

DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

OIG Project No. 18-1-18AT



August 2018

DISTRICT OF COLUMBIA PUBLIC SCHOOLS AND OFFICE OF THE CHIEF FINANCIAL OFFICER:

**TWO OF FOUR FINDINGS FROM OUR PRIOR YEAR AUDIT WERE NOT FULLY
REMEDIED**



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





OIG

Why the OIG Did This Audit

Pursuant to D.C. Code § 1–204.24d(28), the Office of the Chief Financial Officer (OCFO) is responsible for verifying attorney certifications and processing the attorney payments in Individuals with Disabilities Education Act (IDEA) cases.

The D.C. Code § 1-301.115a(a)(3)(J) requires that the Office of the Inspector General (OIG) conduct an annual audit of the accuracy of the attorney certifications.

The OIG conducted an audit in 2017 that covered fiscal years 2011 through 2015 and issued four recommendations. Our audit efforts in 2018 were limited to determining whether OCFO and D.C. Public Schools (DCPS) remediated the OIG’s 2017 findings and implemented recommendations.

What the OIG Recommends

The OIG is not making additional recommendations as a result of this follow-up audit. However, two of the four findings were not fully remediated. Therefore, this report provides actions needed to address the 2017 audit findings.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS AND OFFICE OF THE CHIEF FINANCIAL OFFICER:

Two of Four Findings from Our Prior Year Audit Were Not Fully Remediated

What the OIG Found

The D.C. Public Schools Office of the General Counsel (DCPS-OGC) and OCFO have begun to establish a process to obtain all required certification documentation when the District Court orders attorney payments, but implementation is a work-in-progress. Specifically, DCPS and OCFO finalized a Memorandum of Understanding (MOU) detailing their roles in obtaining documentation; however, the MOU did not identify responsibilities for obtaining documentation in cases of court-ordered payments as recommended.

DCPS also now conducts quarterly audits to provide assurance that special education attorneys have submitted all required supporting documentation in support of their request for payments. DCPS, however, did not formalize the quarterly review activities into the MOU or into policies and procedures as the OIG recommended. Therefore, the 2017 audit finding that DCPS-OGC did not obtain all required documentation was partially remediated.

The District of Columbia Office of the Attorney General (OAG) has developed a new form that implements the requirements in D.C. Code § 1–204.24d(28). Attorneys are required to complete the form and submit it to the District Court when applying for payments. We also noted that DCPS followed OIG’s recommendation to consult with OAG and determined that D.C. Code § 1–204.24d(28) applies to court-ordered payments. DCPS-OGC, however, did not amend its policies and procedures to reflect the clarification in the requirements for court-ordered payments. Therefore, the 2017 audit finding that DCPS-OGC procedures did not address the processing of court-ordered payments without required certifications was partially remediated.

OCFO revised its direct vouchers processing manual to prevent overpayments. We also noted that OCFO performed a complete reconciliation of all payments made to attorneys between FY 2017 and FY 2018, as agreed based on the OIG recommendation. Therefore, the 2017 audit finding that OCFO overpaid attorney invoices was fully remediated.

Finally, OCFO submitted timely, accurate quarterly reports to Congress as the OIG recommended. We also noted that OCFO formalized the review process and reporting timelines into the MOU in early April 2018. Therefore, the 2017 audit finding that OCFO did not comply with the requirement to prepare and submit timely and accurate quarterly reports to Congress was fully remediated.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



August 31, 2018

Jeffery S. DeWitt
Chief Financial Officer
Office of the Chief Financial Officer
The John A. Wilson Building
1350 Pennsylvania Avenue, NW, Suite 203
Washington, D.C. 20004

Amanda Alexander, Ph.D.
Interim Chancellor
District of Columbia Public Schools
1200 First Street, NE, Suite 1230
Washington, D.C. 20002

Dear Chief Financial Officer DeWitt and Interim Chancellor Alexander:


Enclosed is our final report, *District of Columbia Public Schools and Office of the Chief Financial Officer: Two of Four Findings from Our Prior Year Audit Were Not Fully Remediated* (OIG Project No. 18-1-18AT). This audit was conducted pursuant to D.C. Code § 1-301.115a(a)(3)(J), which requires the OIG to conduct an annual audit of the accuracy of the attorney certifications. We conducted this audit in accordance with generally accepted government auditing standards (GAGAS). This audit was included in the *Fiscal Year 2018 Audit and Inspection Plan*.

