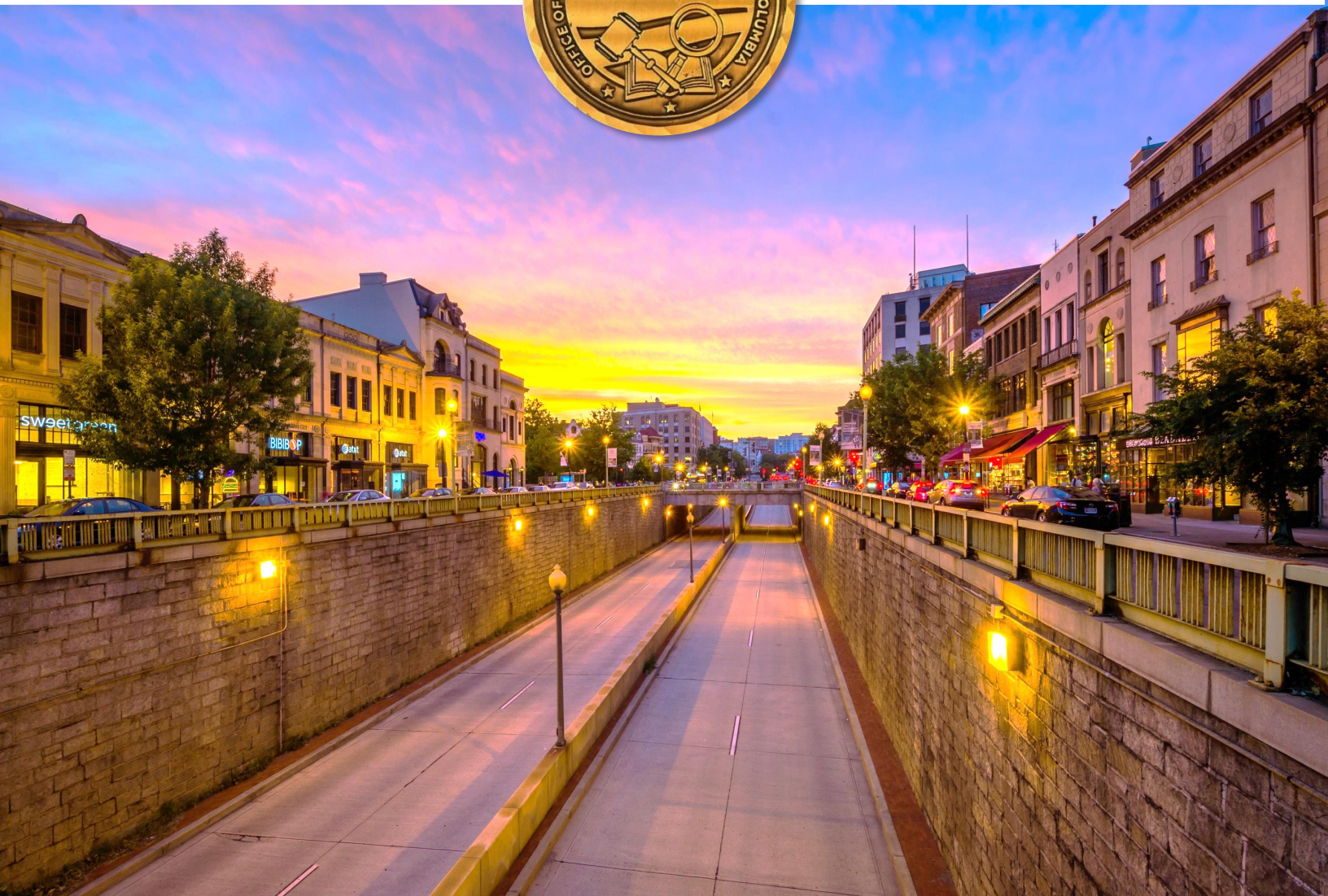


AUDIT REPORT

West End Library and Fire Station Maintenance Fund Audit (FY 2024)
OIG No. 25-01-03MA

April 25, 2025



DANIEL W. LUCAS
INSPECTOR GENERAL



OUR MISSION

We independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to:

- prevent and detect corruption, mismanagement, waste, fraud, and abuse;
- promote economy, efficiency, effectiveness, and accountability;
- inform stakeholders about issues relating to District programs and operations; and
- recommend and track the implementation of corrective actions.

