GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL

SUMMARY OF DISTRICT-AGENCY
COMPLIANCE WITH OIG
AUDIT RECOMMENDATIONS
(February 2008 – September 2013)

CHARLES J. WILLOUGHBY
INSPECTOR GENERAL

January 10, 2014

The Honorable Kenyan R. McDuffie
Chairperson
Committee on Government Operations
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 506
Washington, D.C. 20004

Dear Chairperson McDuffie:

I am writing to provide you with a summary of Office of the Inspector General (OIG) Audit
Division's work to monitor District government agencies' compliance with recommendations
presented to them in final audit reports, Management Alert Reports (MARs), and Management
Implication Reports (MIRs). This summary covers a 68-month period (February 2008 through
September 2013).

Background

The OIG monitors agencies' compliance with published recommendations to ensure a continued
effort to mitigate deficient conditions. Monitoring also helps to improve service delivery to
District residents and others who have a vested interest in efficient and effective government
operations.

Specifically, the Comptroller General's Government Auditing Standards sets forth standards for
auditors to follow-up on agency management's actions on findings and recommendations from
prior audits to ensure that corrective actions have been implemented. Mayor's Order 2000-105,
*Cooperation with the Office of the Inspector General in Responding to Recommendations and
Referrals Regarding Allegations of Misconduct*, provides guidelines to agency heads for
responding to audit recommendations by the established deadlines or target dates. D.C. Code
§ 1-301.115a codifies the statutory duties of the OIG, including the requirement to keep the
Mayor, D.C. Council, and agency heads fully and currently informed about problems and
deficiencies relating to the programs and operations of District agencies, and the necessity for
and progress of corrective actions.

Six months after the issuance of final audit reports, the Audit Division's Quality Assurance
Directorate identifies all open recommendations and sends follow-up letters to those agencies
responsible for resolving these open recommendations, with copies to the Office of the City
Administrator (OCA) and the Office of Risk Management (ORM). Each follow-up letter
includes the: (1) purpose of the letter, title of the final report, and issuance date of the report; (2)
total number of recommendations contained in the report; and (3) total number of
recommendations that remain open. Each letter also requests that the agency provide the OIG an
updated response with a target completion date for all open recommendations within 2 weeks
from the date of the follow-up letter.

Methodology

To determine the status of a given audit recommendation, the Audit Division reviews all final audit reports, MARs, and MIRs – focusing on the specific conditions noted in the report, and any comments provided by the audited agency in response to the report. The agency's comments often provide an indication of corrective actions taken or planned to address the audit recommendation, and the target or actual date for completion. In our self-reporting audit follow-up process, the Audit Division generally closes out recommendations based on written comments provided by the audited agencies in response to the draft reports, particularly if the OIG considers such comments responsive to the recommendations.

In some instances, the Audit Division closes out the OIG audit recommendations based on independent verifications by our Compliance of Prior Performance Audits Directorate and the audit team handling the triennial follow-up audit. The Audit Division neither verifies nor sends follow-up letters for recommendations that are considered "closed."

Table 1 (Status of OIG Audit Division Recommendations) below presents a summary of the Audit Division's analysis of OIG audit recommendations. For any agency with one or more open recommendations, we have identified the open recommendations in a series of agency-specific attachments to this letter. These recommendations were included in the audit reports issued during the period of February 22, 2008, through September 24, 2013.

Table 1 – Status of OIG Audit Division Recommendations			
Audited Agency (Report Title; Report Number; Date of Publication)[1]	**Recommendations**		
	Total	**Closed**	**Open**
Office of the Chief Technology Officer, *Audit of the District's Plan to Procure and Manage Information Technology Services*; 13-2-25PO; 9/24/2013	2	0	2
Office of the Chief Financial Officer, *Audit of Contracting and Procurement Operations at the Office of the Chief Financial Officer*; 08-1-26 AT; 8/30/2013	6	4	2
Office of the Chief Financial Officer, *Application Control Review of the Integrated Tax System;* 11-1-11AT; 5/15/2013	18	9	9
Department of Human Services, *Audit of the Eligibility Determination Process for Alliance and Medicaid Participants*; 10-1-16HT; 3/15/2013	5	4	1
District Department of Transportation, *Report on the Construction Management at the District Department of Transportation;* 11-2-28KA (a); 3/5/2013	6	6	0

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[1] Readers viewing the electronic version of this compliance report may access additional content by clicking the report numbers/dates of publication in the table, which are hyperlinks to oig.dc.gov.