We provided DCPS and OCFO with our draft report on August 3, 2018, and, on August 21, 2018, received DCPS' response, which is included in its entirety as Appendix D to this report. We appreciate that DCPS and OCFO officials began addressing some of the findings immediately upon notification during the audit.

As a result of this audit, we closed recommendations 3 and 4 from our prior year audit report. For the remaining recommendations, 1 and 2, DCPS concurred with our conclusion that the recommendations were not fully implemented. As part of its response, DCPS outlined actions that it believes fully implement the recommendations. DCPS' response and actions meet the intent for status of our prior year recommendations and, therefore, we consider recommendations 1 and 2 from the prior year audit open pending completion of planned actions or evidence of stated actions.

We appreciate the cooperation and courtesies extended to our staff during this audit. If you have any questions concerning this report, please contact me or Benjamin Huddle, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,



Daniel W. Lucas
Inspector General

DWL/tda

Enclosure

cc: See Distribution List

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BACKGROUND

The Individuals with Disabilities Education Act (IDEA) is a federal law established to ensure that children with disabilities receive a free and appropriate public education. Parents or guardians dissatisfied with the type of educational services their disabled child receives have a legal right under IDEA to have the school district provide the child more responsive educational services that meet the child's needs.

Plaintiffs brought litigation in 1997 that resulted in a class action lawsuit¹ alleging DCPS violated the IDEA by failing to implement timely and responsive special education services for students. The United States District Court for the District of Columbia (District Court) resolved the lawsuit in July 2011 and December 2014 based on agreements between plaintiffs and defendants. As a result of this litigation, Congress enacted a law in October 2006 requiring attorneys to: (1) certify in writing the services they provided students in special education cases; and (2) disclose potential conflicts of interest.

The District of Columbia Public Schools (DCPS) is the Local Education Authority (LEA) responsible for the education of children with disabilities. The DCPS Office of General Counsel (DCPS-OGC) reports to the Chancellor. The Deputy General Counsel serves as a liaison to the Office of Dispute Resolution at the Office of the State Superintendent of Education (OSSE), assigns attorneys to cases and hearings, verifies attorney invoices, enters into settlement agreements with attorneys, and approves payments to attorneys.

DCPS Complaint Resolution Process

To file a complaint that DCPS did not meet IDEA requirements, parents or guardians can submit a request for an administrative hearing to the Office of Dispute Resolution within OSSE. OSSE assigns independent hearing officers (HO) to decide cases alleging IDEA violations. The DCPS-OGC represents the District at the administrative hearing and private attorneys represent parents.

There is a mandatory 30-day period prior to an administrative hearing, during which parents and DCPS (the parties) attempt to resolve the complaint themselves. If the parties cannot agree on a settlement during the 30-day period, the complaint proceeds to an administrative hearing where the HO issues a Hearing Officer Determination (HOD). A HOD in favor of the parents entitles their attorney to an attorney fee award. The attorney has two options to obtain an attorney fee award:

1. Negotiate attorney fees directly with the DCPS-OGC, which, in turn, processes the payment; or
2. The District Court determines the fee. The OAG represents the District in court proceedings and submits a court-ordered attorney fee determination to the DCPS-OGC to process for payment.

¹ *Blackman v. Dist. of Columbia*, Civil Action Nos. 97-1629 and 97-2402.

