

# DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

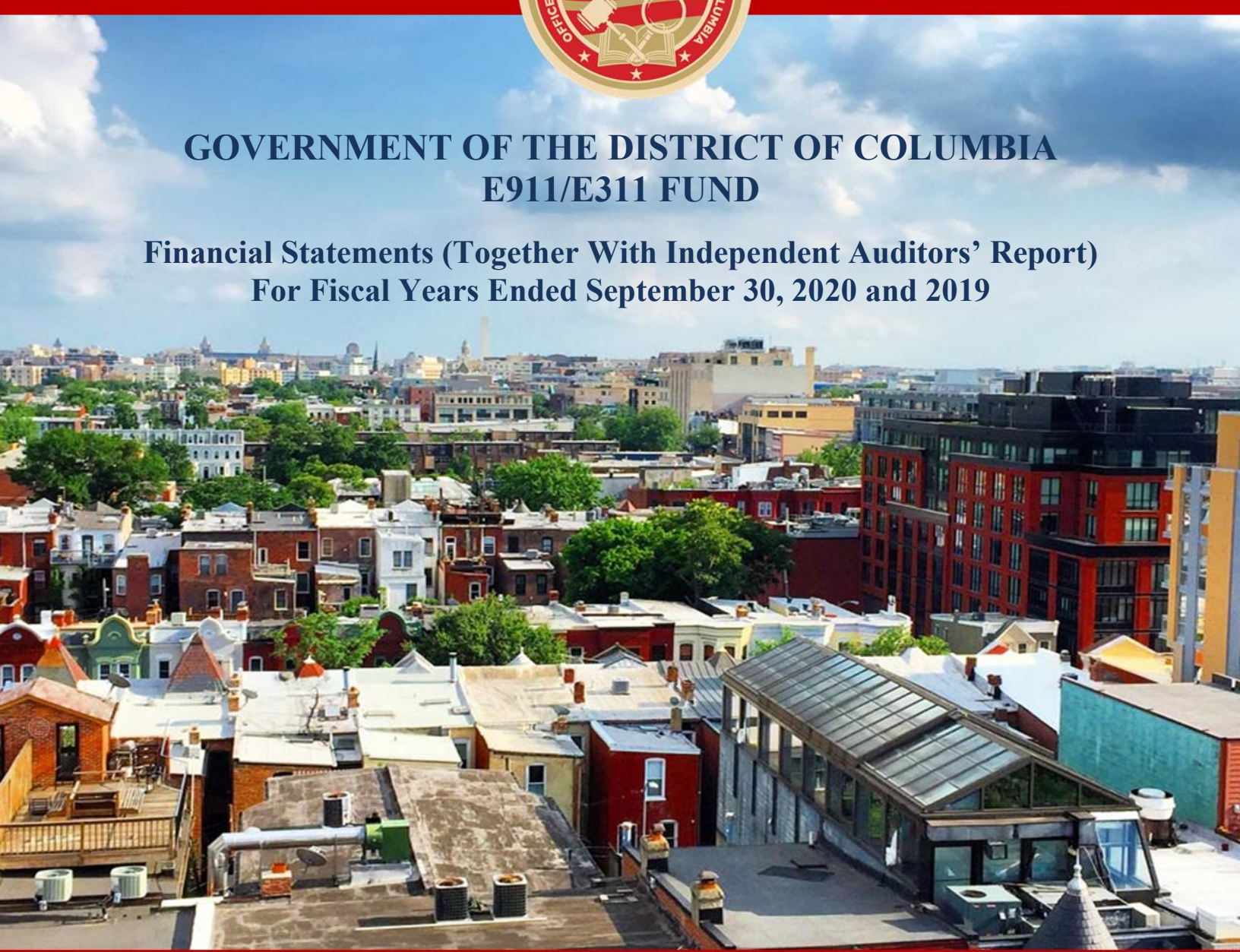
OIG Project No. 21-1-17UC

January 2021



## GOVERNMENT OF THE DISTRICT OF COLUMBIA E911/E311 FUND

Financial Statements (Together With Independent Auditors' Report)  
For Fiscal Years Ended September 30, 2020 and 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



January 29, 2021

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

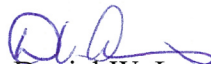
Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the final report entitled *Government of the District of Columbia E911/E311 Fund Financial Statements (Together With Independent Auditors' Report) for the Fiscal Years Ended September 30, 2020 and 2019* (OIG No. 21-1-17UC). McConnell Jones, LLP (MJ) conducted the audit and submitted this component report as part of our overall contract for the audit of the District of Columbia's general-purpose financial statements for fiscal year 2020.

