# Office of the District of Columbia Auditor
## Fiscal Year (FY) 2016 Performance Report

The Office of the District of Columbia Auditor's (ODCA) mission is to support the Council of the District of Columbia by making sound recommendations to improve the economy, efficiency, and accountability of the District government.

To evaluate how well we are meeting our mission, we use the following four Key Performance Indicators (KPIs). These metrics are designed to track our annual progress in meeting our goals to be responsive to the Council, craft implementable recommendations, conduct work that is valuable to our stakeholders, and complete work products in a timely fashion.

| ODCA Key Performance Indicators (KPIs) | FY 2013 Actual | FY 2014 Actual | FY 2015 Actual | FY 2016 Actual | FY 2017 Target |
|---|---|---|---|---|---|
| KPI #1: Number of times the Council has acted based on ODCA reports or other ODCA information | Not available | Not available | Not available | 8 | 10 |
| KPI #2: Percentage of recommendations implemented within one year | 49% | 53% | 14% | Not available* | 55% |
| KPI #3: Percentage of surveyed auditees and stakeholders who responded that engagement was "very valuable" or "valuable" | Not available | Not available | Not available | 91% | 92% |
| KPI #4: Percentage of engagements completed within 10 months | Not available | Not available | Not available | 57% | 60% |

* The data for FY 2016 is not available until the close of FY 2017.

We created KPI #1 to measure how effectively our work meets the needs of the Council and provides a basis for Council actions.
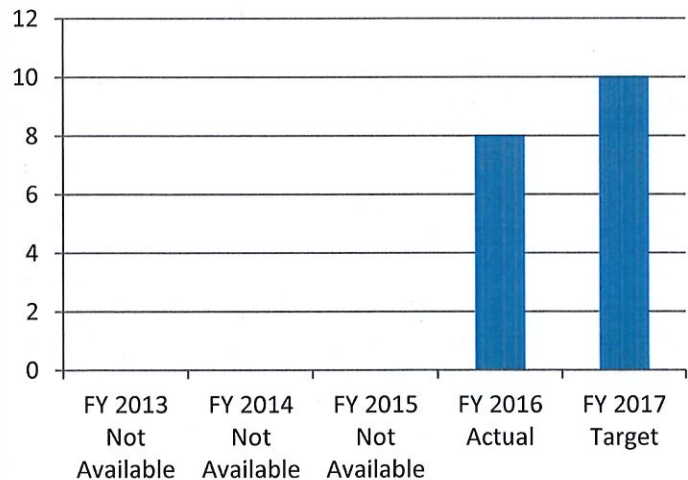
**Key Efforts:**
◈ Ensure there is a strong and steady flow of communication not just to Councilmembers but also to their staff;
◈ Track Council actions to record the impact and relevance of our work; and
◈ Track contacts (meetings, phone calls, emails, etc.) with Councilmembers and their staff members on Council audit requests and audits conducted or being conducted by ODCA.

**Definitions:**
"Acted" refers to Council citing ODCA's work in a hearing, roundtable, briefing, report, or press conference. It also includes issuing a letter, requesting information, or introducing or enacting a law or resolution in response to ODCA work.

"ODCA information" may include testimony, meetings, briefings, letters, etc.



KPI #1: Number of Times the Council has Acted Based on ODCA Reports or Other ODCA Information

## KPI #2:  Percentage of Recommendations Implemented within One Year
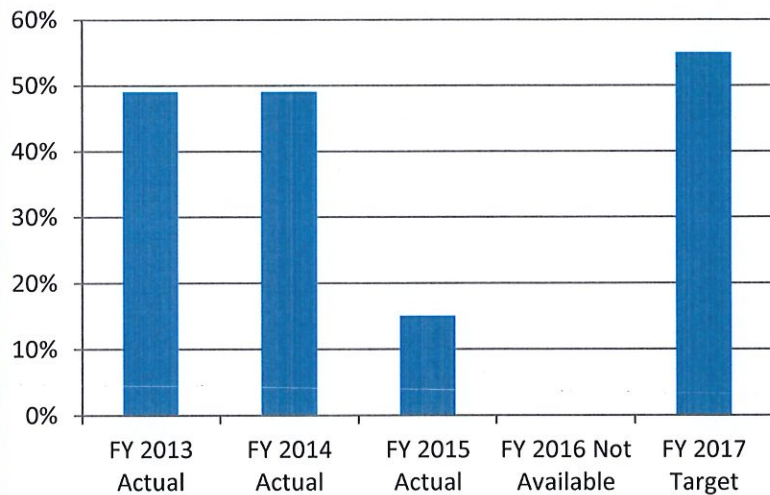


We created KPI #2 to quantify the relevance and usefulness of our recommendations to agency management.