Before attorneys can receive payments, the DCPS-OGC prepares and approves an Attorney Invoice Submission (AIS) packet that includes the complaint resolution documentation and a payment determination. Pursuant to D.C. Code § 1-204.24d(28), OCFO is responsible for verifying the completeness of the AIS packet. OCFO must ensure attorneys: (A) certify in writing that they rendered services and prevailed in a special education case; and (B) disclose any financial, corporate, legal, board of directors, or other relationships with any special education diagnostic services, schools, or other special education service providers the attorneys referred any clients. OCFO also must prepare and submit quarterly reports to the Committees on Appropriations of the House of Representatives and Senate on the certification of and the amount paid to such attorneys.

D.C. Code § 1-301.115a(a)(3)(J) requires that the Office of the Inspector General (OIG) conduct an annual audit of the accuracy of the attorney certifications in IDEA cases. The OIG conducted an audit in 2017 that covered fiscal years 2011 through 2015. The OIG issued four recommendations in *District of Columbia Public Schools and Office of the Chief Financial Officer Agencies: Record Keeping Practices Supporting Attorney Certification Payments for Special Education Cases Have Improved, but Some Problems Persist* (OIG Project No. 16-1-10AT, issued July 2017). From February-June 2018, we followed up to assess OCFO and DCPS efforts to implement our recommendations. We performed this audit in compliance with generally accepted government auditing standards (GAGAS).

FINDINGS

DCPS-OGC AND OCFO HAVE BEGUN TO ESTABLISH A PROCESS TO OBTAIN ALL REQUIRED DOCUMENTATION WHEN THE DISTRICT COURT ORDERED PAYMENTS

The 2017 audit found the likelihood that the DCPS-OGC did not obtain all required documentation increased when the District Court ordered payments. When parents pursued attorney awards in District Court after a favorable HOD, we found that 15 of 16 (93.8 percent) court-ordered payments did not include either attorney certifications or the HOD.

Prior Year Recommendation 1

To improve performance in this area, the OIG recommended that OCFO and DCPS-OGC establish a Memorandum of Understanding (MOU) to:

- a. Formalize the agencies' roles in obtaining attorney certifications and processing attorney invoices, including when the District Court orders payments.
- b. Establish a process that gives assurance special education attorneys have submitted all required supporting documentation and the agencies have verified the accuracy of attorney payments.

Agency Response and Implementation Deadlines

DCPS agreed with the recommendation and stated that the DCPS-OGC would work with the OCFO by January 2018 to draft an MOU formalizing the agencies' roles in obtaining attorney certifications and processes. DCPS' internal audit division, by the end of each quarter, (December, March, June, and September) would perform a secondary review of the supporting documentation special education attorneys submitted in support of their request for the payment. In an effort to provide reasonable assurance of the accuracy of attorney payments, the DCPS-OGC would also update its Guidelines and Procedures to include this process change.

OCFO agreed with the recommendation and stated that "...no later than August 2017, DCPS/OCFO will enter into a Memorandum of Understanding with DCPS/OGC to formalize the roles and responsibilities of the OCFO and DCPS/OGC in the review, certification and payment process, by specifically designating the specific tasks for each party."²

OIG 2018 Follow-up on Corrective Actions

DCPS and OCFO had a draft MOU when we began this follow-up audit on March 6, 2018. During the course of the audit, both agencies finalized and executed the MOU in early April 2018, but neither agency could provide explanation for missing the January 2018 deadline.

² OCFO response to OIG audit *District of Columbia Public Schools and Office of the Chief Financial Officer Agencies: Record Keeping Practices Supporting Attorney Certification Payments for Special Education Cases Have Improved, but Some Problems Persist*. OIG Project No. 16-1-10AT, Appendix D.

DCPS-OGC and DCPS-OCFO did not have a written action plan detailing how they would coordinate their efforts to develop and implement the MOU.

We reviewed the MOU and determined the MOU assigned roles to DCPS-OGC and the DCPS-OCFO but does not address their responsibilities for documentation in cases of court-ordered payments. Thus, preparation and execution of a MOU between DCPS and OCFO partially met the intent of our recommendation.

