOUSING AUTHORITY	214		31,032
PO0100 - OFC. OF CONTRACTING & PROCUREMENT	7	2	31,603
RL1006 - CHILD AND FAMILY SERVICES	73		260,448
TK01000- MOTION PICTURE & TV DEV.	1		2,000
RM1007 - DEPT. OF MENTAL HEALTH	175		6,589
TC1000 - DC TAXICAB COMMISSION	7	4	42,504
TO1000 - OFFICE OF CHIEF TECHNOLOGY OFFICER	15	8	85,187
UC1000 - OFFICE OF UNIFIED COMMUNICATIONS			13,745
(48) TOTAL	7280	196	26,267,820

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
GOVERNMENT OPERATIONS CLUSTER

MEMORANDUM OF UNDERSTANDING
For

City Wide Assessments:
Fixed Costs, Information Technology Services,
and Human Resources and Procurement Assessments
(INTRA-DISTRICT FUNDING)
FY 2009

This Memorandum of Understanding is made as of this 1st day of October 2008 by and between the Office of Property Management (OPM) or Office of the Chief Technology Officer (OCTO) or Department of Public Works (DPW) or Department of Human Resources (DCHR) or Office of Contracts and Procurement (OCP) ("Seller") and the Office of the City Administrator ("Buyer") on behalf of the Citywide District Agencies.

Beginning with the execution of this FY09 budget, there will be one citywide MOU for the following citywide assessments: Fixed costs, OCTO-provided IT services, and human resources and procurement assessments. The City Administrator will sign the MOU on behalf of all agencies.

For fixed costs, OPM, OCTO and DPW will sign as "seller". The Office of Finance and Resource Management (OFRM) will collect 100% of the budgeted amount for fixed costs at the start of the fiscal year in order to obligate funds for purchase orders. DPW will collect 100% of the forecasted amounts for Fleet Services, starting October 1, 2008.

For the human resources and procurement assessments, DCHR and OCP will sign as "seller". OFRM will collect 100% of the budgeted amount for the assessments.

For the OCTO-provided IT services assessments, the Office of the Chief Technology Officer will sign as "seller". OFRM will collect 100% of the forecasted amount for OCTO provided IT Services, at the start of the fiscal year, in order to obligate funds for purchase orders.

WHEREAS, a project or specific services are provided by the Seller to the Buyer and budgeted under Intra-District funding; and

WHEREAS; the Seller and Buyer agencies must budget for the same amount by project to ensure that such agencies are reflecting the agreed upon costs for the proposed project or services; and

WHEREAS; the Seller will be funded at the beginning of the fiscal year for Intra-District projects or services provided to the Buyer during the fiscal year; and

WHEREAS; the Buyer shall assume responsibility for expenditures incurred for the consumption of goods and services provided by the Seller under this MOU and shall make available funds to pay for such goods and services as consumed by the Buyer.

For and in consideration of the mutual premises contained herein, the Seller and Buyer agencies (hereafter the "Parties") agree as follows:

Obligations of the Seller:

1. The Seller agency will make sure that the revenues for this project are reflected in the entry budget line item detail screen and the appropriate accumulators.
2. The Seller must establish an agency internal service fund with a corresponding index that ties to the fund and agency organization structure.
3. The Seller must provide the projected costs of providing the services under this MOU.
4. The Seller shall make available to the Buyer a monthly report that indicates the status of projects covered under this MOU. The report shall provide information regarding the total advance received by the Seller, the year to date expenditures booked to the project, and the remaining balance of the advance, and a year end projection of expenditures for the goods and services as set forth in this MOU.
5. The Seller shall provide copies of invoices paid against the advance for the good and services provided under this MOU.
6. Any portion of the Buyer's advance not used for the payment of goods and services consumed by the Buyer will be returned to the Buyer by the Seller after all invoices have been received.

Obligations of the Buyer:

1. The Buyer agrees to the terms, projected costs and fund availability associated with the MOU.
2. The Buyer agrees to provide a single point of collection of advance for each project as set forth under this MOU, or the Buyer shall be responsible for submitting the advance to the Seller if there is more than one point of collection for a project set forth in this MOU.
3. Where the Buyer is required to process the advance, the Buyer agrees to submit the advance within 10 working days of the beginning of the fiscal year, or within 5 business days of the receipt of this MOU.

4. The Buyer process an advance of the projected costs to the Seller on an agreed upon frequency (annually).

Additional Terms of Agreement

These terms are agreed to by both the Buyer and Seller:

Fixed costs include all consumption-driven commodities (electricity, fuel, water, steam, natural gas, postage, custodial, security, occupancy and rent). Projections for these commodities are based on information provided by OPM. *Non-recurring telephone projected are based on information provided by OCTO and are not included in this projection. Although OFRM will provide monthly updates for budget/expenditure comparison, it is the responsibility of each agency to review the reports and to inform OPM or OCTO of any current or future activities, or purchases outside of the MOU which will affect the fixed costs budget.