Audited Agency	Recommendations		
(Report Title; Report Number; Date of Publication)	Total	Closed	Open
Department of Health, *Audit of the Department of Health's (DOH) Food Safety and Hygiene Inspection Services Division;* 09-2-34LQ; 12/19/2012	26	12	14
Office of the Chief Financial Officer, *Evaluation of the District's Management and Valuation of Commercial Real Property Assessments*; 13-2-01AT; 11/16/2012	28	24	4
Department of Motor Vehicles, *Audit of the District's Department of Motor Vehicles Ticket Processing Services*; 11-2-25MA; 11/15/2012	9	9	0
Office of Risk Management, *Audit of the Office of Risk Management's System for Managing the Resolution of Audit Findings and Recommendations*; 11-1-08MA; 10/24/2012	7	3	4
Office of Contracting and Procurement, *Report on Exercising Information Technology Staff Augmentation (ITSA) Contract Option Year 4*; 10-1-19TO(c); 9/27/2012	2	0	2
Office of Risk Management, *Triennial Follow-up Audit of the District Agencies' Implementation of Audit Recommendations for FYs 2008-2010*; 11-1-08MA(a); 9/21/2012	2	0	2
Office of the State Superintendent of Education, *Audit of the Office of the State Superintendent of Education Non-public Tuition Program*; 09-1-36MA; 8/28/2012	8	8	0
District of Columbia Public Schools, *Audit of the Management of Truancy at District of Columbia Public Schools*; 09-1-32GA; 8/10/2012	5	5	0
Office of Contracting and Procurement, *Report on Noncompliance with the Requirement to Perform Cost Analyses;* 10-1-19TO(b); 3/22/2012	2	0	2
Department of Housing and Community Development, *Audit of the District of Columbia's Condominium Conversion Fees*; 08-1-18CR; 2/17/2012	41	29	12
District Department of Transportation, *Audit of the Construction Contracts Awarded Under the American Recovery and Reinvestment Act to the District's Department of Transportation*; 10-1-13KA; 2/15/2012	10	9	1
Office on Aging, *Audit of the District-Owned Nursing Homes, the Washington Center for Aging Services, and the J.B. Johnson Nursing Center*; 10-1-02BY/HT; 9/23/2011	9	6	3
Office of Contracting and Procurement, *Audit of the Office of Contracting and Procurement's Contracting Officer Qualifications*; 09-2-20PO; 9/22/2011	3	3	0

Audited Agency	Recommendations		
(Report Title; Report Number; Date of Publication)	Total	Closed	Open
Department of Health, *Audit of the Department of Health's HIV/AIDS Hepatitis STD TB Administration's Management and Administration of Hill's Community Residential Support Services, Inc. Grant*; 09-2-37HC; 8/4/2011	6	6	0
Office of Contracting and Procurement, *Audit of the Information Technology Staff Augmentation (ITSA) Contract*; 10-1-19TO; 8/3/2011	10	7	3
Department of General Services, *Audit of the Procurement Activities at the Office of Public Education Facilities Modernization*; 09-2-28GM; 6/29/2011	9	8	1
Office of Contracting and Procurement, *Audit of Contracting Actions at the Office of the Chief Technology Officer*; 08-2-06TO(a); 9/15/2010	14	8	6
District of Columbia Public Schools, *Payroll Verification Audit for the District of Columbia Public Schools*; 08-2-02GA; 7/30/2010	6	3	3
Department of Health Care Finance, *Audit of the Rate-Setting Process for Intermediate Care Facilities for People with Developmental Disabilities*; 08-2-17HC; 6/29/2010	4	0	4
District Department of Transportation, *Audit of the District Department of Transportation Motor Fuel Sales and Tax Process*; 09-2-02KA; 7/23/2009	6	4	2
Department of Fire and Emergency Medical Services, *Audit of the Department of Fire and Emergency Medical Services' Administration of Ambulance Billing Contracts*; 07-2-31FB; 3/23/2009	14	10	4
Office of Risk Management, *Triennial Follow-up Audit of the District Agencies' Implementation of Audit Recommendations*; 08-1-03MA; 3/12/2009	11	9	2
D.C. Public Charter School Board, *Audit of D.C. Public Charter School Board's Notification Procedures*; 07-2-28GA; 12/4/2008	7	6	1
Department of Health, *Audit of the Department of Health's Administration for HIV Policy and Programs Grant Management*; 07-2-06HC; 10/15/2008	21	15	6
Metropolitan Police Department, *Audit of the District of Columbia Metropolitan Police Department's Management of Seized and Confiscated Property/Evidence*; 07-1-21FA; 5/19/2008	11	11	0
Department of Parks and Recreation, *Audit of the Department of Parks and Recreation's Capital Planning Projects*; 06-1-08HA; 5/13/2008	32	31	1