DCPS is now conducting quarterly audits to provide assurance that special education attorneys have submitted all required supporting documentation in support of their request for payments. We reviewed quarterly reports completed September and December 2017, and March 2018. DCPS, however, did not formalize the quarterly review activities into the MOU or into policies and procedures.

Conclusion on Remediation Effort

DCPS and OCFO partially remediated the 2017 audit finding that DCPS-OGC did not obtain all required documentation when the District Court ordered payments. To remediate this finding fully, both agencies should revise the MOU to address DCPS' and OCFO's responsibilities for documentation in cases of court-ordered payments. DCPS should also formalize the quarterly review activities into the MOU or into policies and procedures. This recommendation will remain open pending completion of planned actions or evidence of stated actions.

DCPS-OGC HAS NOT AMENDED ITS POLICIES AND PROCEDURES TO REFLECT CLARIFICATION IN THE REQUIREMENT FOR COURT-ORDERED PAYMENTS

The 2017 audit found that DCPS-OGC procedures did not address processing court-ordered payments without required certifications, and neither OCFO nor the DCPS-OGC coordinated with the OAG to obtain the documentation required by D.C. Code § 1-204.24d(28).

Prior Year Recommendation 2

The OIG recommended that OCFO and DCPS consult with the OAG to determine whether court-ordered payments are exempt from the D.C. Code requirement. Whether exempt or not, DCPS-OGC should amend its procedure to specifically address how court-ordered payments are processed.

Agency Response and Implementation Deadlines

By January 30, 2018, DCPS was to consult with OAG to determine whether court-ordered payments are exempt from the D.C. Code's requirement. By September 30, 2017, DCPS-OGC said it would revise its Guidelines and Procedures to reflect that attorney certifications are not a part of the documentation received by the DCPS-OGC and submitted to the OCFO for payment.

OCFO concurred with the recommendation and said that it would initiate discussions with the OAG through the OCFO's Office of the General Counsel, by July 31, 2017, on the determination

of how court-ordered payments should be handled and what, if any, additional documentation would be required to support such payments.

The agencies were to complete these actions by September 30, 2017.

OIG 2018 Follow-up on Corrective Actions

DCPS took the necessary action to consult with OAG to determine whether court-ordered payments are exempt from the D.C. Code requirement as recommended. Accordingly, DCPS obtained written assurance from OAG that attorneys who file action in court for their fees and costs must provide the necessary certification required by the D.C. Code. We noted that OAG began obtaining the necessary certification for court-ordered payments on September 14, 2017.

Furthermore, OAG has developed and provided a new form containing D.C. Code certification requirements to the D.C. District Court for attorneys to complete when applying for an award for fees and costs in IDEA cases (see the form in Appendix C). The OAG informed us that some attorneys were refusing to use the new form, but the OAG was preparing to request that judges make submission of the form a part of the court's order.

DCPS-OGC, however, did not amend its policies and procedures to reflect the clarification in the requirements for court-ordered payments.

Conclusion on Remediation Effort

DCPS-OGC and OCFO partially remediated the 2017 audit finding that DCPS-OGC procedures did not address processing court-ordered attorney award payments without required certifications, and neither OCFO nor the DCPS-OGC coordinated with the OAG to obtain the documentation required by D.C. Code § 1-204.24d(28). To remediate this finding fully, DCPS-OGC should amend its policies and procedures to reflect the clarification in the requirements for court-ordered payments. This recommendation will remain open pending completion of planned actions or evidence of stated actions.

