



Government of the District of Columbia

Schedules of Expenditures of Federal
Awards and Reports Required by the
Uniform Guidance
Year Ended September 30, 2017

**Government of the
District of Columbia**

Schedules of Expenditures of Federal
Awards and Reports Required by the
Uniform Guidance
Year Ended September 30, 2017

Government of the District of Columbia

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Management's Section

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Independent Auditor's Report

To the Mayor and the Council of the Government of the District of Columbia

Report on Schedules of Expenditures of Federal Awards

We have audited the accompanying schedules of expenditures of federal awards of the Government of the District of Columbia for the year ended September 30, 2017, and the related notes (the financial statements).

Management's Responsibility

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 the 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the expenditures of federal awards of the Government of the District of Columbia for the year ended September 30, 2017, in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP

June 28, 2018



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**Independent Auditor's Report
on Compliance For Each Major Federal Program and
Report on Internal Control Over Compliance
Required by the Uniform Guidance**

To the Mayor and the Council of the Government of the District of Columbia

Report on Compliance for Each Major Federal Program

We have audited the Government of the District of Columbia's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended September 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The accompanying Schedules of Expenditures of Federal Awards and our audit described below do not include the federal expenditures of the District of Columbia Housing Finance Agency (HFA). Our audit, described below, did not include the operations of HFA because the component unit engaged other auditors, if required, to have an audit performed in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Uniform Guidance. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our unmodified and modified opinions on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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Basis for Adverse Opinions on the Three Major Federal Programs Identified in Table I

As described in the accompanying schedule of findings and questioned costs, and as identified in Table I below, the District did not comply with requirements regarding the following:

Table I - Material Noncompliance Resulting In Adverse Opinions				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-002
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Cash Management	2017-003
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Special Tests and Provisions - ADP System for SNAP	2017-004
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Special Tests and Provisions - EBT Card Security	2017-005
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Eligibility	2017-010
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Child Support Non-Cooperation	2017-011
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Income Eligibility and Verification System	2017-012
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Penalty for Refusal to Work	2017-013



Table I - Material Noncompliance Resulting In Adverse Opinions				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Reporting; Special Tests and Provisions - Penalty for Failure to Comply with Work Verification Plan	2017-014
Homeland Security	97.036	Disaster Grants - Public Assistance	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-022
Homeland Security	97.036	Disaster Grants - Public Assistance	Activities Allowed or Unallowed and Allowable Costs/Cost Principles; Special Tests and Provisions - Project Accounting	2017-023
Homeland Security	97.036	Disaster Grants - Public Assistance	Period of Performance	2017-024
Homeland Security	97.036	Disaster Grants - Public Assistance	Reporting	2017-025

Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to those programs.

Adverse Opinions on the Three Major Federal Programs Identified in Table I

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinions paragraph, the District did not comply in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs identified in Table I for the year ended September 30, 2017.



Basis for Qualified Opinions on the Five Major Federal Programs Identified in Table II

As described in the accompanying schedule of findings and questioned costs, and as identified in Table II below, the District did not comply with requirements regarding the following:

Table II - Material Noncompliance Resulting In Qualified Opinions				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Agriculture	10.553, 10.555, 10.556, 10.559	Child Nutrition Cluster	Eligibility	2017-006
Health and Human Services	93.658	Foster Care - Title IV-E	Eligibility	2017-015
Health and Human Services	93.659	Adoption Assistance - Title IV-E	Eligibility	2017-016
Health and Human Services	93.914	HIV Emergency Relief Project Grants	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-020
Health and Human Services	93.917	HIV Care Formula Grants	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-021

Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to those programs.

Qualified Opinions on the Five Major Federal Programs Identified in Table II

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions paragraph above, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs identified in Table II for the year ended September 30, 2017.

Unmodified Opinions on Each of the Other Major Federal Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2017.



Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs, and as identified in the Tables III and IV below. Our opinion on each major federal program is not modified with respect to these matters.

Table III - Other Instances of Noncompliance Noted in Programs with an Adverse Opinion				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-001

Table IV - Other Instances of Noncompliance				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Eligibility	2017-007
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Reporting	2017-008
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Special Tests and Provisions - Completion of IPEs	2017-009
Health and Human Services	93.659	Adoption Assistance - Title IV-E	Matching, Level of Effort, Earmarking	2017-017
Health and Human Services	93.775, 93.777, 93.778	Medicaid Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-018
Health and Human Services	93.775, 93.777, 93.778	Medicaid Cluster	Eligibility	2017-019



Table IV - Other Instances of Noncompliance				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Homeland Security	97.106	Securing the Cities Program	Reporting	2017-026

The District's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, and as identified in Table V below, to be material weaknesses.

Table V - Material Weaknesses in Internal Control Over Compliance				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-002
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Cash Management	2017-003
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Special Tests and Provisions - ADP System for SNAP	2017-004
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Special Tests and Provisions - EBT Card Security	2017-005
Agriculture	10.553, 10.555, 10.556, 10.559	Child Nutrition Cluster	Eligibility	2017-006
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Eligibility	2017-010
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Child Support Non-Cooperation	2017-011
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Income Eligibility and Verification System	2017-012
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Special Tests and Provisions - Penalty for Refusal to Work	2017-013

Table V - Material Weaknesses in Internal Control Over Compliance				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Health and Human Services	93.558	Temporary Assistance for Needy Families Cluster	Reporting; Special Tests and Provisions - Penalty for Failure to Comply with Work Verification Plan	2017-014
Health and Human Services	93.658	Foster Care - Title IV-E	Eligibility	2017-015
Health and Human Services	93.659	Adoption Assistance - Title IV-E	Eligibility	2017-016
Health and Human Services	93.914	HIV Emergency Relief Project Grants	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-020
Health and Human Services	93.917	HIV Care Formula Grants	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-021
Homeland Security	97.036	Disaster Grants - Public Assistance	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-022
Homeland Security	97.036	Disaster Grants - Public Assistance	Activities Allowed or Unallowed and Allowable Costs/Cost Principles; Special Tests and Provisions - Project Accounting	2017-023
Homeland Security	97.036	Disaster Grants - Public Assistance	Period of Performance	2017-024
Homeland Security	97.036	Disaster Grants - Public Assistance	Reporting	2017-025



A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, and as identified in Table VI below, to be significant deficiencies.

Table VI - Significant Deficiencies in Internal Control Over Compliance				
Federal Awarding Agency	CDFA Number (s)	Major Program	Compliance Requirement	Finding Number
Agriculture	10.551, 10.561	Supplemental Nutrition Assistance Program Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-001
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Eligibility	2017-007
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Reporting	2017-008
Education	84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Special Tests and Provisions - Completion of IPEs	2017-009
Health and Human Services	93.659	Adoption Assistance - Title IV-E	Matching, Level of Effort, Earmarking	2017-017
Health and Human Services	93.775, 93.777, 93.778	Medicaid Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	2017-018
Health and Human Services	93.775, 93.777, 93.778	Medicaid Cluster	Eligibility	2017-019
Homeland Security	97.106	Securing the Cities Program	Reporting	2017-026