Audited Agency	Recommendations		
(Report Title; Report Number; Date of Publication)	Total	Closed	Open
Department of Health, *Audit of Non-Emergency Transportation Provider Compliance with License and Certification Requirements*; 05-2-18HC(d); 2/22/2008	5	5	0
Total	**345**	**254**	**91**
Percentage	**100%**	**74%**	**26%**
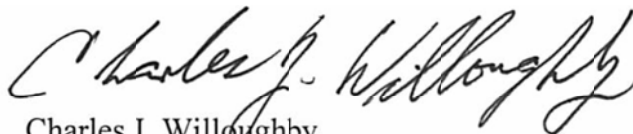
As indicated above, District agencies have closed 254 of 345 (74 percent) recommendations contained in 32 audit reports, and appropriate corrective actions need to be taken to address the remaining 91 (26 percent) recommendations in 24 reports. Implementing these outstanding recommendations will mitigate risks of fraud, abuse, and waste, as well as improve service delivery to District residents and others who have a vested interest in efficient and effective government operations.

Ongoing Compliance Activity and Reporting

For all the reports referenced in Table 1, the Audit Division tracks the status of each recommendation and documents subsequent communications with and planned compliance activities at the audited agency. Upon publication of a report, the Audit Division's Quality Assurance Director receives a copy of the report as well as a copy of the signed dunning letter sent to the audited agency 6 months after publication of the report. Procedures are in place to ensure consistent, periodic follow-up of outstanding recommendations with appropriate audited agencies.

If you have questions or require additional information, please contact me or Ronald W. King, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

Charles J. Willoughby
Inspector General

CJW/sw

Attachments

cc: See Distribution List

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The Honorable Mike Johanns, Ranking Member, Senate Subcommittee on Financial Services
    and General Government, Attention: Dale Cabaniss (via email)

Office of the Chief Technology Officer (OCTO) and Office of Contracting and Procurement (OCP) – OIG No. 13-2-25PO

This performance audit report was issued on September 24, 2013. The following recommendations are open as of the date of this report:

Office of the Chief Technology Officer

- Recommendation 1: Develop a business plan along with a cost estimate to justify that use of a contract for services to manage ITSA procurement services is more economical than use of District personnel.

Office of Contracting and Procurement

- Recommendation 2: Obtain from OCTO a business plan along with a cost estimate to justify that use of a contract for services to manage ITSA procurement services is more economical than use of District personnel, prior to award of a contract under Solicitation Number DOC105096.

Office of the Chief Financial Officer (OCFO) – OIG No. 08-1-26AT

This performance audit report was issued on August 30, 2013. The following recommendations are open as of the date of this report:

- Recommendation 8: Establish and implement an automated system to properly maintain an accurate inventory of contract files.

- Recommendation 9: Finalize and implement standard operating procedures and identify key controls over the Office of Contracts (OC) procurement operations.

Office of the Chief Financial Officer (OCFO) – OIG No. 11-1-11AT

This performance audit report was issued on May 15, 2013. The OIG issued a follow-up letter on December 4, 2013, for nine open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- Recommendation 8: Request that the Office of the Attorney General (OAG) opine on the enforceability of the penalty set forth in 9 DCMR § 105.13, which is an implementing regulation for the Non-Individual e-File Act. Dependent upon OAG's response, OTR should enforce the regulation or request that the Council of the District of Columbia amend D.C. Code § 47-4402(c) to allow for effective enforcement of the 10 percent penalty for noncompliance.