OCFO REVISED ITS DIRECT VOUCHERS PROCESSING MANUAL TO PREVENT OVERPAYMENTS

The 2017 audit found that OCFO overpaid attorney invoices. Three of 39 payments in our sample were included in an \$85,000 Settlement Agreement for 4 attorney invoices that were overpaid by \$40,102. On January 9, 2015, OCFO paid the four attorney invoices totaling \$125,102, at their face value instead of the settlement amount shown on the AIS, resulting in the overpayment. OCFO attributed the overpayment to human error that could have resulted from the accounts payable employee being unfamiliar with how settlement amounts are paid. According to a DCPS-OGC official, a financial analyst reviews expenses on a monthly or quarterly basis to track expenses against the budget. However, the DCPS-OGC was unable to provide evidence that a review occurred in this instance.

Prior Year Recommendation 3

We recommended that the OCFO and DCPS perform a complete reconciliation of all payments made to attorneys between FY 2011 and FY 2015 to identify and recoup overpayments.

Agency Response and Implementation Deadlines

OCFO disagreed with the 5-year time period that the OIG recommended to review attorney payments for overpayments. OCFO explained that it would not be cost effective because the OIG only found one overpayment in our testing for the 5-year period. Instead, by July 31, 2017, DCPS-OCFO would perform a reconciliation of all payments made from the beginning of FY 2017 to date. This reconciliation, coupled with use of the checklist by the accounts payable technicians and supervisors, would ensure all required supporting documents are submitted, and would eliminate the opportunity for processing incorrect amounts.

OIG 2018 Follow-up on Corrective Actions

We noted that DCPS-OCFO performed a complete reconciliation of all payments made to attorneys between FY 2017 and FY 2018 to date as recommended by the OIG. As noted in our 2017 audit report, OCFO recouped the \$40,102 in overpayments on December 5, 2016. DCPS-OCFO's reconciliation activities did not identify additional overpayments.

To address the overpayment issue, OCFO's manager of accounts payable informed us the agency has modified its policies and procedures manual to ensure that attorney payment amounts are entered into the Procurement Automated Support System (PASS) accurately. As part of the enhanced *Direct Vouchers Processing Manual*, we noted that accounts payable has three supervisors, at least one of whom must check and approve the data entered by accounting technicians.

Conclusion on Remediation Effort

DCPS-OCFO fully remediated the 2017 audit finding that OCFO overpaid attorney invoices. DCPS-OCFO reconciled payments and found no additional overpayments. Therefore, the OIG closed the recommendation.

OCFO SUBMITTED TIMELY, ACCURATE QUARTERLY REPORTS TO CONGRESS

The 2017 audit found that OCFO did not comply with the D.C. Code requirement to prepare and submit timely and accurate quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on the certification and the amounts the District paid to attorneys in special education cases.

Prior Year Recommendation 4

The OIG recommended that the DCPS-OGC and OCFO prepare and follow written procedures for coordination between the agencies to compile, review, and submit timely and accurate quarterly reports on special education attorney payments to Congress.

Agency Response and Implementation Deadlines

DCPS-OCFO concurred with the need to formalize the review process and deliver timelier reporting, but not with the need for coordination in this exercise with DCPS-OGC. OCFO said it would assume responsibility for quarterly reporting to the Committees on Appropriations of both the House of Representatives and Senate.

To ensure reports are submitted to Congress timely, DCPS-OCFO developed a calendar so that the agency completes compilation and review of the report by the 20th of the month following the end of the calendar quarter, and transmits the report to OCFO-OGC requesting approval, review and submission to Congress no later than the 30th day of the month. This timeline was to be effective for all reports beginning with the quarter ending June 30, 2017.

OIG Follow-up on Corrective Actions

We noted that DCPS-OCFO formalized the review process and reporting timelines into the MOU in early April 2018. Although the OCFO did not meet the June 2017 deadline to formalize the reporting timeline, we noted that OCFO complied with the reporting requirement effective the 2nd quarter of FY 2018 as detailed in Table 1:

Table 1. Quarterly Reports

QUARTER	DATE	SENT TO CONGRESS	RESULT
4 th Qtr. 2017	September 30, 2017	March 23, 2018	Not Compliant with OCFO's response
1 st Qtr. 2018	December 31, 2018	March 12, 2018	Not Compliant with OCFO's response
2 nd Qtr. 2018	March 31, 2018	April 23, 2018	Complies with OCFO's response

Source: OIG analysis.