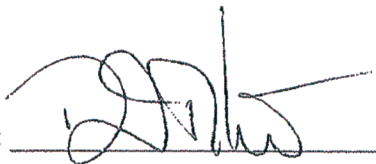
The Office of Contracting and Procurement assessment is intended to cover the cost of executing purchase orders, and to charge a penalty for misuse resulting in ratifications. The FY 2009 assessment is based on the number of agency purchase orders and ratifications in the prior year. The Department of Human Resources assessment covers the cost of providing human resources services to agencies. The human resources assessment is based on staff size and accounts for agencies with independent human resources offices.

The buyer of a good or service is responsible for all charges over and above these MOU amounts which are incurred through contract re-negotiations for services, salary increases for protective services employees, or un-anticipated costs increases generated by market forces outside of the control of the District of Columbia Government. OFRM, DPW, OCTO, DCHR and OCP shall make every effort to notify agencies in the event increased costs are to occur.

IN WITNESS WHEREOF, the Parties hereto have signed this MOU as of the day and year first written above.

Buyer:

Dan Tangherlini, City Administrator:

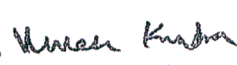


Date:

9/30/08

Seller:

Vivek Kundra, Chief Technology Officer (OCTO)
(Telecommunications and OCTO-provided IT services)

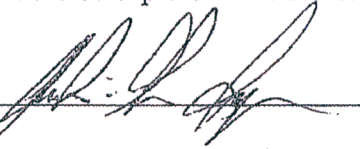


Date:

9/30/08

Seller:

Robin Eve Jasper, Director (OPM)
(All other fixed costs)



Date:

10/1/08

Seller:

Brender L. Gregory, Director (DCHR)
(DCHR assessments)

Brender L. Gregory Date: 9/30/08

Seller:

David P. Gagan, Chief Procurement Officer (OCP)
(OCP assessments)

David P. Gagan Date: 10/1/08

Mohamed Mohamed, Associated CFO (GOC):