- Recommendation 9: Develop and implement a preventive or detective control process to regularly reconcile withholding payments received from employers to the withholding amounts indicated on the tax returns.

- Recommendation 10: Review D.C. Code § 47-1812.08 (Withholding of Tax) and determine whether an amendment to the law or a new regulation, to include a penalty, would promote compliance and enforceability.

- Recommendation 11: Revise the current annual valuation review process to ensure property characteristic changes that affect assessed values in the CAMA system are reviewed and approved.

- Recommendation 13: Complete a comprehensive review and analysis of current user roles in TAS and CAMA to identify and correct segregation of duties control deficiencies.

- Recommendation 14: Identify and classify the agency's use of spreadsheets based on risk and indicate their importance in the proper functioning of key controls in the tax administration process.

- Recommendation 15: Implement IT general and application controls to ensure the confidentiality and integrity of data and calculations within all high-risk spreadsheets.

- Recommendation 16: Develop and implement an automated method for taxpayers to manage and/or monitor eTSC business account access.

- Recommendation 17: Create, test, and implement an application control for eTSC to disable user accounts after a set period of inactivity.

Department of Human Services (DHS) – OIG No. 10-1-16HT

This performance audit report was issued on March 15, 2013. The OIG issued a follow-up letter on December 4, 2013, for an open recommendation contained in the report. However, the following recommendation remains open as of the date of this report:

- <u>Recommendation 3:</u> Develop a set of standard operating procedures to ensure applicant information is accurate and verifiable during both initial and recertification eligibility processing.

Department of Health (DOH) and Office of Administrative Hearings (OAH) – OIG No. 09-2-34LQ

This performance audit report was issued on December 19, 2012. The OIG issued a follow-up letter on December 4, 2013, for 14 open recommendations contained in the report. The following recommendations remain open as of the date of this report:

Department of Health

- Recommendation 2: Implement a mechanism for updating the District Food Code every 4 years, equivalent to the FDA's standard, to safeguard the public health of food consumers in the District.

- Recommendation 4: Finalize proposed regulations for DOH to regulate inspecting tanning establishments in the District.

- Recommendation 5: Establish formal policies and procedures to inspect tanning, tattoo, body art, and body piercing facilities necessary to prevent the contamination of equipment, supplies, and work surfaces.

- Recommendation 6: Implement the proposed health code regulations to include inspection and enforcement functions including the issuance of civil infractions for tanning, tattoo, body art, and body piercing establishments.

- Recommendation 8: Perform routine inspections of food establishments based on the risk-based inspection schedule.

- Recommendation 9: Develop policies and procedures to ensure that sanitarians perform routine inspections of night and health-related establishments.

- Recommendation 10: Institute policies that create a day and night shift work schedule for sanitarians in order to accommodate inspections of night establishments.

- Recommendation 11: Perform weekly routine food sampling to prevent incidents of foodborne illness.

- Recommendation 12: Conduct inspections for establishments only in the District.

- Recommendation 13: Develop formal recordkeeping policies and procedures to ensure efficient and effective management of records related to inspection activities.

- Recommendation 14: Arrange and file the hardcopy records for backup purposes prior to implementing electronic access via the Digital Health System.

- Recommendation 17: Establish policies and procedures to ensure proper collection of business license fees from DCRA.

- Recommendation 20: Establish formal policies and procedures for collecting civil fines from the responsible business owner after a change of business ownership.

Office of Administrative Hearings

- Recommendation 22: Collect $260,100 in outstanding civil fines.

Office of the Chief Financial Officer (OCFO) and Office of Tax and Revenue (OTR) – OIG No. 13-2-01AT

This performance audit report was issued on November 16, 2012. The OIG issued a follow-up letter on December 4, 2013, for four open recommendations contained in the report. The following recommendations remain open as of the date of this report:

Office of the Chief Financial Officer

- Recommendation 2: Models for each property should be created. Property types should be stratified into classes so that individual models can be created and applied to like properties.

- Recommendation 14: Procedures used in the District's ratio studies should be brought into conformance with IAAO standards, especially with respect to trimming, but also with respect to stratification, documentation, and other matters.