DCPS-OCFO did not provide an explanation of why it was unable to meet its own calendar timeline during the 4th quarter of FY 2017 and the 1st quarter of 2018.

Nonetheless, OCFO has begun to transmit the quarterly report to Congress within 1 month of the end of each quarter. We also tested the accuracy of the payments reported in these quarterly reports and noted that they accurately reflected attorney payments in the System of Accounting and Reporting (SOAR).

Conclusion on Remediation Effort

OCFO fully remediated the 2017 audit finding that OCFO did not submit timely or accurate quarterly reports to congress. Therefore, the OIG closed the recommendation.

AGENCY COMMENTS AND OFFICE OF THE INSPECTOR GENERAL RESPONSE

We provided DCPS and OCFO with our draft report on August 3, 2018, and, on August 21, 2018, received DCPS' response, which is included in its entirety as Appendix D to this report. We appreciate that DCPS and OCFO officials began addressing some of the findings immediately upon notification during the audit.

As a result of this audit, we closed recommendations 3 and 4 from our prior year audit report. For the remaining recommendations 1 and 2, DCPS concurred with our conclusion that the recommendations were not fully implemented. As part of its response, DCPS outlined actions that it believes fully implement the recommendations. DCPS's response and actions meet the intent for status of our prior year recommendations and therefore, we consider recommendations 1 and 2 from the prior year audit open pending completion of planned actions or evidence of stated actions.

APPENDIX A. OBJECTIVES, SCOPE, AND METHODOLOGY

This audit was conducted pursuant to D.C. Code § 1-301.115a(a)(3)(J), which requires the OIG to conduct an annual audit of how the District pays attorneys in IDEA cases (attorney certifications) successfully brought in the District of Columbia. The overall objective of the audit was to determine the accuracy of the certifications made to the OCFO (during FY 2016 to FY 2017) by attorneys in special education cases.

Since the OIG recently issued an audit report in FY 2017, our audit efforts were limited to determining if OCFO and DCPS have remediated the OIG findings and implemented the recommendations. Follow-up was on the findings and recommendations identified in the OIG audit *District of Columbia Public Schools and Office of the Chief Financial Officer Agencies: Record Keeping Practices Supporting Attorney Certification Payments for Special Education Cases Have Improved, but Some Problems Persist* (OIG Project No. 16-1-10AT), issued in July 2017. We performed this audit in compliance with generally accepted government auditing standards (GAGAS). We performed this audit February through June 2018.

The audit is a follow-up on the four recommendations that the OIG made to the OCFO and the DCPS Chancellor to improve the invoice verification process and the accuracy and reporting of payments.

To accomplish our objectives, we: (1) conducted interviews with staff members and appropriate officials from DCPS, DCPS-OGC, and OCFO; (2) identified whether OCFO and DCPS remediated the prior year audit findings and implemented the recommendations; (3) determined whether OCFO and DCPS corrective actions remedied key conditions identified in the prior OIG audit report; and (4) updated the status of the open recommendations.


Although we did not perform a formal reliability assessment of computer-processed data, we relied on data generated from SOAR. We performed audit procedures to verify the accuracy of the information.

APPENDIX B. ACRONYMS AND ABBREVIATIONS

AIS	Attorney Invoice Submission
DCPS	District of Columbia Public Schools
DCPS-OGC	District of Columbia Public Schools Office of the General Counsel
District Court	United States District Court for the District of Columbia
FY	Fiscal Year
GAGAS	Generally Accepted Government Auditing Standards
HO	Hearing Officer
HOD	Hearing Officer Determination
IDEA	Individuals with Disabilities Education Act
LEA	Local Education Authority
MOU	Memorandum of Understanding
OAG	Office of the Attorney General
OCFO	Office of the Chief Financial Officer
OGC	Office of the General Counsel
OIG	Office of the Inspector General
OSSE	Office of the State Superintendent of Education
PASS	Procurement Automated Support System
SOAR	System of Accounting and Reporting