The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BDO USA, LLP

June 28, 2018

Schedule I - Schedule of Expenditures
of Federal Awards by Federal Grantor

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Agriculture								
AGRICULTURAL RESEARCH_BASIC AND APPLIED RESEARCH	10.001		\$ 23,799	-	\$ -		\$ 23,799	\$ -
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170		195,997	-	-		195,997	-
PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT	10.203		839,767	-	-		839,767	-
COOPERATIVE EXTENSION SERVICE	10.500		1,339,494	-	126,920		1,466,414	-
<u>SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CLUSTER</u>								
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) - FOOD STAMPS	10.551		-	-	199,359,810		199,359,810	-
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561		-	-	24,327,167		24,327,167	-
SUBTOTAL - SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CLUSTER						\$ 223,686,977		
<u>CHILD NUTRITION CLUSTER</u>								
SCHOOL BREAKFAST PROGRAM	10.553		-	-	12,339,991		12,339,991	12,339,991
NATIONAL SCHOOL LUNCH PROGRAM	10.555		-	-	29,486,312		29,486,312	29,486,312
SPECIAL MILK PROGRAM FOR CHILDREN	10.556		-	-	(1,073)		(1,073)	(1,073)
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559		-	-	2,696,634		2,696,634	2,602,088
SUBTOTAL - CHILD NUTRITION CLUSTER						44,521,864		
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)	10.557		-	-	13,211,745		13,211,745	3,234,912
CHILD AND ADULT CARE FOOD PROGRAM	10.558		-	-	10,250,538		10,250,538	10,079,686
STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	10.560		-	-	775,644		775,644	-
NUTRITION, EDUCATION AND TRAINING PROGRAM	10.564		-	-	352,265		352,265	-
<u>FOOD DISTRIBUTION CLUSTER</u>								
COMMODITY SUPPLEMENTAL FOOD PROGRAM	10.565		-	-	390,818		390,818	390,818
EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COST)	10.568		-	-	237,684		237,684	188,748
EMERGENCY FOOD ASSISTANCE PROGRAM, NON-CASH AWARD	10.568		-	-	766,046		766,046	-
SUBTOTAL - FOOD DISTRIBUTION CLUSTER						1,394,548		
WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)	10.572		-	-	224,056		224,056	-
SENIOR FARMERS MARKET NUTRITION PROGRAM	10.576		-	-	134,403		134,403	134,403
WIC GRANTS TO STATES (WGS)	10.578		-	-	44,525		44,525	-
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	10.579		-	-	193,207		193,207	68,364
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY, NON-CASH AWARD	10.579		-	-	2,972,597		2,972,597	-

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Agriculture (continued)								
FRESH FRUIT AND VEGETABLE PROGRAM	10.582		-	-	2,438,895		2,438,895	2,333,072
URBAN & COMMUNITY FORESTRY PROGRAM	10.675		-	-	23,360		23,360	-
PARTNERSHIP AGREEMENTS	10.699		-	-	328		328	-
Total U.S. Department of Agriculture			2,399,057	-	300,351,872	269,603,389	302,750,929	60,857,321
U.S. Department of Commerce								
<u>ECONOMIC DEVELOPMENT CLUSTER</u>								
INVESTMENTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT FACILITIES	11.300		-	-	88,216		88,216	-
SUBTOTAL - ECONOMIC DEVELOPMENT CLUSTER						88,216		
ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT	11.474		-	-	61,043		61,043	18,061
STATE AND LOCAL IMPLEMENTATION GRANT PROGRAM	11.549		-	-	43,170		43,170	-
SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH	11.620		5,500	-	-		5,500	-
Total U.S. Department of Commerce			5,500	-	192,429	88,216	197,929	18,061
U.S. Department of Defense								
PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS	12.002		-	-	382,569		382,569	-
STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE REIMBURSEMENT OF TECHNICAL SERVICES	12.113		-	-	323,036		323,036	96,864
NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	12.401		-	-	4,956,863		4,956,863	-
NATIONAL GUARD CHALLENGE PROGRAM	12.404		-	-	2,065,346		2,065,346	23,232
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420		4,501	-	-		4,501	-
COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE FOR ESTABLISHMENT, EXPANSION, REALIGNMENT, OR CLOSURE OF A MILITARY INSTALLATION	12.607		-	-	443,887		443,887	-
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630		638,180	-	-		638,180	-
Total U.S. Department of Defense			642,681	-	8,171,701	-	8,814,382	120,096

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Housing and Urban Development								
<u>COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS CLUSTER</u>								
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS (CDBG)	14.218		-	-	33,865,161		33,865,161	21,648,737
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS (CDBG), OUTSTANDING LOAN BEGINNING BALANCE	14.218		-	-	281,943,798		281,943,798	-
SUBTOTAL - COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS CLUSTER						315,808,959		
EMERGENCY SOLUTIONS GRANT PROGRAM	14.231		-	-	646,406		646,406	11,897
SHELTER PLUS CARE	14.238		-	-	4,757,890		4,757,890	4,732,084
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)	14.239		-	-	5,667,462		5,667,462	5,223,667
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME), OUTSTANDING LOAN BEGINNING BALANCE	14.239		-	-	110,932,460		110,932,460	-
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241		-	-	10,982,094		10,982,094	10,227,748
CONTINUUM OF CARE PROGRAM	14.267		-	-	660,552		660,552	465,373
FAIR HOUSING ASSISTANCE PROGRAM - STATE AND LOCAL	14.401		-	-	105,549		105,549	-
LEAD-BASED PAINT HAZARD CONTROL IN PRIVATELY-OWNED HOUSING	14.900		-	-	300,896		300,896	272,680
LEAD HAZARD REDUCTION DEMONSTRATION GRANT PROGRAM	14.905		-	-	271,647		271,647	150,793
Total U.S. Department of Housing and Urban Development			-	-	450,133,915	315,808,959	450,133,915	42,732,979
U.S. Department of the Interior								
<u>FISH AND WILDLIFE CLUSTER</u>								
SPORT FISH RESTORATION PROGRAM	15.605		-	-	1,687,705		1,687,705	513,583
SUBTOTAL - FISH AND WILDLIFE CLUSTER						1,687,705		
CLEAN VESSEL ACT	15.616		-	-	9,380		9,380	9,380
SPORTFISHING AND BOATING SAFETY ACT	15.622		-	-	2,690,696		2,690,696	-
STATE WILDLIFE GRANTS	15.634		-	-	86,496		86,496	34,026
ASSISTANCE TO WATER RESOURCES RESEARCH INSTITUTES	15.805		106,482	-	-		106,482	-
US GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION	15.808		-	-	26,000		26,000	7,428
HISTORIC PRESERVATION FUND GRANTS-IN-AID	15.904		-	-	570,882		570,882	-
Total U.S. Department of the Interior			106,482	-	5,071,159	1,687,705	5,177,641	564,417