- Recommendation 26: A two-part training needs analysis should be made. First, RPAD should identify any shortcomings in the training of the current appraisal staff. Second, RPAD should formalize a continuing education requirement (also addressed by the *Standard on Professional Development*). Appropriate funding for training should be provided.

Office of Tax and Revenue

- Recommendation 19: RPAD personnel should respond to any presentation of evidence on the part of petitioners overly relying on leased-fee values at level-two hearings by providing RPTAC commissioners with relevant citations to the market-value standard in the D.C. Code. OTR also should bring the consequences of an over-reliance on leased-fee values based on a selective reading of the National Place decision to the attention of the District Council and to seek clarification of the standard assessment.

Office of Risk Management (ORM) and D.C. Council (DCC) – OIG No. 11-1-08MA

This performance audit report was issued on October 24, 2012. The OIG issued a follow-up letter on December 4, 2013, for four open recommendations contained in the report. The following recommendations remain open as of the date of this report:

Office of Risk Management

- Recommendation 4: Establish and communicate clear and concise roles and responsibilities for personnel appointed as ARMRs with respect to audit findings and recommendations.

- Recommendation 5: Develop and implement a formal training plan for personnel appointed as ARMRs that includes, among others, the procedures for managing the resolution of audit findings and recommendations.

D.C. Council

- Recommendation 6: Consider passing legislation to establish reporting requirements for ORM to communicate its activities with respect to managing the resolution of audit findings and recommendations.

- Recommendation 7: Consider passing legislation to establish requirements for District agencies to remit copies of audits performed at their agencies to ORM.

Office of Contracting and Procurement (OCP) – OIG No. 10-1-19TO(c)

This performance audit report was issued on September 27, 2012. The OIG issued a follow-up letter on December 4, 2013, for two open recommendations contained in the report. However, the following recommendations are open as of the date of this report:

- Recommendation 1: Pursuant to D.C. Code § 1-301.115a (f-3), decline to exercise the remaining option year with Optimal Solutions and Technologies Incorporated (OST) for contract no. DCTO-2008-C-0135.

- Recommendation 2: Determine in writing that use of a contract to procure District information technology (IT) services is more economical than using OCP personnel, before issuing a new request for proposal.

Office of Risk Management (ORM) – OIG No. 11-1-08MA(a)

This performance audit report was issued on September 21, 2012. The OIG issued a follow-up letter on December 4, 2013, for two open recommendations contained in the report. However, the following recommendations are open as of the date of this report:

- <u>Recommendation 1</u>: Follow up with agency officials on the 33 recommendations that have not been fully implemented to ensure that agencies continue to work aggressively to timely close these recommendations.

- <u>Recommendation 2</u>: Ensure that sufficient supporting documentation is maintained for all audit recommendations that District agencies report as closed.

Office of Contracting and Procurement (OCP) – OIG No. 10-1-19TO(b)

This performance audit report was issued on March 22, 2012. The OIG issued a follow-up letter on December 4, 2013, for two open recommendations contained in the report. However, the following recommendations are open as of the date of this report:

- Recommendation 1: Mandate that contracting officers perform cost analyses for all negotiated contracts valued in excess of $500,000 as required in 27 DCMR § 1626.1.

- Recommendation 2: Coordinate with the Council of the District of Columbia to reinstate the statutory requirement, previously found in D.C. Code § 2-303.08(a) (2006), to mandate contractors or offerors submit cost or pricing data for all negotiated contracts valued in excess of $100,000.

Department of Housing and Community Development (DHCD) – OIG No. 08-1-18CR

This performance audit report was issued on February 17, 2012. The OIG issued a follow-up letter on October 2, 2012, for 12 open recommendations contained in the report. All 12 recommendations remain open as of the date of this report:

- Recommendation 1: Establish clear and measurable annual performance objectives for the condominium conversion process that support DHCD's mission and strategic objectives.

- Recommendation 13: Establish physical access control policies that identify and limit the number of individuals granted access to critical condominium files.

- Recommendation 14: Track and utilize appropriate cost accounting data to determine whether the current registration fee is sufficient to recover costs associated with processing applications and related administrative activities.