OUR VISION

We strive to be a world-class Office of the Inspector General that is customer focused and sets the standard for oversight excellence!

OUR VALUES

Accountability: We recognize that our duty extends beyond oversight; it encompasses responsibility. By holding ourselves accountable, we ensure that every action we take contributes to the greater good of the District.

Continuous Improvement: We view challenges not as obstacles, but as opportunities for growth. Our commitment to continuous improvement drives us to evolve, adapt, and enhance our practices.

Excellence: Mediocrity has no place in our lexicon. We strive for excellence in every facet of our work.

Integrity: Our integrity is non-negotiable. We act with honesty, transparency, and unwavering ethics. Upholding the public's trust demands nothing less.

Professionalism: As stewards of oversight, we maintain the utmost professionalism. Our interactions, decisions, and conduct exemplify the dignity of our role.

Transparency: Sunlight is our ally. Transparency illuminates our processes, decisions, and outcomes. By sharing information openly, we empower stakeholders, promote understanding, and reinforce our commitment to accountability.






DISTRICT OF COLUMBIA | OFFICE OF THE INSPECTOR GENERAL

MEMORANDUM

To: Delano Hunter, Director
Department of General Services

Richard Reyes-Gavilan, Executive Director
District of Columbia Public Library

From: Daniel W. Lucas
Inspector General 

Date: April 25, 2025

Subject: **West End Library and Fire Station Maintenance Fund Audit (FY 2024)**
OIG No. 25-01-03MA

Enclosed is our report, *Annual West End Library and Fire Station Maintenance Fund Audit (FY 2024)*, OIG No. 25-01-03MA. Our audit examined whether: (1) the Maintenance Fund assets, liabilities, fund balances, revenue, and expenditures were recorded and reported accurately; and (2) the Maintenance Fund expenditures were permitted by law.

We conclude that the applicable records were presented fairly and that the expenditures complied with governing law. We conducted this audit in accordance with generally accepted government auditing standards (GAGAS). This financial audit engagement was included in our [Fiscal Year 2025 Audit and Inspection Plan](#).

We appreciate the cooperation and courtesy extended to our staff during this audit. If you have any questions about this report, please contact me or Dr. Slemo Warigon, Assistant Inspector General for Audits, at (202)-792-5684.



EXECUTIVE SUMMARY

West End Library and Fire Station Maintenance Fund Audit (FY 2024)

Summary

DC Code § 1-325.181(e) requires the Office of the Inspector General to conduct an annual audit of the West End Library and Fire Station Maintenance Fund (Maintenance Fund or Fund) and transmit the audit report to the Mayor and Council of the District of Columbia.

The Department of General Services and the District of Columbia Public Library jointly manage the Maintenance Fund.

Objectives

The objectives of this audit were to:

- Determine whether the assets, liabilities, fund balance, revenue, and expenditures of the Fund were recorded and reported accurately; and
- Identify any Fund expenditures that were not permitted under the law.

Findings

Our audit determined that:

- As of September 30, 2024, the Maintenance Fund had assets of \$201,686, liabilities of \$16,551, and a fund balance of \$185,135.
- From October 1, 2023, to September 30, 2024, the Office of Tax and Revenue within the Office of the Chief Financial Officer deposited deed transfer and deed recordation tax revenues of \$370,835 into the Maintenance Fund, representing a \$121,771 decrease from fiscal year (FY) 2023 due to fewer properties being sold.
- The Fund earned \$49,245 in interest revenue in FY 2024, a \$76,297 decrease from FY 2023.
- The Fund had total expenditures of \$247,045 during FY 2024.

Conclusion

Based on our audit procedures, we concluded that:

- The assets, liabilities, fund balance, revenue, and expenditures were recorded and reported accurately.
- Our audit procedures did not identify any Maintenance Fund expenditures that were not permitted under the law.