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Justice								
SEXUAL ASSAULT SERVICES FORMULA PROGRAM	16.017		-	-	317,961		317,961	317,961
JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT PROGRAM	16.523		-	-	69,164		69,164	69,164
JUVENILE JUSTICE AND DELINQUENCY PREVENTION - ALLOCATION TO STATES	16.540		-	-	442,890		442,890	313,605
STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS	16.550		-	-	140,675		140,675	-
NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)	16.554		-	-	659,437		659,437	-
CRIME VICTIM ASSISTANCE PROGRAM	16.575		-	-	5,015,532		5,015,532	4,889,456
CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	16.582		-	-	318,805		318,805	258,987
VIOLENCE AGAINST WOMEN FORMULA GRANTS	16.588		-	-	684,388		684,388	662,397
GRANTS TO ENCOURAGE ARREST POLICIES & ENFORCEMENT OF PROTECT ORDERS	16.590		-	-	268,129		268,129	268,129
RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	16.593		-	-	23,365		23,365	23,059
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	16.606		-	-	(32,118)		(32,118)	-
PUBLIC SAFETY PARTNERSHIP & COMMUNITY POLICING GRANTS	16.710		-	-	2,114,879		2,114,879	4,463
PREA PROGRAM: DEMONSTRATION PROJECTS TO ESTABLISH "ZERO TOLERANCE"								
CULTURES FOR SEXUAL ASSAULT IN CORRECTIONAL FACILITIES	16.735		-	-	36,391		36,391	36,391
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738		-	-	1,092,278		1,092,278	936,862
FORENSIC DNA BACKLOG REDUCTION PROGRAM	16.741		-	-	359,890		359,890	-
PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	16.742		-	-	61,582		61,582	61,582
CRIMINAL AND JUVENILE JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM	16.745		-	-	30,799		30,799	-
EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM	16.751		-	-	404,924		404,924	173,580
SECOND CHANCE ACT PRISONER REENTRY INITIATIVE	16.812		-	-	33,673		33,673	33,673
BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM	16.817		-	-	43,476		43,476	19,819
SMART PROSECUTION INITIATIVE	16.825		-	-	38,215		38,215	-
VISION 21	16.826		-	-	270,874		270,874	241,528
Total U.S. Department of Justice			-	-	12,395,209	-	12,395,209	8,310,656

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Government of the District of Columbia

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<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Labor								
LABOR FORCE STATISTICS	17.002		-	-	704,912		704,912	-
COMPENSATION AND WORKING CONDITIONS	17.005		-	-	84,000		84,000	-
REGISTERED APPRENTICESHIP	17.201		-	-	82,552		82,552	-
<u>EMPLOYMENT SERVICE CLUSTER</u>								
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	17.207		-	-	2,599,141		2,599,141	-
DISABLED VETERANS OUTREACH PROGRAM	17.801		-	-	308,660		308,660	-
LOCAL VETERANS EMPLOYMENT REPRESENTATIVE	17.804		-	-	223,624		223,624	-
SUBTOTAL - EMPLOYMENT SERVICE CLUSTER						<u>3,131,425</u>		
UNEMPLOYMENT INSURANCE	17.225		-	-	153,993,576		153,993,576	-
ARRA - UNEMPLOYMENT INSURANCE	17.225		-	-	424,632		424,632	-
<u>WIOA CLUSTER</u>								
WIOA ADULT PROGRAM	17.258		-	-	2,395,069		2,395,069	-
WIOA YOUTH ACTIVITIES	17.259		-	-	3,471,015		3,471,015	-
WIOA DISLOCATED WORKER FORMULA GRANTS	17.278		-	-	3,770,906		3,770,906	-
SUBTOTAL - WIOA CLUSTER						<u>9,636,990</u>		
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	17.235		-	-	508,407		508,407	-
TRADE ADJUSTMENT ASSISTANCE	17.245		-	-	33,525		33,525	-
WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)	17.271		-	-	49,594		49,594	-
TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS	17.273		-	-	6,232		6,232	-
WORKFORCE INVESTMENT ACT (WIA) DISLOCATED WORKER NATIONAL RESERVE								
TECHNICAL ASSISTANCE TRAINING	17.281		-	-	69,975		69,975	-
TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE AND CAREER TRAINING								
(TAACCCT) GRANTS	17.282		-	-	1,596,221		1,596,221	-
CONSULTATION AGREEMENTS	17.504		-	-	475,260		475,260	-
Total U.S. Department of Labor			-	-	<u>170,797,301</u>	<u>12,768,415</u>	<u>170,797,301</u>	-

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<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Transportation								
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200		3,551,333	-	-		3,551,333	-
<u>HIGHWAY PLANNING AND CONSTRUCTION CLUSTER</u>								
HIGHWAY PLANNING AND CONSTRUCTION	20.205		-	-	196,290,166		196,290,166	-
RECREATIONAL TRAILS PROGRAM	20.219		-	-	225,272		225,272	-
SUBTOTAL - HIGHWAY PLANNING AND CONSTRUCTION CLUSTER						<u>196,515,438</u>		
HIGHWAY TRAINING AND EDUCATION	20.215		-	-	366,352		366,352	-
NATIONAL MOTOR CARRIER SAFETY	20.218		-	-	703,724		703,724	-
ARRA - HIGH-SPEED RAIL CORRIDORS AND INTERCITY PASSENGER RAIL SERVICE -								
CAPITAL ASSISTANCE GRANTS	20.319		-	-	244,554		244,554	-
METROPOLITAN TRANSPORTATION PLANNING	20.505		-	-	773,246		773,246	-
RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEM STATE SAFETY OVERSIGHT								
FORMULA GRANT PROGRAM	20.528		-	-	277,598		277,598	-
<u>HIGHWAY SAFETY CLUSTER</u>								
STATE AND COMMUNITY HIGHWAY SAFETY	20.600		-	-	5,556,738		5,556,738	3,591,038
SUBTOTAL - HIGHWAY SAFETY CLUSTER						<u>5,556,738</u>		
PIPELINE SAFETY PROGRAM STATE BASE GRANT	20.700		-	-	475,476		475,476	-
NATIONAL INFRASTRUCTURE INVESTMENTS	20.933		-	-	192,944		192,944	-
Total U.S. Department of Transportation			<u>3,551,333.00</u>	<u>-</u>	<u>205,106,070</u>	<u>202,072,176</u>	<u>208,657,403</u>	<u>3,591,038</u>
U.S. Department of the Treasury								
LOW-INCOME TAXPAYER CLINICS	21.008		-	-	111,103		111,103	-
Total U.S. Department of the Treasury			<u>-</u>	<u>-</u>	<u>111,103</u>	<u>-</u>	<u>111,103</u>	<u>-</u>
Equal Employment Opportunity Commission								
EMPLOYMENT DISCRIMINATION - TITLE VII OF THE CIVIL RIGHTS ACT OF 1964	30.001		-	-	141,277		141,277	-
Total Equal Employment Opportunity Commission			<u>-</u>	<u>-</u>	<u>141,277</u>	<u>-</u>	<u>141,277</u>	<u>-</u>

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<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
National Aeronautics and Space Administration								
EDUCATION	43.008		15,720	-	-		15,720	-
Total National Aeronautics and Space Administration			15,720	-	-	-	15,720	-
National Endowment for the Humanities								
PROMOTION OF THE ARTS - PARTNERSHIP AGREEMENTS	45.025		-	-	719,736		719,736	-
GRANTS TO STATES	45.310		-	-	931,334		931,334	-
NATIONAL LEADERSHIP GRANTS	45.312		-	-	8,420		8,420	-
Total National Endowment for the Humanities			-	-	1,659,490	-	1,659,490	-
National Science Foundation								
EDUCATION AND HUMAN RESOURCES	47.076		1,027,681	-	281,829		1,309,510	-
Total National Science Foundation			1,027,681	-	281,829	-	1,309,510	-
U.S. Department of Veterans Affairs								
VETERANS AFFAIRS MEDICAL CENTER	64.009		-	-	984,938		984,938	-
Total U.S. Department of Veterans Affairs			-	-	984,938	-	984,938	-
Environmental Protection Agency								
AIR POLLUTION CONTROL PROGRAM SUPPORT	66.001		-	-	846,640		846,640	239,476
STATE INDOOR RADON GRANTS	66.032		-	-	121,326		121,326	18,512
SURVEYS, STUDIES, INVESTIGATIONS ACTIVITIES RELATING TO THE CLEAN AIR ACT	66.034		-	-	70,964		70,964	13,849
MULTIPURPOSE GRANTS TO STATES AND TRIBES	66.204		-	-	1,235		1,235	-
CONSTRUCTION GRANTS FOR WASTEWATER TREATMENT WORKS	66.418		-	-	1,189,774		1,189,774	97,334
WATER POLLUTION CONTROL STATE, INTERSTATE, TRIBAL PROGRAM SUPPORT	66.419		-	-	1,249,231		1,249,231	218,589
WATER QUALITY MANAGEMENT PLANNING	66.454		-	-	100,000		100,000	60,000
NONPOINT SOURCE IMPLEMENTATION GRANTS	66.460		-	-	1,119,497		1,119,497	329,602
CHESAPEAKE BAY PROGRAM	66.466		-	-	4,698,537		4,698,537	1,806,864