M. Mohamed Date: 9/30/08

Acronym	Agency	Desktop Support	Infrastructure Services	Total	TOTAL OCTO IT ASSESSMENT
		Cost	Cost		
ABRA	Alcohol Beverage Regulation Administration (ABRA)	\$ 22,500.00	\$ 5,900.00		\$ 28,400.00
APIA	Asian and Pacific Islander Affairs (APIA)	\$ 5,000.00	\$ -		\$ 5,000.00
CFA	Child and Family Services Agency (CFA)	\$ -	\$ 35,400.00		\$ 35,400.00
CJCC	Criminal Justice Coordinating Council (CJCC)	\$ 9,000.00	\$ -		\$ 9,000.00
CJDT	Commission on Judicial Disabilities (CJDT)	\$ 1,000.00	\$ -		\$ 1,000.00
DCCA	DC Commission for The Arts and Humanities (DCCA)	\$ 12,500.00	\$ 5,900.00		\$ 18,400.00
DCCOUNCIL	Council of the District of Columbia (DCCOUNCIL)	\$ -	\$ 5,900.00		\$ 5,900.00
DCHR	District of Columbia Human Resources (DCHR)	\$ 62,500.00	\$ 29,500.00	\$238,760.00	\$ 330,760.00
DCLB	DC Lottery and Charitable Games Control Board (DCLB)	\$ 39,500.00	\$ -		\$ 39,500.00
DCNG	District of Columbia National Guard (DCNG)	\$ 3,500.00	\$ -		\$ 3,500.00
DCOA	District Office on Aging (DCOA)	\$ 15,500.00	\$ -		\$ 15,500.00
DCPL	District of Columbia Public Libraries (DCPL)	\$ -	\$ 23,600.00		\$ 23,600.00
DCRA	Department of Consumer & Regulatory Affairs (DCRA)	\$ -	\$ 35,400.00		\$ 35,400.00
DCTC	DC Taxicab Commission (DCTC)	\$ 8,500.00	\$ 5,900.00		\$ 14,400.00
DDOE	District Department of the Environment (DDOE)	\$ 55,000.00	\$ 59,000.00		\$ 114,000.00
DOES	Department of Employment Services (DOES)	\$ -	\$ 35,400.00		\$ 35,400.00
DDOT	District Department of Transportation (DDOT)	\$ 250,000.00	\$ 200,600.00		\$ 450,600.00
DMH	Department of Mental Health (DMH)	\$ -	\$ 23,600.00		\$ 23,600.00
DMV	Department of Motor Vehicles (DMV)	\$ -	\$ 82,600.00		\$ 82,600.00
DOH	Department of Health (DOH)	\$ 605,000.00	\$ 23,600.00		\$ 628,600.00
DPR	Department of Parks and Recreation (DPR)	\$ 175,000.00	\$ 41,300.00		\$ 216,300.00
DPW	Department of Public Works (DPW)	\$ 230,500.00	\$ 118,000.00		\$ 348,500.00
DSLBD	Department of Small and Local Business Development (DSLBD)	\$ 12,500.00	\$ -		\$ 12,500.00
DYRS	Department of Youth Rehabilitation Services (DYRS)	\$ 53,200.00	\$ -		\$ 53,200.00
EOM	Executive Office of the Mayor (EOM)	\$ 103,000.00	\$ 41,300.00		\$ 144,300.00
FEMS	Fire and Emergency Medical Services (FEMS)	\$ 167,000.00	\$ 35,400.00		\$ 202,400.00
JNC	Judicial Nomination Commission (JNC)	\$ 1,000.00	\$ -		\$ 1,000.00
MPD	Metropolitan Police Department (MPD)	\$ 1,000,000.00	\$ 141,600.00	\$173,400.00	\$ 1,315,000.00
MPTD	Motion Picture and Television Development (MPTD)	\$ 3,000.00	\$ -		\$ 3,000.00
OAG	Office of the Attorney General (OAG)	\$ 225,000.00	\$ -		\$ 225,000.00
OAGCSD	Office of the Attorney General - Child Support Services Division (OAGCSD)	\$ 48,000.00	\$ 5,900.00		\$ 53,900.00
OA	Office of Administrative Hearings (OA)	\$ 35,000.00	\$ 35,400.00		\$ 70,400.00
OCA	Office of the City Administrator (OCA)	\$ 16,000.00	\$ -		\$ 16,000.00
OCF	Office of Campaign Finance (OCF)	\$ -	\$ 5,900.00		\$ 5,900.00
OCME	Office of Chief Medical Examiner (OCME)	\$ -	\$ 11,800.00		\$ 11,800.00
OCFO	Office of the Chief Financial Officer (OCFO)	\$ -	\$ -	\$194,520.00	\$ 194,520.00
OCFODCPS	Office of the Chief Financial Officer, DCPS (OCFODCPS)	\$ 37,900.00	\$ 23,600.00		\$ 61,500.00
OCFODPW	Office of the Chief Financial Officer, DPW (OCFODPW)	\$ 23,500.00	\$ 23,600.00		\$ 47,100.00
OCF	Office of Contracting and Procurement (OCF)	\$ 67,500.00	\$ 35,400.00		\$ 122,900.00
OCT	Office of Cable Television (OCT)	\$ 17,500.00	\$ 17,700.00		\$ 35,200.00
OEA	Office of Employee Appeals (OEA)	\$ 7,500.00	\$ -		\$ 7,500.00
OFRM	Office of Finance and Resource Management (OFRM)	\$ 31,000.00	\$ 35,400.00		\$ 66,400.00
OH	Office of Human Rights (OH)	\$ 13,000.00	\$ -		\$ 13,000.00
OLA	Office of Latino Affairs (OLA)	\$ 3,500.00	\$ -		\$ 3,500.00
OP	Office of Planning (OP)	\$ 48,500.00	\$ -		\$ 48,500.00
OPC	Office of Police Complaints (OPC)	\$ 17,000.00	\$ 11,800.00		\$ 28,800.00
DMPED	Deputy Mayor for Planning and Economic Development (DMPED)	\$ 32,500.00	\$ 5,900.00		\$ 38,400.00
OPM	Office of Property Management (OPM)	\$ 100,000.00	\$ 41,300.00		\$ 141,300.00
ORM	Office of Risk Management (ORM)	\$ 18,000.00	\$ -		\$ 18,000.00
OS	Office of the Secretary (OS)	\$ 6,000.00	\$ -		\$ 6,000.00
OSSE	Office of the State Superintendent of Education (OSSE)	\$ 175,000.00	\$ 47,200.00		\$ 222,200.00
OTA	Office of the Tenant Advocate (OTA)	\$ 10,000.00	\$ -		\$ 10,000.00
OUC	Office of Unified Communications (OUC)	\$ 42,000.00	\$ 11,800.00	\$255,720.00	\$ 309,520.00
OVA	Office of Veterans Affairs (OVA)	\$ 3,500.00	\$ -		\$ 3,500.00
SCDC	DC Sentencing and Criminal Code Revision Commission (SCDC)	\$ 3,500.00	\$ 11,800.00		\$ 15,300.00
DCPS	District of Columbia Public Schools (DCPS)	\$ -	\$ 454,300.00		\$ 454,300.00
OHCD	Department of Housing and Community Development	\$ -	\$ 11,800.00		\$ 11,800.00
Serve DC		\$ 6,500.00	\$ 0		\$ 6,500.00
TOTAL		\$ 3,842,200.00	\$ 1,745,500.00	\$ 862,400.00	\$ 6,445,100.00