APPENDIX C. NEW ATTORNEY CERTIFICATION FORM

OAG designed the following new form to obtain certification from attorneys who file action in court for fees and costs in IDEA cases:

<p style="text-align: center;">GOVERNMENT OF THE DISTRICT OF COLUMBIA OFFICE OF THE ATTORNEY GENERAL</p> <p style="text-align: center;">  </p> <p>CIVIL LITIGATION DIVISION, SECTION II ONE JUDICIARY SQUARE 401 4TH STREET, N.W., SUITE 630 SOUTH WASHINGTON, D.C., 20001</p> <p style="text-align: center;">APPLICATION FOR PAYMENT OF ATTORNEYS'S FEES AND COSTS PURSUANT TO THE INDIVIDUALS WITH DISABILITIES ACT, 20 U.S.C. § 1400, ET SEQ.</p> <p>ATTORNEY INFORMATION</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Law Firm:</td><td></td></tr> <tr><td>Attorney:</td><td></td></tr> <tr><td>Federal Tax ID Number:</td><td></td></tr> <tr><td>DC Bar Number:</td><td></td></tr> </table> <p>STUDENT INFORMATION</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Name:</td><td></td></tr> <tr><td>Date of Birth:</td><td></td></tr> <tr><td>Parent/Guardian Name: Parent/Guardian Address:</td><td></td></tr> <tr><td>U.S. District Court Case No; HOD Case No; Settlement Agreement (provide as much info as possible):</td><td></td></tr> </table> <p style="text-align: right;">1 Page</p>	Law Firm:		Attorney:		Federal Tax ID Number:		DC Bar Number:		Name:		Date of Birth:		Parent/Guardian Name: Parent/Guardian Address:		U.S. District Court Case No; HOD Case No; Settlement Agreement (provide as much info as possible):		<p>INVOICE INFORMATION</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Invoice Number</td><td></td></tr> <tr><td>Date Request Submitted</td><td></td></tr> <tr><td>Date Services Rendered</td><td></td></tr> <tr><td>Attorney Hourly Rate</td><td>\$ _____</td></tr> <tr><td>Total Attorney Fees</td><td>\$ _____</td></tr> <tr><td>Total Attorney Costs</td><td>\$ _____</td></tr> <tr><td>Total Expenses</td><td>\$ _____</td></tr> <tr><td>Total Invoice</td><td>\$ _____</td></tr> </table> <p style="text-align: center;">D.C. CODE 1-204.24d CERTIFICATION (Must be signed by principal attorney)</p> <p>I certify, under the penalty of perjury, and pursuant to the provision of D.C. Code 1-204.24d, that all of the following statements are true and correct:</p> <p><input type="checkbox"/> All services listed in the enclosed invoices were actually performed;</p> <p><input type="checkbox"/> The entire amount requested on the enclosed invoice for payment of costs and expenses represent the actual amount of costs and expenses incurred;</p> <p><input type="checkbox"/> The District of Columbia Public Schools is the sole entity from which payment of the fees, costs, and expenses itemized on the enclosed invoice is requested;</p> <p><input type="checkbox"/> No attorney or law firm who either (1) provides services listed on the enclosed invoice; or (2) will benefit from any monies paid as a result of the submission of the enclosed invoice has any financial, corporate, legal, membership on boards of directors, or other any other relationships with any special education diagnostic services, schools, or other special education service providers to which the attorneys have referred any clients in any such cases which raises the specter of unethical conduct on my part.</p> <p><input type="checkbox"/> I understand that the making of false statements to an agency of the D.C. Government is punishable by criminal penalties pursuant to D.C. Code §22-2405.</p> <p style="text-align: right;">2 Page</p>	Invoice Number		Date Request Submitted		Date Services Rendered		Attorney Hourly Rate	\$ _____	Total Attorney Fees	\$ _____	Total Attorney Costs	\$ _____	Total Expenses	\$ _____	Total Invoice	\$ _____
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APPENDIX D. DCPS RESPONSE TO THE DRAFT REPORT