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Environmental Protection Agency (continued)								
<u>DRINKING WATER STATE REVOLVING FUND CLUSTER</u>								
CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS	66.468		-	-	7,033		7,033	2,310
SUBTOTAL - DRINKING WATER STATE REVOLVING FUND CLUSTER						7,033		
PERFORMANCE PARTNERSHIP GRANTS	66.605		-	-	222,659		222,659	67,517
POLLUTION PREVENTION GRANTS PROGRAM	66.708		-	-	557,337		557,337	165,265
SOURCE REDUCTION ASSISTANCE	66.717		-	-	26,027		26,027	26,027
HAZARDOUS WASTE MANAGEMENT STATE PROGRAM SUPPORT	66.801		-	-	214,981		214,981	62,812
SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE SPECIFIC COOPERATIVE AGREEMENTS	66.802		-	-	327,284		327,284	109,095
UNDERGROUND STORAGE TANK PREVENTION, DETECTION & COMPLIANCE PROGRAM	66.804		-	-	624,807		624,807	196,688
SUPERFUND STATE AND TRIBE CORE PROGRAM COOP AGREEMENTS	66.809		-	-	65,151		65,151	21,317
STATE AND TRIBAL RESPONSE PROGRAM GRANTS	66.817		-	-	258,146		258,146	84,265
Total Environmental Protection Agency			-	-	11,700,629	7,033	11,700,629	3,519,522
U.S. Department of Energy								
STATE ENERGY PROGRAM	81.041		-	-	377,403		377,403	134,981
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	81.042		-	-	863,465		863,465	683,381
STATE HEATING OIL AND PROPANE PROGRAM	81.138		-	-	6,763		6,763	-
Total U.S. Department of Energy			-	-	1,247,631	-	1,247,631	818,362
U.S. Department of Education								
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002		-	-	1,731,080		1,731,080	1,688,689
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES (LEA)	84.010		-	-	44,685,060		44,685,060	44,296,364
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)	84.007		-	627,980	-		627,980	-
FEDERAL WORK-STUDY PROGRAM	84.033		-	188,577	-		188,577	-
FEDERAL PELL GRANT PROGRAM	84.063		-	6,617,104	-		6,617,104	-
FEDERAL DIRECT STUDENT LOANS	84.268		-	21,611,746	-		21,611,746	-
TITLE I STATE AGENCY PROGRAM FOR NEGLECTED & DELINQUENT CHILDREN	84.013		-	-	181,680		181,680	180,009

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U.S. Department of Education (continued)								
<u>SPECIAL EDUCATION CLUSTER</u>								
SPECIAL EDUCATION - GRANT TO STATES	84.027		-	-	18,228,639		18,228,639	15,136,220
SPECIAL EDUCATION - PRESCHOOL GRANTS	84.173		-	-	197,347		197,347	160,621
SUBTOTAL - SPECIAL EDUCATION CLUSTER						<u>18,425,986</u>		
HIGHER EDUCATION - INSTITUTIONAL AID	84.031		-	-	5,063,555		5,063,555	-
<u>TRIO CLUSTER</u>								
TRIO - TALENT SEARCH	84.044		-	-	442,687		442,687	-
TRIO - UPWARD BOUND	84.047		-	-	245,569		245,569	-
SUBTOTAL - TRIO CLUSTER						<u>688,256</u>		
CAREER & TECHNICAL EDUCATION - BASIC GRANTS TO STATES	84.048		-	-	4,706,915		4,706,915	4,006,665
REHABILITATION SERVICES - VOCATIONAL REHABILITATION GRANTS TO STATES	84.126		-	-	16,707,319		16,707,319	-
REHABILITATION SERVICES - INDEPENDENT LIVING SERVICES - OLDER INDIVIDUALS WHO ARE BLIND	84.177		-	-	193,274		193,274	-
SPECIAL EDUCATION - GRANTS FOR INFANTS - FAMILIES	84.181		-	-	2,114,485		2,114,485	360,873
SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	84.187		-	-	215,387		215,387	-
EDUCATION FOR HOMELESS CHILDREN AND YOUTH	84.196		-	-	188,180		188,180	141,236
FUND FOR THE IMPROVEMENT OF EDUCATION	84.215		-	-	(350)		(350)	-
CHARTER SCHOOLS	84.282		-	-	609,570		609,570	438,586
21ST CENTURY COMMUNITY LEARNING CENTERS-AFTER SCHOOL	84.287		-	-	5,740,882		5,740,882	5,740,882
ADVANCED PLACEMENT PROGRAM	84.330		-	-	88,204		88,204	88,204
READING FIRST STATE GRANTS	84.357		-	-	93		93	-
ENGLISH LANGUAGE ACQUISITION	84.365		-	-	967,868		967,868	900,143
MATHEMATICS & SCIENCE PARTNERSHIP	84.366		-	-	916,291		916,291	874,847
IMPROVING TEACHER QUALITY STATE GRANTS	84.367		-	-	11,859,127		11,859,127	11,162,086
GRANTS FOR STATE ASSESSMENTS & RELATED ACTIVITIES	84.369		-	-	2,804,867		2,804,867	-
DC SCHOOL CHOICE INCENTIVE PROGRAM	84.370		-	-	19,608,961		19,608,961	11,212,171
STATEWIDE LONGTITUDINAL DATA SYSTEMS	84.372		-	-	274,523		274,523	-
TEACHER INCENTIVE FUND PROGRAM	84.374		-	-	9,720,531		9,720,531	-
SCHOOL IMPROVEMENT GRANTS	84.377		-	-	1,522,096		1,522,096	1,452,976
COLLEGE ACCESS CHALLENGE GRANT PROGRAM	84.378		-	-	(36,588)		(36,588)	(36,963)
Total U.S. Department of Education			-	29,045,407	148,977,252	<u>19,114,242</u>	<u>178,022,659</u>	<u>97,803,609</u>