- Recommendation 24: Establish an electronic interface with information systems managed by OTR (Office of Tax and Revenue) and ROD (Recorder of Deeds) to efficiently monitor sales of condominium units for purposes of identifying and collecting conversion fees due.

- Recommendation 30: Maintain complete and accurate information of all condominium properties approved for reduced conversion fees.

- Recommendation 33: Track and account for all condominium properties approved for vacancy exemptions under specific statutory provisions.

- Recommendation 34: Maintain applications for exemption, letters of certification, approvals, and signed inspection reports in a consistent manner such that the documentation is available for each condominium property approved for vacancy exemption.

- Recommendation 36: Maintain complete and clear records to demonstrate compliance with the District's warranty security requirements.

- Recommendation 37: Implement an automated mechanism for identifying sales of condominium units and ascertaining whether condominiums are in compliance with warranty security requirements.

- Recommendation 38: Implement a system to monitor the amount and type of security required from each property owner, and the actual security amount posted.

- Recommendation 39: Establish and implement a standard, minimum warranty security amount for all condominiums in order to satisfy the requirements of D.C. Code § 42-1903.16(e)(1)(2010).

- Recommendation 40: Obtain a legal interpretation from the D.C. Office of the Attorney General regarding the period for which a warranty bond or letter of credit is required to be maintained in accordance with D.C. Code §§ 42-1903.16(b) & (e)(1) (2010).

District Department of Transportation (DDOT) – OIG No. 10-1-13KA

This performance audit report was issued on February 15, 2012. The OIG issued a follow-up
letter on October 2, 2012, for three open recommendations contained in the report. The
following recommendation remains open as of the date of this report:

- <u>Recommendation 3</u>: Review all proposed change orders (PCOs) and take actions to
  immediately remedy any pricing deficiencies.

D.C. Office on Aging (DCOA) – OIG No. 10-1-02BY/HT

This performance audit report was issued on September 23, 2011. The OIG issued a follow-up letter on April 3, 2012, for five open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- Recommendation 1: Take the necessary steps including consulting with the Office of the Attorney General, as appropriate, to recover the $1.8 million of District funds that Vital Management Team Long Term Care Management, Inc. (VMT) transferred without the District's authorization and used to settle a U.S. Department of Labor (DOL) assessment.

- Recommendation 3: Take the necessary steps, including consulting with the Office of the Attorney General, as appropriate, to recover $400,000 from VMT for its failure to submit Medicare claims in a timely manner within 15 months from the end of FYs 2007 through 2009.

- Recommendation 4: Take action, including consulting with the Office of the Attorney General, as appropriate, to recoup $357,839 from VMT Corporation for subcontracting Medicaid billing services without proper authorization.

Office of Contracting and Procurement (OCP) – OIG No. 10-1-19TO

This performance audit report was issued on August 3, 2011. The OIG issued a follow-up letter on April 3, 2012, for six open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- Recommendation 2: Require Optimal Solutions and Technologies Incorporated (OST) officials to respond to the evaluation committee's concerns with OST's Best and Final Offer (BAFO) rates and adjust the rates if necessary.

- Recommendation 5: Include the 1 percent sales discount requirement in the ITSA contract terms and conditions when exercising future options.

- Recommendation 9: Require the requesting agency to maintain an independent time-tracking system for all contractors in order to provide documentation for approval of weekly timesheets.

Department of General Services (DGS) – OIG No. 09-2-28GM

This performance audit report was issued on June 29, 2011. The OIG issued a follow-up letter on April 3, 2012, for two open recommendations contained in the report. The following recommendation remains open as of the date of this report:

- <u>Recommendation 8</u>: That the Executive Director for the Office of Public Education Facilities Modernization (OPEFM) require Leftwich and Ludaway to assign someone other than the partner at issue to the OPEFM contract if OPEFM continues to use the law firm, or alternatively, refrain from awarding an agreement or contract to the law firm.

Office of Contracting and Procurement (OCP) – OIG No. 08-2-06TO(a)

This performance audit report was issued on September 15, 2010. The OIG issued a follow-up letter on March 11, 2011, for six open recommendations contained in the report. All six recommendations remain open as of the date of this report:

- <u>Recommendation 3</u>: Comply with the requirements established in 27 DCMR § 2100 for purchasing from existing term contracts. We recommend that the procurement checklist include a review of existing supply sources as a step for sign-off by contracting specialists or contracting officers.