DISTRICT OF COLUMBIA
PUBLIC SCHOOLS

August 20, 2018

Mr. Daniel W. Lucas
Inspector General
717 14th Street, N.W.
Washington, DC 20005

RE: OIG Project Number 18-1-18AT

Dear Mr. Lucas,

Thank you for the opportunity to respond to the recommendations in the Office of the Inspector General's (OIG) draft audit report entitled *District of Columbia Public Schools and Office of the Chief Financial Officer: Two of Four Findings From Our Prior Year Audit Were Not Fully Remediated*, dated August 3, 2018.

Responses to the findings addressed to DCPS¹ are being submitted via this letter. A signed original copy of DCPS' response will follow via USPS.

Recommendation 1

Establish coordination between OCFO and the DCPS-OGC in a Memorandum of Understanding to:

- a. Formalize the agencies' roles in obtaining attorney certifications and processing attorney invoices, including when the District Court orders payments; and
- b. Establish a process that gives assurance special education attorneys have submitted all required supporting documentation and the agencies have verified the accuracy of attorney payments.

Conclusion on Remediation Effort

DCPS and OCFO partially remediated the 2017 audit finding that DCPS-OGC did not obtain all required documentation when the District Court ordered payments. To remediate this finding fully, both agencies should revise the MOU to address DCPS' and OCFO's responsibilities for documentation in cases of court-ordered payments. DCPS should also formalize the quarterly review activities into the MOU or into policies and procedures.

Response

DCPS agrees to take the remedial action of revising the MOU to address DCPS' and OCFO's responsibilities for documentation in cases of court-ordered payments. Specifically,

- By January 30, 2019, DCPS-OGC will work with OCFO to revise the MOU clarifying the documentation requirement in cases of court-ordered payments; and

¹ It is our understanding that the OCFO has provided or will provide its response directly to the OIG.

APPENDIX D. DCPS RESPONSE TO THE DRAFT REPORT

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- By September 30, 2018, DCPS-OGC will formalize the Internal Audit teams' quarterly review activities into its Guidelines and Procedures.

Recommendation 2

Consult with the OAG to determine whether court-ordered payments are exempt from the D.C. Code's requirement. Whether exempt or not, amend the DCPS-OGC procedure to specifically address how court-ordered payments are processed.

Conclusion and Remediation

DCPS-OGC and OCFO partially remediated the 2017 audit finding that DCPS-OGC procedures did not address processing court-ordered attorney award payments without required certifications, and neither OCFO nor the DCPS-OGC coordinated with the OAG to obtain the documentation required by D.C. Code §1-204.24d (28). To remediate this finding fully, DCPS-OGC should amend its policies and procedures to reflect the clarification in the requirements for court-ordered payments.

Response

Since the original audit of special education attorney certifications conducted in 2013, DCPS has consistently maintained that it is unable to withhold payments ordered by the United States District Court for a lack of documentation. DCPS is bound to comply with such judicial directives. As such, when a court order is received, DCPS-OGC processes the order for payment through its usual and customary process. DCPS-OGC has explained that it is not involved in the process whereby court orders are issued but is obligated to comply with the court order as issued.

- By September 30, 2018, DCPS-OGC will revise its Guidelines and Procedures to reflect that court-ordered payments will be paid with or without documents required by D.C. Code § 1-204.24d (28).

Thank you again for the work conducted on this audit and the opportunity to respond. Please feel free to contact us if you have questions, or if additional information is needed.

Sincerely,



Amanda Alexander, Ph.D.
Interim Chancellor

cc: [REDACTED] General Counsel
[REDACTED] Deputy Chief, Compliance and Policy