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Consumer Product Safety Commission								
VIRGINIA GRAEME BAKER POOL AND SPA SAFETY	87.002		-	-	86,472		86,472	-
Total Consumer Product Safety Commission			-	-	86,472	-	86,472	-
U.S. Election Assistance Commission								
HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	90.401		-	-	1,350,843		1,350,843	-
Total U.S. Election Assistance Commission			-	-	1,350,843	-	1,350,843	-
U.S. Department of Health and Human Services								
STATE & TERRITORIAL & TECHNICAL ASSISTANCE CAPACITY DEVELOPMENT MINORITY HIV/AIDS DEMONSTRATION PROGRAM	93.006		-	-	415,374		415,374	-
SPECIAL PROGRAMS FOR THE AGING - TITLE VII, CHAPTER 3 - PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	93.041		-	-	23,712		23,712	23,712
SPECIAL PROGRAMS FOR THE AGING - TITLE VII, CHAPTER 2 - LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	93.042		-	-	139,650		139,650	139,650
<u>TITLE III AGING CLUSTER</u>								
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART B - GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044		-	-	1,343,435		1,343,435	977,815
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART C - NUTRITION SERVICES	93.045		-	-	2,820,353		2,820,353	-
NUTRITION SERVICES INCENTIVE PROGRAM	93.053		-	-	653,678		653,678	-
SUBTOTAL - TITLE III AGING CLUSTER						4,817,466		
SPECIAL PROGRAMS FOR THE AGING - TITLE IV & TITLE II DISCRETIONARY PROJECTS	93.048		-	-	945,796		945,796	-
NATIONAL FAMILY CAREGIVERS SUPPORT TITLE III PART E	93.052		-	-	526,408		526,408	526,408
PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069		-	-	243,964		243,964	-
DC LIFESPAN RESPITE PROGRAM	93.072		-	-	30,282		30,282	29,821
HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	93.074		-	-	8,556,849		8,556,849	60,000
COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL- BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	93.079		-	-	422,317		422,317	79,547
GUARDIANSHIP ASSISTANCE	93.090		-	-	2,852,636		2,852,636	-

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U.S. Department of Health and Human Services (continued)								
AFFORDABLE CARE ACT PERSONAL RESPONSIBILITY EDUCATION PROGRAM	93.092		-	-	275,871		275,871	89,518
COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)	93.104		-	-	335,768		335,768	-
MATERNAL & CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	93.110		-	-	100,000		100,000	-
PROJECT GRANTS & COOP AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	93.116		-	-	370,397		370,397	-
COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	93.130		-	-	184,308		184,308	-
INJURY PREVENTION & CONTROL RESEARCH & STATE COMMUNITY BASED PROGRAM	93.136		-	-	268,058		268,058	37,629
PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	93.150		-	-	182,176		182,176	-
GRANTS TO STATES FOR LOAN REPAYMENT PROGRAM	93.165		-	-	257,099		257,099	-
GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	93.236		-	-	522,602		522,602	-
SUBSTANCE ABUSE MENTAL HEALTH SERVICES (SAMHS) - PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243		-	-	8,261,329		8,261,329	-
UNIVERSAL NEWBORN HEARING SCREENING	93.251		-	-	212,551		212,551	-
IMMUNIZATION COOPERATIVE AGREEMENTS	93.268		-	-	1,374,025		1,374,025	-
ADULT VIRAL HEPATITIS PREVENTION AND CONTROL	93.270		-	-	137,913		137,913	-
CENTERS FOR DISEASE CONTROL & PREVENTION - INVESTIGATIONS & TECHNICAL ASSISTANCE	93.283		-	-	1,060,840		1,060,840	-
NATIONAL STATE BASED TOBACCO CONTROL PROGRAMS	93.305		-	-	707,258		707,258	-
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323		-	-	720,914		720,914	-
BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM	93.336		-	-	94,961		94,961	-
NATIONAL CENTER FOR ADVANCING TRANSLATIONAL SCIENCES	93.350		-	-	22,326		22,326	-
ACL INDEPENDENT LIVING STATE GRANTS	93.369		-	-	325,762		325,762	45,833
CANCER CAUSE AND PREVENTION RESEARCH	93.393		22,364	-	-		22,364	-
ACL ASSISTIVE TECHNOLOGY	93.464		-	-	332,702		332,702	-
<u>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u>								
AFFORDABLE CARE ACT (ACA) MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAM	93.505		-	-	996,820		996,820	780,840
MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING GRANT PROGRAM	93.870		-	-	486,557		486,557	400,572
SUBTOTAL - MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER						<u>1,483,377</u>		

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Health and Human Services (continued)								
ACA NATIONWIDE PROGRAM FOR NATIONAL AND STATE BACKGROUND CHECKS FOR DIRECT PATIENT ACCESS EMPLOYEES OF LONG TERM FACILITIES AND PROVIDERS	93.506		-	-	265,041		265,041	-
AFFORDABLE CARE ACT (ACA) GRANTS TO STATES FOR HEALTH INSURANCE PREMIUM REVIEW	93.511		-	-	145,405		145,405	-
AFFORDABLE CARE ACT - MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS	93.518		-	-	14,335		14,335	14,335
THE AFFORDABLE CARE ACT: BUILDING EPIDEMIOLOGY, LABORATORY, AND HEALTH INFORMATION SYSTEMS CAPACITY IN THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASE (ELC) AND EMERGING INFECTIONS PROGRAMS (EIP)								
COOPERATIVE AGREEMENTS; PPHF	93.521		-	-	144,054		144,054	-
PROMOTING SAFE AND STABLE FAMILIES	93.556		-	-	789,024		789,024	-
<u>TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER</u>								
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558		-	-	132,640,342		132,640,342	-
SUBTOTAL - TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER						<u>132,640,342</u>		
CHILD SUPPORT ENFORCEMENT PROGRAM	93.563		-	-	18,227,097		18,227,097	-
CHILD SUPPORT ENFORCEMENT RESEARCH	93.564		-	-	31,802		31,802	-
REFUGEE & ENTRANT ASSISTANCE - STATE ADMINISTERED	93.566		-	-	1,641,834		1,641,834	193,982
LOW INCOME HOME ENERGY ASSISTANCE	93.568		-	-	10,198,979		10,198,979	7,998,643
COMMUNITY SERVICE BLOCK GRANT	93.569		-	-	11,444,259		11,444,259	10,978,155
COMMUNITY SERVICES BLOCK GRANT_DISCRETIONARY AWARDS	93.570		-	-	328,274		328,274	-
<u>CHILD CARE AND DEVELOPMENT FUND (CCDF) CLUSTER</u>								
CHILD CARE & DEVELOPMENT BLOCK GRANT	93.575		-	-	13,564,746		13,564,746	11,758,131
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	93.596		-	-	(79,309)		(79,309)	-
SUBTOTAL - CHILD CARE AND DEVELOPMENT FUND (CCDF) CLUSTER						<u>13,485,437</u>		
COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	93.590		-	-	237,577		237,577	-
GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAM	93.597		-	-	96,261		96,261	-
CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	93.599		-	-	149,990		149,990	-
HEAD START	93.600		-	-	15,730,729		15,730,729	1,128,745
DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	93.630		-	-	364,218		364,218	-
DEVELOPMENTAL DISABILITIES PROJECTS OF NATIONAL SIGNIFICANCE	93.631		-	-	146,042		146,042	-
CHILDREN'S JUSTICE GRANTS TO STATES	93.643		-	-	48,587		48,587	-