Acronym	Agency	Desktop Support	Infrastructure Services	Total	TOTAL OCTO IT ASSESSMENT
		Cost	Server Hosting		
ABRA	Alcohol Beverage Regulation Administration (ABRA)	\$ 22,500.00	\$ 5,900.00		\$ 28,400.00
APIA	Asian and Pacific Islander Affairs (APIA)	\$ 5,000.00	\$ -		\$ 5,000.00
CFSA	Child and Family Services Agency (CFSA)	\$ -	\$ 35,400.00		\$ 35,400.00
CJCC	Criminal Justice Coordinating Council (CJCC)	\$ 9,000.00	\$ -		\$ 9,000.00
CJDT	Commission on Judicial Disabilities (CJDT)	\$ 1,000.00	\$ -		\$ 1,000.00
DCCAH	DC Commission For The Arts and Humanities (DCCAH)	\$ 12,500.00	\$ 5,900.00		\$ 18,400.00
DCCOUNCIL	Council of the District of Columbia (DCCOUNCIL)	\$ -	\$ 5,900.00		\$ 5,900.00
DCHR	District of Columbia Human Resources (DCHR)	\$ 62,500.00	\$ 29,500.00	\$238,760.00	\$ 330,760.00
DCLB	DC Lottery and Charitable Games Control Board (DCLB)	\$ 39,500.00	\$ -		\$ 39,500.00
DCNG	District of Columbia National Guard (DCNG)	\$ 3,500.00	\$ -		\$ 3,500.00
DCOA	District Office on Aging (DCOA)	\$ 15,500.00	\$ -		\$ 15,500.00
DCPL	District of Columbia Public Libraries (DCPL)	\$ -	\$ 23,600.00		\$ 23,600.00
DCRA	Department of Consumer & Regulatory Affairs (DCRA)	\$ -	\$ 35,400.00		\$ 35,400.00
DCTC	DC Taxicab Commission (DCTC)	\$ 8,500.00	\$ 5,900.00		\$ 14,400.00
DDOE	District Department of the Environment (DDOE)	\$ 55,000.00	\$ 59,000.00		\$ 114,000.00
DOES	Department of Employment Services (DOES)	\$ -	\$ 35,400.00		\$ 35,400.00
DDOT	District Department of Transportation (DDOT)	\$ 250,000.00	\$ 200,600.00		\$ 450,600.00
DMH	Department of Mental Health (DMH)	\$ -	\$ 23,600.00		\$ 23,600.00
DMV	Department of Motor Vehicles (DMV)	\$ -	\$ 82,600.00		\$ 82,600.00
DOH	Department of Health (DOH)	\$ 605,000.00	\$ 28,600.00		\$ 626,600.00
DPR	Department of Parks and Recreation (DPR)	\$ 175,000.00	\$ 41,300.00		\$ 216,300.00
DPW	Department of Public Works (DPW)	\$ 230,500.00	\$ 118,000.00		\$ 348,500.00
DSLBD	Department of Small and Local Business Development (DSLBD)	\$ 12,500.00	\$ -		\$ 12,500.00
DYRS	Department of Youth Rehabilitation Services (DYRS)	\$ 53,200.00	\$ -		\$ 53,200.00
EOM	Executive Office of the Mayor (EOM)	\$ 103,000.00	\$ 41,300.00		\$ 144,300.00
FEMS	Firm and Emergency Medical Services (FEMS)	\$ 167,000.00	\$ 35,400.00		\$ 202,400.00
JNC	Judicial Nomination Commission (JNC)	\$ 1,000.00	\$ -		\$ 1,000.00
MPD	Metropolitan Police Department (MPD)	\$ 1,000,000.00	\$ 141,600.00	\$173,400.00	\$ 1,315,000.00
MPTD	Motion Picture and Television Development (MPTD)	\$ 3,000.00	\$ -		\$ 3,000.00
OAG	Office of the Attorney General (OAG)	\$ 225,000.00	\$ -		\$ 225,000.00
OAGCSD	Office of the Attorney General - Child Support Services Division (OAGCSD)	\$ 48,000.00	\$ 5,900.00		\$ 53,900.00
OAH	Office of Administrative Hearings (OAH)	\$ 35,000.00	\$ 35,400.00		\$ 70,400.00
OCA	Office of the City Administrator (OCA)	\$ 16,000.00	\$ -		\$ 16,000.00
OCF	Office of Campaign Finance (OCF)	\$ -	\$ 9,900.00		\$ 9,900.00
OCME	Office of Chief Medical Examiner (OCME)	\$ -	\$ 11,800.00		\$ 11,800.00
OCFO	Office of the Chief Financial Officer (OCFO)	\$ -	\$ -	\$194,520.00	\$ 194,520.00
OCFODCPS	Office of the Chief Financial Officer, DCPS (OCFODCPS)	\$ 37,500.00	\$ 23,600.00		\$ 61,100.00
OCFODPW	Office of the Chief Financial Officer, DPW (OCFODPW)	\$ 23,500.00	\$ 23,600.00		\$ 47,100.00
OCP	Office of Contracting and Procurement (OCP)	\$ 87,800.00	\$ 35,400.00		\$ 122,900.00
OCT	Office of Cable Television (OCT)	\$ 17,500.00	\$ 17,700.00		\$ 35,200.00
OEA	Office of Employee Appeals (OEA)	\$ 7,500.00	\$ -		\$ 7,500.00
OFRM	Office of Finance and Resource Management (OFRM)	\$ 31,000.00	\$ 35,400.00		\$ 66,400.00
OHR	Office of Human Rights (OHR)	\$ 13,000.00	\$ -		\$ 13,000.00
OLA	Office of Latino Affairs (OLA)	\$ 3,500.00	\$ -		\$ 3,500.00
OP	Office of Planning (OP)	\$ 48,500.00	\$ -		\$ 48,500.00
OPC	Office of Police Complaints (OPC)	\$ 17,000.00	\$ 11,800.00		\$ 28,800.00
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ORM	Office of Risk Management (ORM)	\$ 18,000.00	\$ -		\$ 18,000.00
OS	Office of the Secretary (OS)	\$ 6,000.00	\$ -		\$ 6,000.00
OSSE	Office of the State Superintendent of Education (OSSE)	\$ 175,000.00	\$ 47,200.00		\$ 222,200.00
OTA	Office of the Tenant Advocate (OTA)	\$ 10,000.00	\$ -		\$ 10,000.00
OUC	Office of Unified Communications (OUC)	\$ 42,000.00	\$ 11,800.00	\$255,720.00	\$ 309,520.00
OVA	Office of Veterans Affairs (OVA)	\$ 3,500.00	\$ -		\$ 3,500.00
SCDC	DC Sentencing and Criminal Code Revision Commission (SCDC)	\$ 3,500.00	\$ 11,800.00		\$ 15,300.00
DCPS	District of Columbia Public Schools (DCPS)	\$ -	\$ 454,300.00		\$ 454,300.00
DHCD	Department of Housing and Community Development	\$ -	\$ 11,800.00		\$ 11,800.00
	Serve DC	\$ 6,500.00	\$ 0		\$ 6,500.00
	TOTAL	\$ 3,842,200.00	\$ 1,740,500.00	\$ 862,400.00	\$ 6,445,100.00