**Key Efforts:**

❖ Improve recommendation writing skills – focus recommendations on root causes;

❖ Engage more directly with agency management throughout audits and evaluations; and

❖ Enhance efforts to uncover root causes for findings.

**Definitions:**

Recommendations deemed "no longer applicable" are not counted.

A recommendation is deemed implemented if the auditee provides proof of implementation within 12 months of report issuance.

In FY 2013-FY2015, only audit recommendations were tracked. Beginning in FY 2016, recommendations made in program evaluation reports and other work products will be tracked in this KPI.

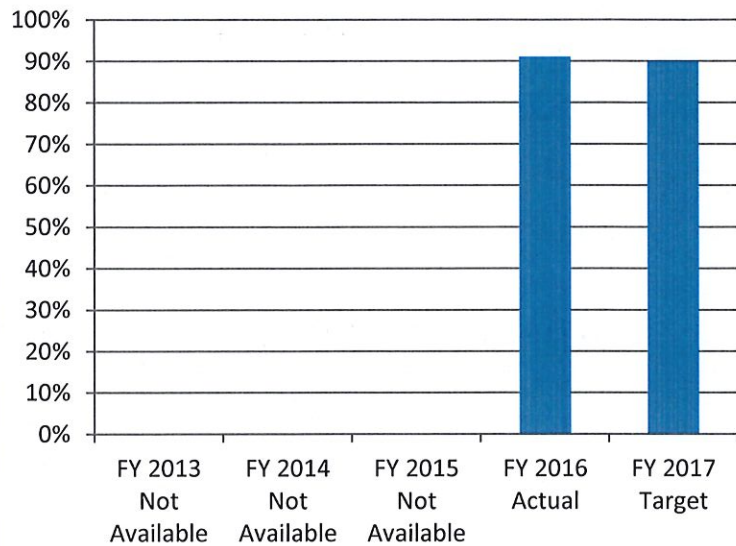We created KPI #3 to ascertain how valuable auditees and stakeholders find our work processes and products.

**Key Efforts:**

- ❖ Select an independent staff member to promptly solicit feedback from auditees and stakeholders;
- ❖ Use the survey results in post-audit review meetings to identify areas for improvement or best practice; and
- ❖ Create multiple channels of communication with our auditees and stakeholders.
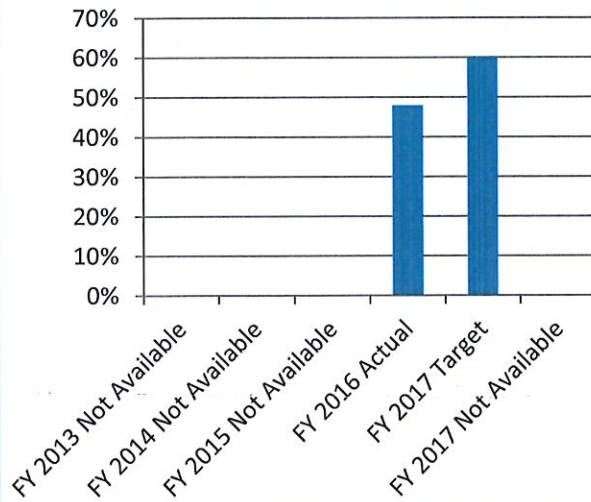
**Definitions:**

"Stakeholders" are parties who had interest or involvement in the audit (e.g., other agencies who provided information, contractors, NGOs, Council staff, ANCs, and citizen groups, etc.).

## KPI #3: Percentage of Surveyed Auditees and Stakeholders who Responded that Engagement was "Very Valuable" or "Valuable"



| | FY 2013 Not Available | FY 2014 Not Available | FY 2015 Not Available | FY 2016 Actual | FY 2017 Target |
|---|---|---|---|---|---|
| Percentage | | | | ~91% | ~90% |

## KPI #4: Percentage of Engagements Completed within 10 Months



We created KPI #4 to assess the ability of our office to produce timely work products.

**Key Efforts:**

◈ Create appropriate and well-defined scope and objectives;

◈ Dedicate sufficient resources (staff members) to the engagement;

◈ Where issues of interest arise that are outside the engagement scope during the project, initiate a separate engagement if warranted, but avoid major revisions or expansions in scope;

◈ Ensure continued communication and engagement with the auditee throughout the audit so that the auditee is aware of findings and recommendations as issues arise during the audit;

◈ Maintain appropriately updated TeamMate file throughout the engagement (for example, records should be uploaded to TeamMate within two business days of receipt and be properly placed in a procedure step and include complete Source, Purpose, Conclusion annotation);

◈ Accurately estimate length of time to completion of engagement at initiation, including appropriate time for internal reviews, creating graphs, etc.; and

◈ Enhance individual staff productivity, improve use of time and improve supervision.