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Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Health and Human Services (continued)								
CHILD WELFARE - SERVICES - STATE GRANTS	93.645		-	-	224,533		224,533	-
ADOPTION OPPORTUNITIES	93.652		-	-	660,130		660,130	-
FOSTER CARE - TITLE IV-E	93.658		-	-	41,211,144		41,211,144	-
ADOPTION ASSISTANCE - TITLE IV-E	93.659		-	-	10,001,252		10,001,252	-
SOCIAL SERVICES BLOCK GRANT	93.667		-	-	7,396,936		7,396,936	-
CHILD ABUSE AND NEGLECT STATE GRANTS	93.669		-	-	26,250		26,250	-
FAMILY VIOLENCE PREVENTION & SERVICES/GRANT FOR BATTERED WOMEN'S SHELTERS - GRANTS TO STATES & INDIAN TRIBES	93.671		-	-	740,958		740,958	714,206
CHAFEE FOSTER CARE INDEPENDENCE PROGRAM	93.674		-	-	1,131,263		1,131,263	-
STATE PUBLIC HEALTH APPROACHES FOR ENSURING OUTLINE CAPACITY - FUNDED IN PART BY 2012 PREVENTION & PUBLIC HEALTH FUNDS (PPHF-2012)	93.735		-	-	50,000		50,000	-
PPHF: HEALTH CARE SURVEILLANCE/HEALTH STATISTICS - SURVEILLANCE PROGRAM ANNOUNCEMENT: BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM FINANCED IN PART BY 2012 PREVENTION & PUBLIC HEALTH FUND (PPHF-2012)	93.745		-	-	147,280		147,280	-
CHILD LEAD POISONING PREVENTION SURVEILLANCE FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH (PPHF) PROGRAM	93.753		-	-	325,971		325,971	118,756
STATE AND LOCAL PUBLIC HEALTH ACTIONS TO PREVENT OBESITY, DIABETES, HEART DISEASE AND STROKE (PPHF)	93.757		-	-	1,203,205		1,203,205	299,105
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.758		-	-	894,880		894,880	134,999
ALZHEIMER'S DISEASE INITIATIVE: SPECIALIZED SUPPORTIVE SERVICE PROJECT (ADISS) THRU PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.763		-	-	365,125		365,125	342,031
CHILDREN'S HEALTH INSURANCE PROGRAM	93.767		-	-	35,797,116		35,797,116	-
MEDICARE - HOSPITAL INSURANCE	93.773		-	-	1,553,681		1,553,681	-
<u>MEDICAID CLUSTER</u>								
STATE MEDICAID FRAUD CONTROL UNITS	93.775		-	-	2,083,234		2,083,234	-
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS & SUPPLIERS TITLE (XVIII) MEDICARE	93.777		-	-	1,268,735		1,268,735	-
MEDICAL ASSISTANCE PROGRAM	93.778		-	-	2,189,139,985		2,189,139,985	1,677,633
ARRA - MEDICAL ASSISTANCE PROGRAM	93.778		-	-	9,352,154		9,352,154	-
SUBTOTAL - MEDICAID CLUSTER						<u>2,201,844,108</u>		

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Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Health and Human Services (continued)								
CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) RESEARCH, DEMONSTRATIONS AND EVALUATIONS	93.779		-	-	110,918		110,918	110,918
OPIOD STR	93.788		-	-	525,000		525,000	-
MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION	93.791		-	-	3,694,559		3,694,559	-
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS & SUPPLIERS TITLE (XIX) MEDICAID	93.796		-	-	2,053,434		2,053,434	-
ORGANIZED APPROACHES TO INCREASE COLORECTAL SCREENING	93.800		-	-	563,449		563,449	341,000
DOMESTIC EBOLA SUPPLEMENT TO THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.815		-	-	531,407		531,407	-
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859		23,527	-	-		23,527	-
CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS	93.898		-	-	219,654		219,654	-
HIV EMERGENCY RELIEF PROJECT GRANTS	93.914		-	-	29,021,746		29,021,746	26,151,360
HIV CARE FORMULA GRANTS	93.917		-	-	15,894,164		15,894,164	3,284,328
SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	93.925		-	480,629	-		480,629	-
HEALTHY START INITIATIVE	93.926		-	-	1,426,789		1,426,789	940,055
COOP AGREEMENTS TO SUPPORT COMPREHENSIVE SCHOOL HEALTH PROGRAM TO PREVENT THE SPREAD OF HIV AND OTHER IMPORTANT HEALTH PROBLEMS	93.938		-	-	307,464		307,464	-
HIV PREVENTION ACTIVITIES - HEALTH DEPARTMENT BASED	93.940		-	-	7,800,635		7,800,635	2,902,282
HUMAN IMMUNODEFICIENCY VIRUS (HIV)/ACQUIRED IMMUNODEFICIENCY SYNDROME (AIDS) SURVEILLANCE	93.944		-	-	1,768,291		1,768,291	-
ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION & CONTROL	93.945		-	-	39,496		39,496	-
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	93.958		-	-	897,046		897,046	-
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959		-	-	6,974,517		6,974,517	-
PREVENTIVE HEALTH SERVICES - SEXUALLY TRANSMITTED DISEASES CONTROL GRANTS	93.977		-	-	965,863		965,863	-
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994		-	-	6,214,223		6,214,223	1,682,931
Total U.S. Department of Health and Human Services			45,891	480,629	2,624,916,465	2,354,270,730	2,625,442,985	73,962,940

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
Corporation for National and Community Service								
RETIRED AND SENIOR VOLUNTEER PROGRAM	94.002		-	-	56,626		56,626	-
STATE COMMISSIONS	94.003		-	-	230,438		230,438	-
AMERICORPS	94.006		-	-	3,377,184		3,377,184	3,377,184
TRAINING AND TECHNICAL ASSISTANCE	94.009		-	-	77,721		77,721	-
<u>FOSTER GRANDPARENT/SENIOR COMPANION CLUSTER</u>								
SENIOR COMPANION PROGRAM	94.016		-	-	318,421		318,421	-
SUBTOTAL - FOSTER GRANDPARENT/SENIOR COMPANION CLUSTER						318,421		
Total Corporation for National and Community Service			-	-	4,060,390	318,421	4,060,390	3,377,184
Social Security Administration								
<u>SOCIAL SECURITY DISABILITY INSURANCE CLUSTER</u>								
SOCIAL SECURITY DISABILITY INSURANCE	96.001		-	-	11,314,520		11,314,520	-
SUBTOTAL - SOCIAL SECURITY DISABILITY INSURANCE CLUSTER						11,314,520		
Total Social Security Administration			-	-	11,314,520	11,314,520	11,314,520	-
U.S. Department of Homeland Security								
NON-PROFIT SECURITY PROGRAM	97.008		-	-	494,377		494,377	494,377
BOATING SAFETY FINANCIAL ASSISTANCE	97.012		-	-	740,921		740,921	-
COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES ELEMENT (CAP-SSSE)	97.023		-	-	38,784		38,784	-
DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	97.036		-	-	10,321,698		10,321,698	51,728
HAZARD MITIGATION GRANT	97.039		-	-	2,717,692		2,717,692	2,562,532
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042		-	-	3,055,867		3,055,867	-
ASSISTANCE TO FIREFIGHTERS GRANT	97.044		-	-	4,075,624		4,075,624	-
COOPERATING TECHNICAL PARTNERS	97.045		-	-	61,074		61,074	-
PRE-DISASTER MITIGATION	97.047		-	-	63,225		63,225	-
PORT SECURITY GRANT PROGRAM	97.056		-	-	159,351		159,351	159,351

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Government of the District of Columbia

Schedule of Expenditures of Federal Awards by Federal Grantor

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Research and Development Cluster</i>	<i>Student Financial Assistance Cluster</i>	<i>Other</i>	<i>Cluster Total</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
U.S. Department of Homeland Security (continued)								
HOMELAND SECURITY GRANT PROGRAM	97.067		-	-	57,040,541		57,040,541	51,004,518
HOMELAND SECURITY-RELATED SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (HS STEM) CAREER DEVELOPMENT PROGRAM	97.104		198,112	-	-		198,112	-
SECURING THE CITIES PROGRAM	97.106		-	-	12,218,275		12,218,275	12,115,666
Total U.S. Department of Homeland Security			198,112	-	90,987,429	-	91,185,541	66,388,172
Total Expenditures of Federal Awards			\$ 7,992,457	\$ 29,526,036	\$ 4,050,039,924	\$ 3,187,053,806	\$ 4,087,558,417	\$ 362,064,357

The accompanying notes are an integral part of this schedule.