- <u>Recommendation 4</u>: Comply with D.C. Code § 2-218.45 (Mandatory set-aside of contracts with a value of $100,000 or less for small business enterprises). We recommend that the procurement checklist include this requirement for sign-off by contracting specialists/officers. The exceptions should also be documented in the D&F (Determination and Findings).

- <u>Recommendation 5</u>: Comply with the requirement established in 27 DCMR § 1626 for the performance of the cost analysis. We recommend that the procurement checklist include the requirement to obtain certified cost/pricing data from contractors and perform the cost analysis. The exceptions should also be documented in the D&F.

- <u>Recommendation 6</u>: Establish procedures that require contracting personnel to have the training necessary to perform cost analyses.

- <u>Recommendation 10</u>: Determine whether DBTS (Delivering Business & Technology Solutions, Inc.) should be assessed a penalty for noncompliance with the contract.

- <u>Recommendation 13</u>: Compare supporting documentation (timesheets) independently maintained by COTRs (Contracting Officer's Technical Representatives) with supporting documentation submitted with DBTS invoices that were certified by COTRs for payment during FYs 2007 and 2008 and seek repayment for all unsupported invoices.

District of Columbia Public Schools (DCPS) – OIG No. 08-2-02GA

This performance audit report was issued on July 30, 2010. The OIG issued a follow-up letter on March 11, 2011, for six open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- <u>Recommendation 1</u>: Recover funds paid to former employees who inappropriately received payments after their employment date.

- <u>Recommendation 2</u>: Determine if the 90 individuals identified as questionable employees were bona fide employees for the pay period ending November 10, 2007, and take action to recover any funds inappropriately paid to these individuals.

- <u>Recommendation 5</u>: Implement the PeopleSoft component that enables employees to enter their own time into the payroll system and managers (or other designated personnel) to approve those entries, and develop controls to ensure that no employee can approve his/her own time in the system.

Department of Health Care Finance (DHCF) – OIG No. 08-2-17HC

This performance audit report was issued on June 29, 2010. The OIG issued a follow-up letter on March 11, 2011, for four open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- Recommendation 1: Establish and implement cost-containment controls such as compensation caps, to ensure that ICF/DD (Intermediate Care Facility for People with Developmental Disabilities) rates do not result in excessive compensation to executives.

- Recommendation 2: Implement existing internal controls, such as performing audits of cost reports, to identify and recoup unallowable costs and to verify that reimbursement rates are accurate.

- Recommendation 3: Immediately review executive compensation of the ICF/DD providers not included in our audit to identify and recoup any executive compensation determined to be unreasonable.

- Recommendation 4: As part of management oversight, perform a periodic evaluation of the reimbursement office to determine whether actual operations comply with District and federal laws and regulations.

District Department of Transportation (DDOT) – OIG No. 09-2-02KA

This performance audit report was issued on July 23, 2009. We did not issue a follow-up letter to determine the status of all open recommendations contained in the report because the report was covered in our most recent triennial follow-up audit of final reports issued in FYs 2008 – 2010. The following recommendations remain open as of the date of this report:

- Recommendation 5: Contact the International Fuel Tax Association (IFTA) to identify what changes or corrections are needed in the DDOT's administration of the International Registration Plan (IRP) program to ensure compliance and to gain acceptance in the IFTA.

- Recommendation 6: Complete actions necessary to participate in the IFTA Clearinghouse for processing and payment of fuel taxes.

Department of Fire and Emergency Medical Services (FEMS) – OIG No. 07-2-31FB

This performance audit report was issued on March 23, 2009. The OIG issued a follow-up letter on March 29, 2009, for seven open recommendations contained in the report. The following recommendations remain open as of the date of this report:

- <u>Recommendation 1</u>: Integrate business-related activities into FEMS' mission to provide assurance that key business functions have adequate oversight and accountability.

- <u>Recommendation 4</u>: Implement steps to identify and maintain information on contract end dates to provide adequate time for planning and negotiating new contracts prior to expiration of existing contracts.