Acronym	Agency	Desktop Support	Infrastructure Services	TOTAL OCTO IT ASSESSMENT
		Cost	Server Hosting	
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APIA	Asian and Pacific Islander Affairs (APIA)	\$ 5,000.00	\$ -	\$ 5,000.00
CFSA	Child and Family Services Agency (CFSA)	\$ -	\$ 35,400.00	\$ 35,400.00
CICC	Criminal Justice Coordinating Council (CICC)	\$ 9,000.00	\$ -	\$ 9,000.00
CJDT	Commission on Judicial Disabilities (CJDT)	\$ 1,000.00	\$ -	\$ 1,000.00
DCCA	DC Commission For The Arts and Humanities (DCCA)	\$ 12,500.00	\$ 5,900.00	\$ 18,400.00
DCCOUNCIL	Council of the District of Columbia (DCCOUNCIL)	\$ -	\$ 5,900.00	\$ 5,900.00
DCHR	District of Columbia Human Resources (DCHR)	\$ 62,500.00	\$ 29,500.00	\$ 330,760.00
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DCNG	District of Columbia National Guard (DCNG)	\$ 3,500.00	\$ -	\$ 3,500.00
DCOA	District Office on Aging (DCOA)	\$ 15,500.00	\$ -	\$ 15,500.00
DCPL	District of Columbia Public Libraries (DCPL)	\$ -	\$ 23,600.00	\$ 23,600.00
DCRA	Department of Consumer & Regulatory Affairs (DCRA)	\$ -	\$ 35,400.00	\$ 35,400.00
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DOES	Department of Employment Services (DOES)	\$ -	\$ 35,400.00	\$ 35,400.00
DDOT	District Department of Transportation (DDOT)	\$ 250,000.00	\$ 200,600.00	\$ 450,600.00
DMH	Department of Mental Health (DMH)	\$ -	\$ 23,600.00	\$ 23,600.00
DMV	Department of Motor Vehicles (DMV)	\$ -	\$ 82,600.00	\$ 82,600.00
DOH	Department of Health (DOH)	\$ 605,000.00	\$ 23,600.00	\$ 628,600.00
DPR	Department of Parks and Recreation (DPR)	\$ 175,000.00	\$ 41,300.00	\$ 216,300.00
DPW	Department of Public Works (DPW)	\$ 280,500.00	\$ 118,000.00	\$ 348,500.00
DSLBD	Department of Small and Local Business Development (DSLBD)	\$ 12,500.00	\$ -	\$ 12,500.00
DYRS	Department of Youth Rehabilitation Services (DYRS)	\$ 53,200.00	\$ -	\$ 53,200.00
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FEMS	Fire and Emergency Medical Services (FEMS)	\$ 167,000.00	\$ 35,400.00	\$ 202,400.00
JNC	Judicial Nomination Commission (JNC)	\$ 1,000.00	\$ -	\$ 1,000.00
MPD	Metropolitan Police Department (MPD)	\$ 1,000,000.00	\$ 141,600.00	\$ 1,141,600.00
MPTD	Motion Picture and Television Development (MPTD)	\$ 3,000.00	\$ -	\$ 3,000.00
OAG	Office of the Attorney General (OAG)	\$ 225,000.00	\$ -	\$ 225,000.00
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OCME	Office of Chief Medical Examiner (OCME)	\$ -	\$ 11,800.00	\$ 11,800.00
OCFO	Office of the Chief Financial Officer (OCFO)	\$ -	\$ -	\$ 194,520.00
OCFODCP	Office of the Chief Financial Officer, DCPS (OCFODCP)	\$ 37,500.00	\$ 23,600.00	\$ 61,100.00
OCFODPW	Office of the Chief Financial Officer, DPW (OCFODPW)	\$ 23,500.00	\$ 23,600.00	\$ 47,100.00
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DMCD	Department of Housing and Community Development	\$ -	\$ 11,800.00	\$ 11,800.00
Serve DC		\$ 6,500.00	\$ 0	\$ 6,500.00
TOTAL		\$ 3,842,200.00	\$ 1,740,500.00	\$ 5,622,400.00