Schedule II - Schedule of Expenditures
of Federal Awards by District Agency

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by District Agency

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
HUMAN SUPPORT SERVICES CLUSTER:				
Department of Health				
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)	10.557		\$ 13,211,745	\$ 3,234,912
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561		1,645,993	-
WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)	10.572		224,056	-
WIC GRANTS TO STATES (WGS)	10.578		44,525	-
SHELTER PLUS CARE	14.238		51,158	51,158
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	14.241		10,982,094	10,227,748
CONTINUUM OF CARE PROGRAM	14.267		465,373	465,373
COMPENSATION AND WORKING CONDITIONS	17.005		84,000	-
VIRGINIA GRAEME BAKER POOL AND SPA SAFETY	87.002		86,472	-
STATE & TERRITORIAL & TECHNICAL ASSISTANCE CAPACITY DEVELOPMENT MINORITY HIV/AIDS DEMONSTRATION PROGRAM	93.006		415,374	-
PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069		243,964	-
HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	93.074		8,556,849	60,000
MATERNAL & CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS	93.110		100,000	-
PROJECT GRANTS & COOP AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	93.116		370,397	-
COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	93.130		184,308	-
INJURY PREVENTION & CONTROL RESEARCH & STATE COMMUNITY BASED PROGRAM	93.136		268,058	37,629
GRANTS TO STATES FOR LOAN REPAYMENT PROGRAM	93.165		257,099	-
GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	93.236		522,602	-
UNIVERSAL NEWBORN HEARING SCREENING	93.251		212,551	-
IMMUNIZATION COOPERATIVE AGREEMENTS	93.268		1,374,025	-
ADULT VIRAL HEPATITIS PREVENTION AND CONTROL	93.270		137,913	-
CENTERS FOR DISEASE CONTROL & PREVENTION - INVESTIGATIONS & TECHNICAL ASSISTANCE	93.283		1,060,840	-
NATIONAL STATE BASED TOBACCO CONTROL PROGRAMS	93.305		707,258	-
EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.323		720,914	-
BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM	93.336		94,961	-
AFFORDABLE CARE ACT (ACA) MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAM	93.505		996,820	780,840
ACA NATIONWIDE PROGRAM FOR NATIONAL AND STATE BACKGROUND CHECKS FOR DIRECT PATIENT ACCESS EMPLOYEES OF LONG TERM FACILITIES AND PROVIDERS	93.506		265,041	-
THE AFFORDABLE CARE ACT: BUILDING EPIDEMIOLOGY, LABORATORY, AND HEALTH INFORMATION SYSTEMS CAPACITY IN THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASE (ELC) AND EMERGING INFECTIONS PROGRAMS (EIP) COOPERATIVE AGREEMENTS; PPHF	93.521		144,054	-
STATE PUBLIC HEALTH APPROACHES FOR ENSURING OUTLINE CAPACITY - FUNDED IN PART BY 2012 PREVENTION & PUBLIC HEALTH FUNDS (PPHF-2012)	93.735		50,000	-
PPHF: HEALTH CARE SURVEILLANCE/HEALTH STATISTICS - SURVEILLANCE PROGRAM ANNOUNCEMENT: BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM FINANCED IN PART BY 2012 PREVENTION & PUBLIC HEALTH FUNDS (PPHF-2012)	93.745		147,280	-
STATE AND LOCAL PUBLIC HEALTH ACTIONS TO PREVENT OBESITY, DIABETES, HEART DISEASE AND STROKE (PPHF)	93.757		1,203,205	299,105
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.758		894,880	134,999
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS & SUPPLIERS TITLE (XVIII) MEDICARE	93.777		1,268,735	-
STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS & SUPPLIERS TITLE (XIX) MEDICAID	93.796		2,053,434	-
ORGANIZED APPROACHES TO INCREASE COLORECTAL SCREENING	93.800		563,449	341,000
DOMESTIC EBOLA SUPPLEMENT TO THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	93.815		531,407	-
MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING GRANT PROGRAM	93.870		486,557	400,572
CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS	93.898		219,654	-
HIV EMERGENCY RELIEF PROJECT GRANTS	93.914		29,021,746	26,151,360
HIV CARE FORMULA GRANTS	93.917		15,894,164	3,284,328
HEALTHY START INITIATIVE	93.926		1,426,789	940,055
HIV PREVENTION ACTIVITIES - HEALTH DEPARTMENT BASED	93.940		7,800,635	2,902,282

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Government of the District of Columbia

Schedule of Expenditures of Federal Awards by District Agency

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
HUMAN SUPPORT SERVICES CLUSTER:				
Department of Health (continued)				
HUMAN IMMUNODEFICIENCY VIRUS (HIV)/ACQUIRED IMMUNODEFICIENCY SYNDROME (AIDS)				
SURVEILLANCE	93.944		1,768,291	-
ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION & CONTROL	93.945		39,496	-
PREVENTIVE HEALTH SERVICES - SEXUALLY TRANSMITTED DISEASES CONTROL GRANTS	93.977		965,863	-
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994		6,214,223	1,682,931
Total Department of Health			113,978,252	50,994,292
Office of Human Rights				
FAIR HOUSING ASSISTANCE PROGRAM, STATE AND LOCAL	14.401		105,549	-
EMPLOYMENT DISCRIMINATION, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964	30.001		141,277	-
Total Office of Human Rights			246,826	-
Department of Health Care Finance				
CHILDREN'S HEALTH INSURANCE PROGRAM	93.767		35,797,116	-
MEDICAL ASSISTANCE PROGRAM	93.778		2,135,073,432	1,677,633
ARRA - MEDICAL ASSISTANCE PROGRAM	93.778		9,352,154	-
MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION	93.791		3,694,559	-
Total Department of Health Care Finance			2,183,917,261	1,677,633
Department of Human Services				
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) - FOOD STAMPS	10.551		199,359,810	-
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561		22,319,258	-
EMERGENCY SOLUTIONS GRANT PROGRAM	14.231		646,406	11,897
SHELTER PLUS CARE	14.238		4,706,732	4,680,926
VETERANS AFFAIRS MEDICAL CENTER	64.009		984,938	-
SPECIAL PROGRAMS FOR THE AGING - TITLE IV & TITLE II - DISCRETIONARY PROJECTS	93.048		63,595	-
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558		132,640,342	-
REFUGEE & ENTRANT ASSISTANCE - STATE ADMINISTERED	93.566		1,641,834	193,982
COMMUNITY SERVICE BLOCK GRANT	93.569		11,444,259	10,978,155
SOCIAL SERVICES BLOCK GRANT	93.667		7,396,936	-
FAMILY VIOLENCE PREVENTION & SERVICES/GRANT FOR BATTERED WOMEN'S SHELTERS - GRANTS TO STATES & INDIAN TRIBES	93.671		740,958	714,206
MEDICAL ASSISTANCE PROGRAM	93.778		37,622,098	-
Total Department of Human Services			419,567,166	16,579,166
Department on Disability Services				
REHABILITATION SERVICES - VOCATIONAL REHABILITATION GRANTS TO STATES	84.126		16,707,319	-
REHABILITATION SERVICES - INDEPENDENT LIVING SERVICES - OLDER INDIVIDUALS WHO ARE BLIND	84.177		193,274	-
SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	84.187		215,387	-
SPECIAL PROGRAMS FOR THE AGING - TITLE IV & TITLE III - DISCRETIONARY PROJECTS	93.048		882,201	-
ACL INDEPENDENT LIVING STATE GRANTS	93.369		325,762	45,833
ACL ASSISTIVE TECHNOLOGY	93.464		332,702	-
DEVELOPMENTAL DISABILITIES PROJECTS OF NATIONAL SIGNIFICANCE	93.631		146,042	-
MEDICAL ASSISTANCE PROGRAM	93.778		12,563,509	-
SOCIAL SECURITY DISABILITY INSURANCE	96.001		11,314,520	-
Total Department on Disability Services			42,680,716	45,833
Office on Disability Rights				
DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	93.630		364,218	-
Total Office on Disability Rights			364,218	-