West End Library and Fire Station Maintenance Fund Audit (FY 2024)

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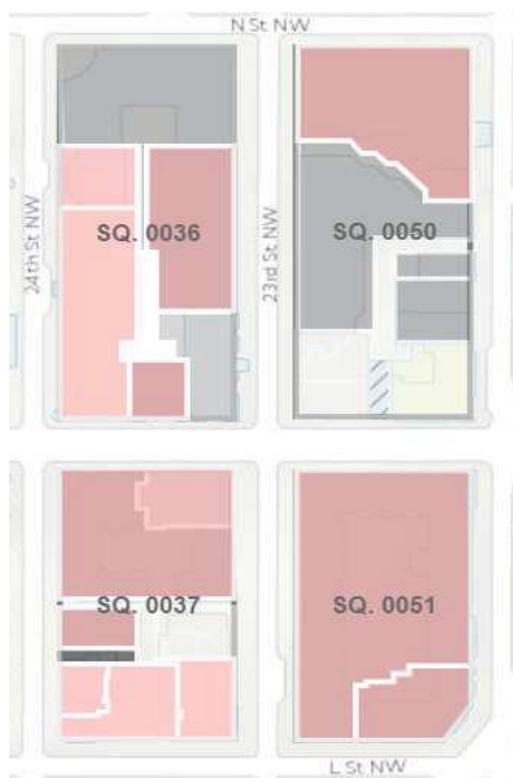
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BACKGROUND

Legislation and Establishment

The Council of the District of Columbia (Council) enacted the West End Parcels Development Omnibus Act of 2010 (hereinafter West End Act or Act) effective April 8, 2011, which authorized the District's Library Board of Trustees and the Fire and Emergency Medical Services Department (FEMS) to design, develop, and construct a new library and fire station. The West End Library was to be built in Square 37 and the West End Fire Station in Square 50, both located in the southeastern section of the District's West End neighborhood, north of Washington Circle.

Image 1. Location of Property Squares 37 and 50 in the District.



Source: DC Real Property Finder

The West End Act also established the West End Library and Fire Station Maintenance Fund (Fund or Maintenance Fund) as a mechanism for the District to pay for supplemental expenses and maintenance, insurance, and capital improvements for these facilities.¹

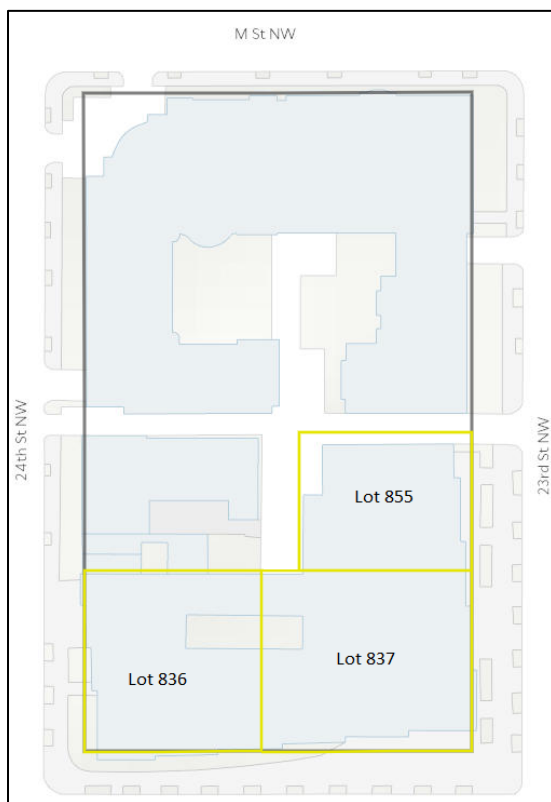
¹ [DC Code § 1-325.181\(a\)](#)

According to the Act, the purpose of the Fund is to ensure both facilities are “maintained in a manner that is consistent with the high-quality conditions of larger buildings of which they are a part.”²

Funding Mechanism

The Maintenance Fund is to be funded by “85% of the Deed Transfer and Recordation Taxes attributable to the new buildings constructed on Lots 836, 837, and 855 in Square 37.”³ These tax revenues are collected by the Office of Tax and Revenue (OTR) within the Office of the Chief Financial Officer and deposited into the Fund.

Image 2. Location of Property Squares 37 and 50 in the District



Source: OIG Analysis of DC Real Property Finder Search Results

Management Structure

The Council enacted the West End Parcels Development Omnibus Amendment Act of 2016, effective March 11, 2017, which assigned joint management responsibility for the Maintenance Fund to the Department of General Services (DGS) and the District of Columbia Public

² [DC Code § 1-325.181\(a\)](#)

³ DC Code § 1-325.181(b)(1).