**Office of Contracting and Procurement
FY09 Assessments**

COMMITTEE OF THE WHOLE		
BD	OFFICE OF PLANNING	\$40,636.58
BJ	OFFICE OF ZONING	\$15,861.26
DX	ADVISORY NEIGHBORHOOD COMMISSION	\$3,220.79
GA	DISTRICT OF COLUMBIA PUBLIC SCHOOLS	\$66,067.42
GD	STATE EDUCATION OFFICE	\$87,322.00
GF	UNIVERSITY OF THE DISTRICT OF COLUMBIA	\$230,000.00
COMMITTEE SUBTOTALS		\$443,108.05
COMMITTEE ON ECONOMIC DEVELOPMENT		
BX	D.C. COMMISSION ON ARTS AND HUMANITIES	\$13,838.78
EB	DEPUTY MAYOR FOR PLANNING & ECONOMIC DEVELOPMENT	\$57,827.61
EN	DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT	\$22,939.92
COMMITTEE SUBTOTALS		\$94,606.31
COMMITTEE ON FINANCE AND REVENUE		
DA		\$22,939.93
COMMITTEE SUBTOTALS		\$22,939.93
COMMITTEE ON HEALTH		
HC	DEPARTMENT OF HEALTH	\$566,985.54
RM	DEPARTMENT OF MENTAL HEALTH	\$275,249.47
COMMITTEE SUBTOTALS		\$842,235.01
COMMITTEE ON HOUSING AND URBAN AFFAIRS		
DB	DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT	\$111,423.20
COMMITTEE SUBTOTALS		\$111,423.20
COMMITTEE ON HUMAN SERVICES		
JA	DEPARTMENT OF HUMAN SERVICES	\$467,547.28
JM	DEPARTMENT OF DISABILITIES SERVICES	\$1,173.04
JZ	DEPARTMENT OF YOUTH REHABILITATION SERVICES	\$163,389.55
RL	CHILD AND FAMILY SERVICES AGENCY	\$93,288.93
COMMITTEE SUBTOTALS		\$725,398.80
COMMITTEE ON LIBRARIES, PARKS, AND RECREATION		
CE	DISTRICT OF COLUMBIA PUBLIC LIBRARY	\$270,861.59
HA	DEPARTMENT OF PARKS AND RECREATION	\$335,584.39
COMMITTEE SUBTOTALS		\$606,445.98
COMMITTEE ON PUBLIC SAFETY AND THE JUDICIARY		
BN	HOMELAND SECURITY/EMERGENCY MANAGEMENT	\$107,354.99
DV	JUDICIAL NOMINATION COMMISSION	\$6,760.12
FA	METROPOLITAN POLICE DEPARTMENT	\$514,401.32
FB	FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT	\$239,344.74
FH	CIVILIAN COMPLAINT REVIEW BOARD	\$16,872.50
FJ	CRIMINAL JUSTICE COORDINATING COUNCIL	\$19,906.21
FK	D.C. NATIONAL GUARD	\$46,198.38
FL	DEPARTMENT OF CORRECTIONS	\$510,010.53
FS	OFFICE OF ADMINISTRATIVE HEARINGS	\$63,445.54
FX	OFFICE OF THE CHIEF MEDICAL EXAMINER	\$64,906.28
FZ	D.C. SENTENCING & CRIMINAL CODE REVISION COMMISSION	\$8,276.98
UC	OFFICE OF UNIFIED COMMUNICATIONS	\$22,434.30
COMMITTEE SUBTOTALS		\$1,619,911.89

**Office of Contracting and Procurement
FY09 Assessments**

COMMITTEE ON PUBLIC SERVICES AND CONSUMER AFFAIRS		
CR	DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS	\$196,254.77
CT	OFFICE OF CABLE TELEVISION & TELECOMMUNICATIONS	\$21,928.68
DH	PUBLIC SERVICES COMMISSION	\$39,119.72
DJ	OFFICE OF PEOPLES COUNSEL	\$69,962.46
DQ	COMMISSION ON JUDICIAL DISABILITIES AND TENURE	\$15,355.64
SR	DEPARTMENT OF INSURANCE, SECURITIES, & BANKING	\$42,153.43
TK	OFFICE OF MOTION PICTURES & TELEVISION	\$26,479.25
COMMITTEE SUBTOTALS		\$411,253.95
COMMITTEE ON PUBLIC WORKS AND THE ENVIRONMENT		
JF	D.C. ENERGY OFFICE	\$0.00
KA	DEPARTMENT OF TRANSPORTATION	\$584,176.71
KG	DISTRICT DEPARTMENT OF THE ENVIRONMENT	\$199,587.50
KT	DEPARTMENT OF PUBLIC WORKS	\$310,636.98
KV	DEPARTMENT OF MOTOR VEHICLES	\$90,692.83
LQ	ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION	\$14,850.02
TC	TAXI CAB COMMISSION	\$8,782.60
COMMITTEE SUBTOTALS		\$1,208,726.64
COMMITTEE ON WORKFORCE DEVELOPMENT AND GOVERNMENT OPERATIONS		
AA	OFFICE OF THE MAYOR	\$84,625.41
AE	OFFICE OF THE CITY ADMINISTRATOR	\$64,400.66
AF	CONTRACT APPEALS BOARD	\$4,232.03
AM	OFFICE OF PROPERTY MANAGEMENT	\$364,232.56
AP	OFFICE ON ASIAN/PACIFIC AFFAIRS	\$11,816.31
BA	OFFICE OF THE SECRETARY	\$25,973.63
BE	D.C. DEPARTMENT OF HUMAN RESOURCES	\$96,441.72
BY	D.C. OFFICE ON AGING	\$39,625.34
BZ	OFFICE ON LATINO AFFAIRS	\$9,288.22
CB	OFFICE OF THE ATTORNEY GENERAL	\$331,698.02
CF	DEPARTMENT OF EMPLOYMENT SERVICES	\$340,356.11
CG	PUBLIC EMPLOYEE RELATIONS BOARD	\$14,850.02
CH	OFFICE OF EMPLOYEE APPEALS	\$15,861.26
CJ	OFFICE OF CAMPAIGN FINANCE	\$14,850.02
DL	BOARD OF ELECTIONS AND ETHICS	\$91,198.45
HM	OFFICE OF HUMAN RIGHTS	\$28,894.97
RK	D.C. OFFICE OF RISK MANAGEMENT	\$5,748.88
TO	OFFICE OF THE CHIEF TECHNOLOGY OFFICER	\$1,033,088.29
VA	OFFICE OF VETERANS AFFAIRS	\$8,782.60
COMMITTEE SUBTOTALS		\$2,585,964.50
TOTAL ASSESSMENT		\$8,672,014.26