On December 31, 2020, MJ issued its opinion and concluded that the financial statements are presented fairly in all material respects, in accordance with accounting principles generally accepted in the United States of America. MJ identified no material weaknesses in internal control over financial reporting.

If you have questions about this report, please contact me or Fekede Gindaba, 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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The Honorable Kathy Patterson, D.C. Auditor, Office of the D.C. Auditor, Attention: Cathy Patten (via email)

Mr. Jed Ross, Director and Chief Risk Officer, Office of Risk Management (via email)

Mr. Wayne McConnell, Managing Partner, McConnell & Jones LLP (via email)

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
E911/E311 FUND**

**Financial Statements Together  
with Independent Auditors' Report**

**For the Years Ended  
September 30, 2020 and 2019**

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

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## INDEPENDENT AUDITORS' REPORT

To the Mayor, Members of the Council of the Government of the District of Columbia and  
Inspector General of the Government of the District of Columbia  
Washington, D.C.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Government of the District of Columbia E911/E11 Fund (the Fund), a part of the General Fund of the Government of the District of Columbia, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The Fund's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of September 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the financial statements present only the Fund and do not purport to, and do not present fairly the financial position of the Government of the District of Columbia as of September 30, 2020, the changes in its financial position for the year then ended, in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to the matter.

***Other Matters******Prior Period Financial Statements***

The financial statements of the Fund as of and for the year ended September 30, 2019 were audited by other auditors. Those auditors expressed an unmodified opinion on those statements in their report dated December 20, 2019.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5, and the budgetary comparison schedule on page 11, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2020, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.



Washington, D.C.  
December 31, 2020



# GOVERNMENT OF THE DISTRICT OF COLUMBIA DC E911-E311 FUND

## Management's Discussion and Analysis For the Years Ended September 30, 2020 and 2019

The following is a discussion and analysis of the Government of the District of Columbia (District) E911/E311 Fund's (Fund) financial performance for the fiscal years ended September 30, 2020 and 2019. The Office of Unified Communications, which is a subordinate agency under the Mayor, is responsible for the administration of the Fund. The financial statements and accompanying notes should be read in conjunction with this discussion.

### Basic Financial Statements

The Fund's basic financial statements are comprised of two components: fund financial statements and notes to the financial statements.

- **Fund Financial Statements.** The governmental financial statements focus primarily on the sources, uses, and balances of current financial resources. The financial statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances.
- **Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

### Financial Highlights

#### 2020

- Pooled Cash decreased by \$6,020,032 or 21%. The decrease was due to current year expenditures exceeding current year revenue.
- Fund balance decreased by \$ 5,754,286 or 19%. The decrease was due to decreased revenue and usage of fund balance in fiscal year 2020.

#### 2019

- Pooled Cash increased by \$22,701,491 or 380%. The increase was due to \$23,925,500 District Council-approved revenue transfer from Events DC.
- Fund balance increased by \$22,945,685 or 302%. The net increase was due to the \$23,925,500 District Council approved revenue transfer from Events DC which was offset by approximately \$1 million in fund balance used in fiscal year 2019.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Management's Discussion and Analysis  
For the Years Ended September 30, 2020 and 2019**

**Condensed Balance Sheet as of September 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2020-2019</u>		<u>2019-2018</u>	
				<u>Variance</u>	<u>% Variance</u>	<u>Variance</u>	<u>% Variance</u>
Total Assets	\$ 25,566,622	\$ 31,479,936	\$ 8,811,140	\$ (5,913,314)	-19%	\$ 22,668,796	257%
Total Liabilities	\$ 768,125	\$ 927,153	\$ 1,204,042	\$ (159,028)	-17%	\$ (276,889)	-23%
Fund Balance	\$ 24,798,497	\$ 30,552,783	\$ 7,607,098	\$ (5,754,286)	-19%	\$ 22,945,685	302%

**2020**

- Assets – A decrease in total assets by \$5,913,314 or 19% in fiscal year 2020 is attributed to the decrease due to use of fund balance in the fiscal year. This usage includes a reduction in the cash.
- Liabilities – The liabilities decreased in fiscal year 2020 by \$159,028 or 17%. The decrease is attributed to decreased non-personnel service costs incurred in fiscal year 2020 compared to 2019.