- <u>Recommendation 12</u>: Utilize the services of a collection agency that will work on a contingent fee basis to collect past due accounts after 180 days of billing.

- <u>Recommendation 14</u>: Provide MAA (Medical Assistance Administration) with a detailed cost analysis of its emergency transport costs to support a state plan amendment by MAA to increase Medicaid reimbursement rates, and continue to develop cost analyses annually as required by Section 4.19.b of the District's State Medicaid Plan.

Office of Risk Management (ORM) – OIG No. 08-1-03MA

This performance audit report was issued on March 12, 2009. We did not issue a follow-up letter for open recommendations contained in the report. We verified the status of recommendations and reported the results in our triennial follow-up audit report issued on October 24, 2012. The following recommendations remain open as of the date of this report:

- Recommendation 2: Implement a comprehensive Web-based database system to accurately and completely track recommendations directed to the District agencies and to facilitate the timely resolution of outstanding recommendations from various sources including the OIG, D.C. Auditor, GAO (Government Accountability Office), federal inspectors general, and external auditors.

- Recommendation 6: Develop and disseminate formal goals and objectives of the audit follow-up process as part of the annual performance-based budgeting approach, and emphasize individual accountability for conforming to the related control guidelines. Management should continuously monitor follow-up activities to achieve the established objectives.

D.C. Public Charter School Board (DCPCSB) – OIG No. 07-2-06HC

This performance audit report was issued on December 4, 2008. We did not issue a follow-up letter to determine the status of all open recommendations contained in the report because the report was covered in our most recent triennial follow-up audit of final reports issued in FYs 2008 – 2010. The following recommendation remains open as of the date of this report:

- Recommendation 1: Submit a proposal to the Council of the District of Columbia to revise the School Reform Act to require that: (a) charter school applicants identify proposed sites when they submit their applications to open public charter schools; (b) the DCPCSB notify the appropriate Advisory Neighborhood Commission (ANC) when charter school applicants identify their actual school sites; and (c) the DCPCSB give ANCs an opportunity to provide comments after applicants identify their actual school sites and before the Board grants full approval.

Department of Health (DOH) – OIG No. 07-2-06HC

This performance audit report was issued on October 15, 2008. We did not issue a follow-up letter to determine the status of all open recommendations contained in the report because the report was covered in our most recent triennial follow-up audit of final reports issued in FYs 2008 – 2010. The following recommendations remain open as of the date of this report:

- Recommendation 2: Establish policies and procedures that require HIV/AIDS Administration (HAA) management to provide effective supervision over its general contract administration responsibilities, including such contract activities as the review and approval of contractors' invoices submitted for payment. Require HAA to periodically assess compliance with the established policies.

- Recommendation 3: Establish a training program for Contracting Officer's Technical Representatives (COTRs) that requires basic and refresher training, utilizing the expertise of the Office of Contracting and Procurement (OCP), the Center for Workforce Development, and the myriad of COTR training programs (such as those provided by the Graduate School, USDA, the General Services Administration, other federal agencies, and commercial vendors).

- Recommendation 4: Direct HAA management to routinely screen contract files to verify that COTRs have monitored contractor performance.

- Recommendation 5: Take necessary action to recover $106,000 in questionable/unallowable startup costs and $28,353 in unauthorized travel costs.

- Recommendation 16: Develop a verification process to validate HIV/AIDS program deliverables, including practices that provide reasonable assurance those services are being provided.

- Recommendation 18: Periodically review grant and subgrantee files and records to ensure that the operating divisions adhere to all District statutes, regulations, and agency policies and procedures relating to records management.

Department of Parks and Recreation (DPR) – OIG No. 06-1-08HA

This performance audit report was issued on May 13, 2008. We did not issue a follow-up letter to determine the status of all open recommendations contained in the report because the report was covered in our most recent triennial follow-up audit of final reports issued in FYs 2008 – 2010. The following recommendation remains open as of the date of this report:

- Recommendation 12: Coordinate with the Chief Procurement Officer, Office of Contracting and Procurement (OCP) to determine the amount of overpayments of management fees and take action to recover overpayments made to contractors JLC/A (Jair Lynch Consulting/Alpha Corporation) and TTGI (The Temple Group, Inc.).