FY2009 INTRA-DISTRICT SUMMARY (SELLER)

Agency Name (Code): DEPARTMENT OF PUBLIC WORKS (KT0)

SELLING AGENCY DESCRIPTION OF SERVICES PROVIDED	FUND DETAIL	PROJECT CODE	BUYING AGENCY	AMOUNT	FTEs SUPPORTED
DPW - FLEET SERVICES	7375	7FMAA0/09	AA1000 - OFFICE OF THE MAYOR		
DPW - FLEET SERVICES	7375	7FMAB0/09	AB1000 - DISTRICT OF COLUMBIA COUNCIL	12,467	0.1
DPW - FLEET SERVICES	7375	7FMAD0/09	AD1000 - OFFICE OF THE INSPECTOR GENERAL	8,370	0.1
DPW - FLEET SERVICES	7375	7FMAE0/09	AE1000 - OFFICE OF THE CITY ADMINISTRATOR	12,445	0.1
DPW - FLEET SERVICES	7375	7FMAM0/09	AM1000 - OFC OF PROPERTY MANAGEMENT	90,870	0.4
DPW - FLEET SERVICES	7375	7FMAS0/09	AS1000 - OFC OF FINANCIAL RESOURCE MANAGEMENT	237,958	1.0
DPW - FLEET SERVICES	7375	7FMAT0/09	AT1000 - OFFICE OF THE CHIEF FINANCIAL OFFICER	1,419	0.1
DPW - FLEET SERVICES	7375	7FMBAA0/09	BA1100 - OFFICE OF THE SECRETARY	26,041	0.1
DPW - FLEET SERVICES	7375	7FMBD0/09	BD01000 - OFFICE OF PLANNING	3,487	0.1
DPW - FLEET SERVICES	7375	7FMBE0/09	BE1000 - WORKFORCE DEVELOPMENT (BE)	8,917	0.1
DPW - FLEET SERVICES	7375	7FMBE0/09	BE1000 - OFFICE OF PERSONNEL		
DPW - FLEET SERVICES	7375	7FMBE0/09	BE2000 - OFFICE OF LABOR RELATIONS	2,741	0.1
DPW - FLEET SERVICES	7375	7FMBN0/09	BN0100 - EMERGENCY MANAGEMENT AGENCY		
DPW - FLEET SERVICES	7375	7FMBQ0/09	BQ0100 - OFFICE OF GRANT MANAGEMENT & DEVELOPMENT	24,418	0.1
DPW - FLEET SERVICES	7375	7FMBY0/09	BY0100 - OFFICE ON AGING		
DPW - FLEET SERVICES	7375	7FMCA0/09	CA0100 - OFFICE OF TAX AND REVENUE	1,010	0.0
DPW - FLEET SERVICES	7375	7FMCB0/09	CB0100 - OFFICE OF ATTORNEY GENERAL		
DPW - FLEET SERVICES	7375	7FMCE0/09	CE1000 - PUBLIC LIBRARY	122,596	0.9
DPW - FLEET SERVICES	7375	7FMCF0/09	CF1000 - EMPLOYMENT SERVICES	96,448	0.4
DPW - FLEET SERVICES	7375	7FMCJ0/09	CJ1000 - OFFICE OF CAMPAIGN FINANCE	180,321	1.2
DPW - FLEET SERVICES	7375	7FMCRO/09	CR0100 - CONSUMER AND REGULATORY AFFAIRS	1,135	0.1
DPW - FLEET SERVICES	7375	7FMCT0/09	CT1000 - OFFICE OF CABLE TELEVISION	242,255	0.2
DPW - FLEET SERVICES	7375	7FMDB0/09	DB1000 - DEPT. OF HOUSING & COMMUNITY DEVELOPMENT	40,657	0.2
DPW - FLEET SERVICES	7375	7FMDC0/09	DC0100 - LOTTERY & CHARITABLE GAMES CONTROL	37,640	0.2
DPW - FLEET SERVICES	7375	7FMDJ0/09	DD0100 - BOARD OF PAROLE	42,666	0.1
DPW - FLEET SERVICES	7375	7FMDH0/09	DH0100 - DC PUBLIC SERVICE COMMISSION		
DPW - FLEET SERVICES	7375	7FMDJ0/09	DJ0100 - OFFICE OF PEOPLE'S COUNSEL	2,629	0.1