**2019**

- Assets – An increase in total assets by \$22,668,796 or 257% in fiscal year 2019 is attributed to the increase of \$23,925,500 cash received from District Council-approved revenue transfer from Events DC.
- Liabilities – The liabilities decreased in fiscal year 2019 by \$276,889 or 23%. The decrease is attributed to decreased non-personnel service costs incurred in fiscal year 2019 compared to 2018.

Revenue	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2020-2019</u>		<u>2019-2018</u>	
				<u>Variance</u>	<u>% Variance</u>	<u>Variance</u>	<u>% Variance</u>
User Fees	\$ 12,162,963	\$ 11,964,155	\$ 11,812,025	\$ 198,808	2%	\$ 152,130	1%
<b>Total Revenue</b>	<b>12,162,963</b>	<b>11,964,155</b>	<b>11,812,025</b>	<b>198,808</b>	<b>2%</b>	<b>152,130</b>	<b>1%</b>
<b>Expenditures</b>							
Payroll	6,462,694	2,315,837	-	4,146,857	179%	2,315,837	0%
Telephone, Teletype, Telegram	3,027	31,701	-	(28,674)	-90%	31,701	0%
Professional/Contractual Services	7,062,180	3,596,556	7,702,916	3,465,624	96%	(4,106,360)	-53%
Information Technology	2,878,371	6,436,119	4,472,088	(3,557,748)	-55%	1,964,031	44%
Other*	338,172	903,553	808,341	(565,381)	-63%	95,212	12%
<b>Total Expenditures</b>	<b>16,744,444</b>	<b>13,283,766</b>	<b>12,983,345</b>	<b>3,460,678</b>	<b>26%</b>	<b>300,421</b>	<b>2%</b>
<b>Other Financing Sources (Uses)</b>							
Interest Income	282,634	339,795	-	(57,161)	-17%	339,795	0%
Prior Year Cost Recovery	60	-	-	60	0%	-	0%
Transfer from other fund/DC Agencies	(1,455,500)	23,925,500	155,237	(25,381,000)	-106%	23,770,263	15312%
<b>Total Other Financing Sources (Uses)</b>	<b>(1,172,806)</b>	<b>24,265,295</b>	<b>155,237</b>	<b>(25,438,101)</b>	<b>-105%</b>	<b>24,110,058</b>	<b>15531%</b>
Net Change in Fund Balance	(5,754,286)	22,945,685	(1,016,083)	\$ 23,961,768	-125%	\$ 23,961,768	-2358%
Begin. Fund Bal. Oct. 1	30,552,783	7,607,098	8,623,181				
<b>Ending Fund Bal. Sep. 30</b>	<b>24,798,497</b>	<b>30,552,783</b>	<b>\$ 7,607,098</b>				

\*Other=General+Travel+Maintenance&Repairs Auto+Office Support+Tuition Reimbursement

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Management's Discussion and Analysis  
For the Years Ended September 30, 2020 and 2019**

**2020**

- **Revenue** – The Fund assesses user fees to carriers. The fiscal year 2020 fees totaled \$12,162,959 which was an increase of \$198,808 or 2%.
- **Expenditures** – Overall expenditures increased by \$ 3,460,678 or 26%. During fiscal year 2020, more payroll expenditures were reclassified from local source dollars to the Fund resulting in increased expenditures mainly from comp source 0011.
- **Interest Income** – Interest Income decreased by \$57,159 to \$282,636. The decrease is attributed to lower interest rate for FY 20 compared to prior year.

**2019**

- **Revenue** – The Fund assesses user fees to carriers. The fiscal year 2019 fees totaled \$11,964,155, which was an increase of \$152,130 or 1%.
- **Expenditures** – Overall expenditures increased by \$300,420 or 2%. During fiscal year 2019, expenditures were more specifically classified at the object level; therefore, the expenditure variances at the object level are driven by this change in methodology. The overall expenditure variance is (2%).
- **Interest Income** – Interest Income increased by \$184,558 or 119%. The increase is attributed to increased cash deposit during the 4th quarter of fiscal year 2019 and an increased interest rate in fiscal year 2019 relative to 2018.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Balance Sheets  
As of September 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Pooled Cash	\$ 22,650,162	\$ 28,670,194
Due from District's General Fund	8,200	-
Accounts Receivable	2,908,260	2,809,742
<b>Total Assets</b>	<b><u>\$ 25,566,622</u></b>	<b><u>\$ 31,479,936</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Vouchers Payable	479,278	808,866
Payroll Liabilities	288,847	118,287
<b>Total Liabilities</b>	<b><u>768,125</u></b>	<b><u>927,153</u></b>
<b>FUND BALANCE</b>		
Committed	22,470,000	23,925,500
Restricted	2,328,497	6,627,283
<b>Total Fund Balance</b>	<b><u>24,798,497</u></b>	<b><u>30,552,783</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 25,566,622</u></b>	<b><u>\$ 31,479,936</u></b>