**Definitions:**

Start Date refers to the date that appears on the engagement letter to the auditee. In the case that there is no engagement letter, the start date is the date that appears on an internal workpaper completed at the initiation of the project. .

End Date refers to the date of report issuance.

NOTE: To calculate this KPI we counted reports that were issued in FY 2016.

March 1, 2017

The Honorable Phil Mendelson
Council of the District of Columbia
1350 Pennsylvania Ave., N.W.
Suite 504
Washington, DC  20004

Dear Chairman Mendelson:

Please see enclosed our responses to the follow-up questions contained in your letter, dated February 14, 2017, requesting information in preparation for the Committee of the Whole's March 15, 2017, performance oversight hearing for the Office of the District of Columbia Auditor. Please do not hesitate to contact me at 202-727-3600 should you have any questions or concerns.

Sincerely yours,

Kathleen Patterson
District of Columbia Auditor

# Office of the District of Columbia Auditor's Response to the Committee of the Whole Preliminary Performance Oversight Hearing Follow-Up Questions
## March 1, 2017

1.  **Please provide a list of any additional statutory Audit requirements that you believe are problematic or no longer necessary or relevant for your office to conduct or that have little utility.**

**Response:**

A. ODCA requests that the Council repeal Title, 1, Chapter 3, Subchapter I, Part K: District of Columbia Auditor Compliance Unit, in its entirety. This portion of the Code was added in 2008 and much of it was repealed in 2016. The requirements in this Part are, in fact, duplicative of the work meant to be done by the Department of Small and Local Business Development (DSLBD). If the Council intends that ODCA be required to perform periodic audits of the work of DSLBD, that mandate could be added to the portion of the Code concerning programs for CBEs and SBEs (see Title 2, Chapter 2, Subchapter IX-A).

B. Additionally, ODCA requests that the Council repeal § 2-218.53(d), which requires ODCA to review agency reports to determine whether they are able to meet required annual spending goals with SBEs and CBEs, and to make recommendations on how agencies can meet these goals. This type of recommendation is better fulfilled by DSLBD and the Office of Contract of Contracting and Procurement, as it is wholly outside the core mission and expertise of ODCA. ODCA has been performing this function and issuing annual reports, which have been largely ignored by the agencies.

C. Finally, ODCA requests that § 2-218.46(j) and (k) be amended to strike "District of Columbia Auditor". Currently, these sections require government contractors to meet with DSLBD, the agency contracting officer, project manager and ODCA to provide information on their subcontracting plans for utilization of SBEs and CBEs, and notice shall be provided to DSLBD and ODCA upon the initiation and completion of a project. ODCA is not currently fulfilling this requirement, which falls properly with DSLBD and the contracting agencies and would be an enormous burden upon ODCA staff which would prevent ODCA from fulfilling its core mission activities. Again, ODCA has discretion to audit government contractors and DSLBD to ensure that all contracting and subcontracting provisions are met. By including ODCA in the actual management of these requirements, it hinders our ability to be independent in conducting any audits.

**2.** **How many reports or audits has your office issued in each calendar year 2015, 2016, and 2017 (through February 28) for each of the following categories: statutory (other than ANC compliance), ANC compliance, Auditor-initiated, Council-requested, and management reports.**

| Calendar Year | 2015 | 2016 | 2017 (through 2/28/17) |
|---|---|---|---|
| **Statutory** (not including ANC related) | 12 | 15 | 0 |
| **ANC** (includes individual ANC audits, annual audit of security fund, and annual report) | 7 | 2 | 0 |
| **Auditor-initiated** | 5 | 8 | 3 |
| **Council requested** | 2 | 4 | 2 |
| **Management alerts** | 0 | 2 | 0 |
| **Other** (responses to CM requests for information and other significant work product) | 4 | | 1 |
| **TOTAL** | 30 | 31 | 6 |

**3.** **(a) What is the total real property square footage currently leased by your office?**

**Response:**     10,792 square feet

**(b) Approximately how much square footage would your office require if you were moved into a newly configured space.**

**Response:**     ODCA could manage with significantly less than our current square footage, if effectively configured. We would recommend the following:

- 10 enclosed offices
- 30 work stations
- 2 small meeting rooms
- Copy/binding room
- 1 large meeting/training room
- Break space
- Kitchen
- Storage

**(c) For fiscal years 2014, 2015 and 2016, how much did your office spend on (a) rent, (b) utilities, and (c) all other facility-related costs.**

**Response:**

| Comp Source | FY 2014 | FY 2015 | FY 2016 |
|---|---|---|---|
| Rent | $493,499.66 | $517,662.00 | $532,708.89 |

**Note: Since ODCA is located in a leased facility, occupancy costs and utility costs are covered under the rental agreement with the landlord and not charged as separate items.**