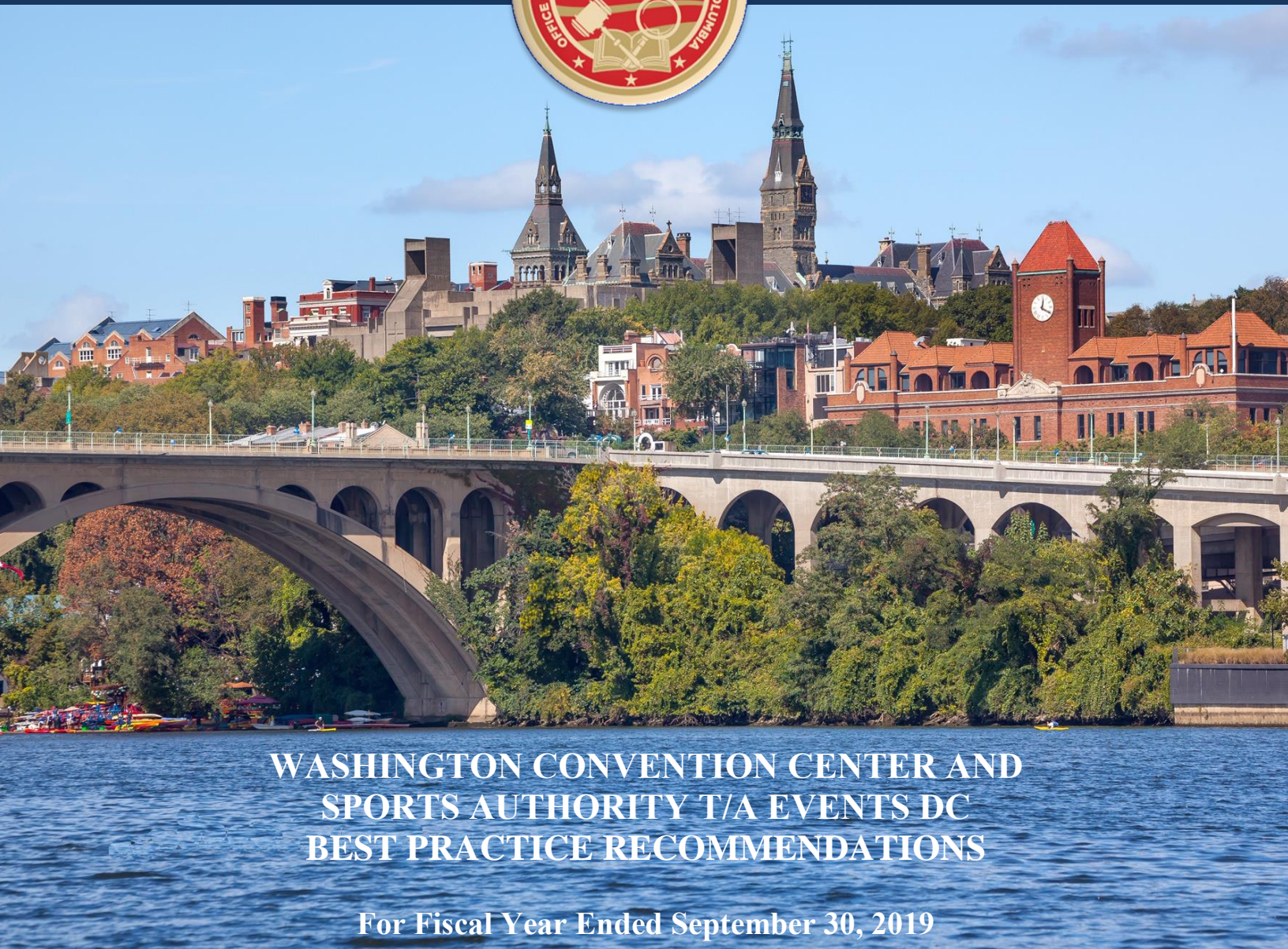


DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

OIG Project No. 20-1-07ES(b)

February 2020



WASHINGTON CONVENTION CENTER AND SPORTS AUTHORITY T/A EVENTS DC BEST PRACTICE RECOMMENDATIONS

For Fiscal Year Ended September 30, 2019

Guiding Principles

*Workforce Engagement * Stakeholders Engagement * Process-oriented * Innovation
* Accountability * Professionalism * Objectivity and Independence * Communication * Collaboration
* Diversity * Measurement * Continuous Improvement*

Mission

Our mission is to 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.

Vision

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

Core Values

Excellence * Integrity * Respect * Creativity * Ownership
* Transparency * Empowerment * Courage * Passion
* Leadership



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



February 12, 2020

The Honorable Muriel Bowser
Mayor of the District of Columbia
Mayor's Correspondence Unit
1350 Pennsylvania Avenue, N.W., Suite 316
Washington, D.C. 20004

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the *Washington Convention and Sports Authority Best Practice Recommendations for Fiscal Year 2019* report (OIG No. 20-1-07ES(b) SB & Company, LLC (SBC) issued January 29, 2020. SBC submitted this report as part of our overall contract for the audit of the District of Columbia's general-purpose financial statements for fiscal year 2019.

This report sets forth SBC's best practice recommendation intended to ensure certain terms used in the excess cash calculation are more clearly defined.

If you have questions about this report, please contact me or Benjamin Huddle, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

Daniel W. Lucas
Inspector General

DWL/ws

Enclosure

cc: See Distribution List

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(via email)
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WASHINGTON CONVENTION AND SPORTS AUTHORITY T/A EVENTS DC

Best Practice Recommendations

For the Year Ended September 30, 2019



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

To the Mayor and City Council of the District of Columbia, the Inspector General and
the of Directors of the Washington Convention and Sports Authority

In planning and performing our audit of the financial statements of the Washington Convention and Sports Authority (the Authority) as of and for the year ended September 30, 2019, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we also issued an opinion on the Authority's compliance with the Excess Cash Calculation (the Calculation) between the Authority and the District of Columbia's General Fund for the year ended September 30, 2019.

As part of testing of the Calculation for compliance with the terms of the excess cash calculation related to DC Code § 10-1202.13, Transfer of Excess Cash, the Master Trust Agreement between the Authority and The Bank of New York (as Trustee), and a Memorandum of Understanding between the District and the Authority (as amended). In the agreements, they define certain terms used to perform the Calculation; however, some of the terms are not well defined in the agreements and thus require an interpretation as to how it is defined. In our report on the Calculation, we stated the Calculation per the agreements, and the District and Authority management's interpretation of how the term is defined and should be applied in the Calculation.

Recommendation

We recommend that the agreements be amended to more clearly define each of the terms used in the Calculation and which Authority financial statement accounts and funds are included and excluded from the amounts in the Calculation.

Washington, D.C.
January 29, 2020