*The accompanying notes are an integral part of the financial statements*

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Years Ended September 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Revenue:</b>		
Wireline, Wireless, and VOIP User Fees	\$ 11,670,031	\$ 11,503,204
Prepaid Wireless and Internet User Fees	492,933	460,951
<b>Total Revenue</b>	<b><u>12,162,964</u></b>	<b><u>11,964,155</u></b>
<b>Expenditures:</b>		
Payroll	6,462,694	2,315,837
Supplies	-	20,000
General	52,688	232,950
IT Supplies	-	31,701
Telephone, Teletype, Telegram, etc.	3,027	-
Travel	6,143	9,967
Maintenance and Repairs Auto	36,843	33,804
Professional Services	279,463	926,473
Contractual Services	6,782,717	2,670,084
Office Support	148,152	293,381
IT Consultants Contracts	39,125	-
IT Training	4,350	-
Tuition Reimbursement	94,346	261,189
IT Hardware Maintenance	99,423	257,291
IT Software Maintenance	2,448,360	5,486,484
OCTO IT Assessment	213,186	559,511
Furniture & Fixtures	-	40,948
Equipment & Machinery	-	11,314
IT Hardware Acquisitions	73,927	114,835
IT Software Acquisitions	-	17,996
<b>Total Expenditures</b>	<b><u>16,744,444</u></b>	<b><u>13,283,765</u></b>
<b>Excess (Deficiency) of Revenue Over(Under) Exp.</b>	<b>(4,581,480)</b>	<b>(1,319,610)</b>
<b>Other Financing Sources (Uses)</b>		
Interest Income	282,634	339,795
Prior Year Cost Recovery	60	-
Transfer from the District's General Fund	(1,455,500)	23,925,500
<b>Total Other Financing Sources (Uses)</b>	<b><u>(1,172,806)</u></b>	<b><u>24,265,295</u></b>
<b>Net Change in Fund Balance</b>	<b>(5,754,286)</b>	<b>22,945,685</b>
Beginning Fund Balance	30,552,783	7,607,098
<b>Ending Fund Balance</b>	<b><u>\$ 24,798,497</u></b>	<b><u>\$ 30,552,783</u></b>

*The accompanying notes are an integral part of the financial statements*

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Notes to the Financial Statements  
For the Years Ended September 30, 2020 and 2019**

**NOTE 1        DESCRIPTION OF FUND**

The Emergency and Non-Emergency Number Telephone Calling Systems Fund (the “Fund”) was created on August 11, 2000 pursuant to the Emergency and Non-Emergency Telephone Calling Systems Fund Act of 2000 (the “Act”). The Fund is part of the General Fund of the District of Columbia (the “District”) and is funded by user fees imposed by the Act. The user fees are collected from providers who have subscribers with wireless, wireline, and voice over internet protocol services. Effective October 1, 2010, the Fund began collecting fees from providers who sell prepaid wireless services. The Office of Unified Communications (OUC), an independent District agency, is responsible for the administration of the Fund.

**NOTE 2        SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The accompanying financial statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP), as prescribed by the Government Accounting Standards Board (GASB).

A fund is a separate entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

The Fund is part of the General Fund of the District and the financial statements of the Fund report the financial position and the results of its operations. These financial statements present only the Fund and are not intended to present fairly the financial position or changes in financial position of the District as a whole, in conformity with accounting principles generally accepted in the United States of America.

***Measurement Focus and Basis of Accounting***

The financial statements are prepared using the economic resources measurement focus and the modified basis of accounting. Revenue is recognized when it is both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon thereafter, to be used to pay liabilities of the current period. For this purpose, any revenues collected within 60 days after year-end is considered available to pay liabilities of the Fund. Expenditures are recorded when the liability is incurred, regardless of the timing related to cash flow.

***Reclassifications***

Certain reclassifications have been made to the 2019 financial statements to conform to the 2020 financial statement presentation. These reclassifications had no effect on changes in fund balances.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Notes to the Financial Statements  
For the Years Ended September 30, 2020 and 2019**

*Fund balances*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Fund is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

*Restricted:* This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws of regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed:* This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the District Council, the District's highest level of decision making authority. These amounts cannot be used for any other purposes unless the City removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first.