Library (DCPL). DGS and DCPL entered into a memorandum of agreement in March 2018, which further refined each agency's responsibilities pertaining to the use and management of the Maintenance Fund. Through amendments, the term of the agreement was subsequently extended to September 30, 2024.

Our audit began in December 2024 and was completed in March 2025, in accordance with generally accepted government auditing standards (GAGAS), which requires that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained during this audit provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT RESULTS

Finding 1: Maintenance Fund assets, liabilities, fund balances, revenue, and expenditures were recorded and reported accurately.

We examined the Maintenance Fund's assets, liabilities, fund balance, revenue, and expenditures to determine whether amounts are recorded and reported accurately. We concluded that the Maintenance Fund's assets, liabilities, fund balance, revenue, and expenditures were recorded and reported accurately (shown in Tables 1-6).

ASSETS

Our analysis of DGS records indicated that the pooled cash and receivable from other funds totaled \$194,686 and \$7,000, respectively as of September 30, 2024, as shown in Table 1.

Table 1. Fund Assets as of September 30, 2024

Assets	FY2024
Pooled Cash	\$194,686
Receivable from Other Funds	\$7,000 ⁴
Total Assets	\$201,686

Source: OIG Analysis of DGS Financial Records

⁴ An unrelated expense was erroneously paid from the Maintenance Fund. A receivable was recorded as of September 30, 2024, and the amount was replenished back to the Maintenance Fund on January 22, 2025.

LIABILITIES

Our analysis of DGS records indicated that the liabilities of the Maintenance Fund totaled \$16,551 as of September 30, 2024, as shown in Table 2.

Table 2. Fund Liabilities as of September 30, 2024.

Descriptions	FY 2024
Library Maintenance Expenditures	\$16,551
Total Liabilities	\$16,551

Source: OIG Analysis of DGS Financial Records

FUND BALANCE

On July 8, 2024, the Mayor approved the Fiscal Year 2024 Revised Local Budget Adjustment Emergency Act of 2024 (Act). According to the Act, “the Chief Financial Officer shall transfer in FY 2024 the following amounts from certified funds and other revenue in the identified accounts to the unassigned fund balance of the General Fund of the District of Columbia,”⁵ which included \$911,844 from the Maintenance Fund. Our analysis of DGS records indicated that the Maintenance Fund balance was \$185,135 as of September 30, 2024, as shown in Table 3.

Table 3. Fund Balance as of September 30, 2024.

Descriptions	FY 2024
Beginning Balance as of October 1, 2023	\$923,944
Fund Income	\$420,080
Fund Expenditures	(\$247,045)
Amount Transferred to the General Fund	(\$911,844)
Ending Fund Balance	\$185,135

Source: OIG Analysis of DGS Financial Records

⁵ Act, Sec. 5(a).

FUND REVENUE

From October 1, 2023, to September 30, 2024 (FY 2024), OTR deposited deed transfer and recordation tax revenue totaling \$370,835 into the Maintenance Fund. DGS also recorded interest revenue of \$49,245 in the Maintenance Fund for FY 2024. Total revenue assessed and earned for FY 2024 was \$420,080 as indicated in Table 4.

Table 4. Comparison of Monthly Revenue Activities and Earned Interest Income by FY.

Monthly Revenue Activities	FY 2024		FY 2023	
	No. of Sold Properties	Total Value	No. of Sold Properties	Total Value
October	1	\$40,648	-	-
November	-	-	-	-
December	-	-	-	-
January	1	\$73,950	-	-
February	-	-	1	\$29,827
March	-	-	1	\$15,406
April	1	\$49,300	-	-
May	1	\$41,782	2	\$174,399
June	-	-	2	\$118,172
July	-	-	1	\$83,317
August	-	-	-	-
September	2	\$165,155	1	\$71,485
Subtotal	-	\$370,835	-	\$492,606
Interest Income	-	\$49,245	-	\$125,542
Total	6	\$420,080	8	\$618,148

Source: OIG Analysis of DGS Financial Records

LIBRARY EXPENDITURES

Our analysis of DGS and DCPL records indicated that the total West End Library Maintenance Fund expenditures for the FY ended September 30, 2024, were \$97,681, as shown in Table 5.