DPW - FLEET SERVICES	7375	7FMDL0/09	DL0100 - BOARD OF ELECTIONS & ETHICS	916	0.1
DPW - FLEET SERVICES	7375	7FMDS0/09	DS1000 - OFFICE OF DISABILITY SERVICES	27,747	0.2
DPW - FLEET SERVICES	7375	7FMEB0/09	EB0100 - DEPUTY MAYOR FOR PLANNING & DEVELOPMENT	21,391	
DPW - FLEET SERVICES	7375	7FMEN0/09	EN01001 - OFC OF LOCAL BUSINESS DEVELOPMENT		
DPW - FLEET SERVICES	7375	7FMFA0/09	FA0100 - MPD, CHIEF OF POLICE	3,875	0.1
DPW - FLEET SERVICES	7375	7FMFB0/09	FB0000 - DCFD, OFFICE OF THE CHIEF	5,513,926	4.0
DPW - FLEET SERVICES	7375	7FMFH0/09	FH0100 - OFFICE OF CITIZEN COMPLAINT REVIEW	1,272,133	2.1
DPW - FLEET SERVICES	7375	7FMFL0/09	FL0100 - DEPT. OF CORRECTIONS	4,200	0.1
DPW - FLEET SERVICES	7375	7FMFX0/09	FX1000 - OFFICE OF CHIEF MEDICAL EXAMINER	72,000	0.4
DPW - FLEET SERVICES	7375	7FMGA0/09	GA9DB0 - DC PUBLIC SCHOOLS	34,288	0.3
DPW - FLEET SERVICES	7375	7FMGD0/09	GD0100 - STATE EDUCATION OFFICE	3,102,580	2.1
DPW - FLEET SERVICES	7375	7FMHA0/09	HA1000 - DEPT. OF PARKS & RECREATION		
DPW - FLEET SERVICES	7375	7FMHC0/09	HC0100 - DEPT. OF HEALTH	488,631	3.1
DPW - FLEET SERVICES	7375	7FMHM0/09	HM0100 - OFFICE OF HUMAN RIGHTS	489,217	3.1
DPW - FLEET SERVICES	7375	7FMJZ0/09	JZ0000 - DEPT. OF YOUTH AND REHABILITATION SERVICES		
DPW - FLEET SERVICES	7375	7FMJA0/09	JA1000 - DEPT. OF HUMAN SERVICES	192,430	0.1
DPW - FLEET SERVICES	7375	7FMJF0/09	JF1000 - D.C. ENERGY OFFICE	440,679	3.6
DPW - FLEET SERVICES	7375	7FMKA0/09	KA6000 - DC DEPT. OF TRANSPORTATION	129,975	11.0
DPW - FLEET SERVICES	7375	7FMKA0/09	KA6000 - DC DEPT. OF TRANSPORTATION & Snow Removal	3,074,376	5
DPW - FLEET SERVICES	7375	7FMKT0/09	KT DEPT. OF PUBLIC WORKS		
DPW - FLEET SERVICES	7375	7FMKV0/09	KV05010 - DEPT. OF MOTOR VEHICLES	9,342,309	55.0
DPW - FLEET SERVICES	7375	7FMLQ0/09	LQ0100 - ALCOHOLIC BEVERAGE REGULATION ADMIN.	55,995	1
DPW - FLEET SERVICES	7375	7FMPO0/09	PO0100 - OFC. OF CONTRACTING & PROCUREMENT	27,611	0.2
DPW - FLEET SERVICES	7375	7FMRL0/09	RL1006 - CHILD AND FAMILY SERVICES	29,066	0.1
DPW - FLEET SERVICES	7375	7FMTK0/09	TK01000 - MOTION PICTURE & TV DEV.	224,861	4.3
DPW - FLEET SERVICES	7375	7FMRM0/09	RM1007 - DEPT. OF MENTAL HEALTH	921	0
DPW - FLEET SERVICES	7375	7FMTC0/09	TC1000 - DC TAXICAB COMMISSION	73,142	1
DPW - FLEET SERVICES	7375	7FMTO0/09	TO1000 - OFFICE OF CHIEF TECHNOLOGY OFFICER	47,256	0.1
DPW - FLEET SERVICES	7375	7FMUC0/09	UC1000 - OFFICE OF UNIFIED COMMUNICATIONS	68,778	1
DPW - FLEET SERVICES	7375	7FMVA0/09	VA1000 - OFFICE OF VETERAN AFFAIRS	14,361	