*Estimates*

The preparation of the financial statements in conformity GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities. These estimates also affect the contingent assets and liabilities at the date of the financial statements and the reported amounts of receivables and expenses during the period. Accordingly, actual results could differ from those estimates.

**NOTE 3 POOLED CASH**

Cash is deposited into the Districts concentration account and reconciled by OFOS on a monthly basis. The cash balances are insured under the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and securities are insured up to \$500,000 under Securities Investor Protection Corporation (SIPC). At times, the balances on deposit and securities will exceed the balance insured by the FDIC and SIPC.

The Fund's cash is deposited into an invested pooled account with the District. As required by D.C. Law 34-1802, the District allocates to the Fund its share of interest income earned from the pooled account. In fiscal year 2020, interest income allocated to the Fund totaled \$282,635. At September 30, 2020 and 2019, the Fund's pooled cash with the District totaled \$22,650,162 and \$28,670,194 respectively.

In accordance with District policies, substantially all deposits were insured or collateralized with securities held by the District or by its agent in the name of the District. As of September 30, 2020, and 2019, there was no exposure to interest rate, credit, concentration or foreign currency risks as the Fund held no investments.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Notes to the Financial Statements  
For the Years Ended September 30, 2020 and 2019**

**NOTE 4          ACCOUNTS RECEIVABLE**

Accounts receivable represents the fees owed by carriers. At September 30, 2020 and 2019, accounts receivables were estimated at \$2,908,260 and \$2,809,742 respectively.

**NOTE 5          SUBSEQUENT EVENTS**

The District has evaluated subsequent events through the date this report was available for issuance, which is December 31, 2020. The review revealed no material events that would influence the financial statements.



**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Budgetary Comparison Schedule  
For the Year Ended September 30, 2020**

	<b>Budget</b>		
	<b>Adopted and Final</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue:</b>			
User Fees	\$ 20,773,419	\$ 12,162,963	\$ 8,610,456
<b>Total Revenues</b>	<b>20,773,419</b>	<b>12,162,963</b>	<b>8,610,456</b>
<b>Expenditures :</b>			
Payroll	7,894,630	6,462,694	1,431,936
General	192,000	52,688	139,312
Telephone, Teletype, Telegram, etc.	-	3,027	(3,027)
Travel-Local	-	15	(15)
Travel-Out of City	-	6,128	(6,128)
Maintenance & Repairs -Auto	20,000	36,843	(16,843)
Professional Services	88,000	279,463	(191,463)
Contractual Services	8,136,189	6,782,717	1,353,472
Membership Dues	3,500	-	3,500
IT Consultants Contracts	-	39,125	(39,125)
IT Training	-	4,350	(4,350)
Tuition Reimbursement	52,370	94,346	(41,976)
IT Hardware Maintenance	170,175	99,423	70,752
IT Software Maintenance	3,577,914	2,448,360	1,129,554
OCTO IT Assessment	228,641	213,186	15,455
IT Hardware Acquisitions	295,000	73,927	221,073
Purchases-Automotive Equipment	50,000	-	50,000
Purchases-Furniture & Fixtures	30,000	-	30,000
Other-Clothing and Uniforms	35,000	-	35,000
Office Support	-	148,152	(148,152)
<b>Total Expenditures</b>	<b>20,773,419</b>	<b>16,744,444</b>	<b>4,028,975</b>
<b>Excess of Rev Over Exp.(Under)</b>	<b>\$ -</b>	<b>\$ (4,581,481)</b>	<b>\$ 4,581,481</b>

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DC E911-E311 FUND**

**Notes to the Budgetary Comparison Schedule  
For the Year Ended September 30, 2020**

**NOTE 1            BUDGET BASIS**

The Fund has a legal adopted budget approved by the District's City Council. Pursuant to the Reprogramming Policy Act, the District may reallocate budget amounts within an appropriation title. No reallocations occurred within the Fund in fiscal year 2020. The budgetary comparison schedule has been prepared in accordance with the accounting principles generally accepted in the United States of America.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

To the Mayor, Members of the Council of the Government of the District of Columbia and  
Inspector General of the Government of the District of Columbia  
Washington, D.C.

We have audited, 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, the financial statements of the Government of the District of Columbia's E911/E311 Fund (the Fund), a part of the General Fund of the Government of the District of Columbia, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated December 31, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Washington, D.C.  
December 31, 2020