Table 5. Library Maintenance Expenditures.

Period of Performance (FY 2024)	Invoice Date(s)	Amount
October	10/1/2023	\$8,113
November	11/1/2023	\$8,113
December	12/1/2023	\$8,113
January	1/1/2024	\$8,113
February	2/1/2024	\$8,113
March	4/1/2024	\$8,113
April	5/1/2024	\$8,113
May	6/1/2024	\$8,113
June	7/1/2024	\$8,113
July	8/1/2024	\$8,113
August	8/13/2024, 9/5/2024	\$8,438
September	9/26/2024	\$8,113
Total		\$97,681

Source: OIG Analysis of DGS Financial Records

FIRE STATION MAINTENANCE FUND EXPENDITURES

Our analysis of DGS and FEMS records indicated that the total West End Fire Station Maintenance Fund Expenditures for the Period of October 1, 2023, to September 30, 2024, were \$149,362, as shown in Table 6.

Table 6. Fire Station Maintenance Expenditures.

Period of Performance (FY 2024)	Invoice Date	Amount
October	11/1/2023	\$13,821
November	12/1/2023	\$11,152
December	1/1/2024	\$13,821
January	2/1/2024	\$13,821
February	3/1/2024	\$13,821
March	4/1/2024	\$13,821
April	5/3/2024	\$13,821
May	6/1/2024	\$13,821
June	7/1/2024	\$13,821
July	8/1/2024	\$13,821
August	9/1/2024	\$13,821
Total		\$149,362

Source: OIG Analysis of DGS Financial Records

Finding 2: Maintenance Fund expenditures were permitted by law.

The audit team reviewed the expense schedule for the West End Maintenance Fund for FY 2024 and selected a representative sample of ten expenses for detailed testing. We obtained and examined supporting documentation, including invoices, work orders, utility bills, and other records to verify compliance with the memorandum of agreement between DGS and DCPL and the requirements specified in the West End Parcels Development Omnibus Act of 2010.

Our testing confirmed that all expenditures were for authorized maintenance, insurance, and capital improvement purposes as required by DC Code § 1-325.181(a). The expenses properly aligned with the Fund's purpose of ensuring both facilities are "maintained in a manner that is consistent with the high-quality conditions of larger buildings of which they are a part." We found no evidence of expenses prohibited by law or outside the scope of the Fund's intended purpose.

CONCLUSION

We performed the West End Library and Fire Station Maintenance Fund audit covering the period from October 1, 2023, to September 30, 2024. Based on our examination, we concluded that:

1. the Fund's assets, liabilities, fund balance, revenue, and expenditures were recorded and reported accurately; and
2. we did not identify any Maintenance Fund expenditures that were not permitted under the law.



APPENDIX 1. OBJECTIVES, SCOPE, & METHODOLOGY

Objectives

Our objectives for this audit were to:

1. determine whether the assets, liabilities, fund balance, revenue, and expenditures of the Fund were recorded and reported accurately; and
2. identify any Fund expenditures that were not permitted under the law.

Scope

The scope of the audit was the West End Library and Fire Station Maintenance Fund activities for FY2024 (October 1, 2023, to September 30, 2024)

Methodology

We reviewed internal controls within DGS and DCPL applicable to the Fund and obtained documentation of these procedures. We obtained the accounting entries of the Fund and analyzed them for conformity with accounting principles generally accepted in the United States and for the presentation of accounting results as required by legislation creating the Fund. We verified the computation of 85 percent of the deed transfer and recordation taxes attributable to the new buildings constructed on Lots 836, 837, and 855 in square 37.

We tested the following financial statement line items:

1. **Pooled Cash:** We verified the accuracy of cash balances by reconciling the entity's general ledger to approved invoices.
2. **Accounts Payable:** We reviewed subsequent cash disbursements made after September 30, 2024, and examined invoices to ensure that services were recorded in the appropriate FY.
3. **Revenue:** We examined deeds and lot sales data to verify the accuracy of recorded deed recordation and deed transfer revenue. Additionally, we conducted a recalculated revenue to confirm proper recognition.
4. **Expenses:** We selected a sample of expenses and reviewed supporting documentation to ensure accurate recording and proper account classification.

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