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Government of the District of Columbia

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Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
HUMAN SUPPORT SERVICES CLUSTER:				
Child and Family Services				
JUVENILE JUSTICE AND DELINQUENCY PREVENTION - ALLOCATION TO STATES	16.540		130,000	-
GUARDIANSHIP ASSISTANCE	93.090		2,852,636	-
PROMOTING SAFE AND STABLE FAMILIES	93.556		789,024	-
COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	93.590		237,577	-
CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	93.599		149,990	-
CHILDREN'S JUSTICE GRANTS TO STATES	93.643		48,587	-
CHILD WELFARE - SERVICES - STATE GRANTS	93.645		224,533	-
ADOPTION OPPORTUNITIES	93.652		660,130	-
FOSTER CARE - TITLE IV-E	93.658		41,211,144	-
ADOPTION ASSISTANCE - TITLE IV-E	93.659		10,001,252	-
CHILD ABUSE AND NEGLECT STATE GRANTS	93.669		26,250	-
CHAFEE FOSTER CARE INDEPENDENCE PROGRAM	93.674		1,131,263	-
Total Child and Family Services			57,462,386	-
Department of Behavioral Health				
CONTINUUM OF CARE PROGRAM	14.267		195,179	-
CRIMINAL AND JUVENILE JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM	16.745		30,799	-
COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCES (SED)	93.104		335,768	-
PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	93.150		182,176	-
SUBSTANCE ABUSE MENTAL HEALTH SERVICES (SAMHS) - PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243		7,817,509	-
MEDICARE - HOSPITAL INSURANCE	93.773		1,553,681	-
MEDICAL ASSISTANCE PROGRAM	93.778		1,772,551	-
OPIOD STR	93.788		525,000	-
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	93.958		897,046	-
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959		6,974,517	-
Total Department of Behavioral Health			20,284,226	-
PRIMARY & SECONDARY EDUCATION CLUSTER:				
District of Columbia Public Schools				
FUND FOR THE IMPROVEMENT OF EDUCATION	84.215		(350)	-
DC SCHOOL CHOICE INCENTIVE PROGRAM	84.370		7,881,515	-
TEACHER INCENTIVE FUND	84.374		9,720,531	-
HEAD START	93.600		13,995,317	-
COOP AGREEMENTS TO SUPPORT COMPREHENSIVE SCHOOL HEALTH PROGRAM TO PREVENT THE SPREAD OF HIV AND OTHER IMPORTANT HEALTH PROBLEMS	93.938		307,464	-
Total District of Columbia Public Schools			31,904,477	-
Office of the State Superintendent of Education				
SCHOOL BREAKFAST PROGRAM	10.553		12,339,991	12,339,991
NATIONAL SCHOOL LUNCH PROGRAM	10.555		29,486,312	29,486,312
SPECIAL MILK PROGRAM FOR CHILDREN	10.556		(1,073)	(1,073)
CHILD AND ADULT CARE FOOD PROGRAM	10.558		10,250,538	10,079,686
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559		2,696,634	2,602,088
STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	10.560		775,644	-
NUTRITION, EDUCATION AND TRAINING PROGRAM	10.564		352,265	-
EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COST)	10.568		237,684	188,748
EMERGENCY FOOD ASSISTANCE PROGRAM, NON-CASH AWARD	10.568		766,046	-
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	10.579		193,207	68,364
CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY, NON-CASH AWARD	10.579		2,972,597	-
FRESH FRUIT AND VEGETABLE PROGRAM	10.582		2,438,895	2,333,072
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002		1,731,080	1,688,689
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES (LEA)	84.010		44,685,060	44,296,364
TITLE I STATE AGENCY PROGRAM FOR NEGLECTED & DELINQUENT CHILDREN	84.013		181,680	180,009
SPECIAL EDUCATION - GRANT TO STATES	84.027		18,228,639	15,136,220

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Government of the District of Columbia

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PRIMARY & SECONDARY EDUCATION CLUSTER:				
Office of the State Superintendent of Education (continued)				
CAREER & TECHNICAL EDUCATION - BASIC GRANTS TO STATES	84.048		4,706,915	4,006,665
SPECIAL EDUCATION - PRESCHOOL GRANTS	84.173		197,347	160,621
SPECIAL EDUCATION GRANTS FOR INFANTS - FAMILIES	84.181		2,114,485	360,873
EDUCATION FOR HOMELESS CHILDREN AND YOUTH	84.196		188,180	141,236
CHARTER SCHOOLS	84.282		609,570	438,586
21ST CENTURY COMMUNITY LEARNING CENTERS - AFTER SCHOOL	84.287		5,740,882	5,740,882
ADVANCED PLACEMENT PROGRAM	84.330		88,204	88,204
READING FIRST STATE GRANTS	84.357		93	-
ENGLISH LANGUAGE ACQUISITION	84.365		967,868	900,143
MATHEMATICS & SCIENCE PARTNERSHIP	84.366		916,291	874,847
IMPROVING TEACHER QUALITY STATE GRANTS	84.367		11,859,127	11,162,086
GRANTS FOR STATE ASSESSMENTS & RELATED ACTIVITIES	84.369		2,804,867	-
DC SCHOOL CHOICE INCENTIVE PROGRAM	84.370		11,727,446	11,212,171
STATEWIDE LONGITUDINAL DATA SYSTEMS	84.372		274,523	-
SCHOOL IMPROVEMENT GRANTS	84.377		1,522,096	1,452,976
COLLEGE ACCESS CHALLENGE GRANT PROGRAM	84.378		(36,588)	(36,963)
COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	93.079		422,317	79,547
AFFORDABLE CARE ACT PERSONAL RESPONSIBILITY EDUCATION PROGRAM	93.092		275,871	89,518
CHILD CARE & DEVELOPMENT BLOCK GRANT - DISCRETIONARY	93.575		13,564,746	11,758,131
CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	93.596		(79,309)	-
HEAD START	93.600		1,735,412	1,128,745
Total Office of the State Superintendent of Education			186,935,542	167,956,738
University of the District of Columbia				
AGRICULTURAL RESEARCH_BASIC AND APPLIED RESEARCH	10.001		23,799	-
SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	10.170		195,997	-
PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE HATCH ACT	10.203		839,767	-
COOPERATIVE EXTENSION SERVICE	10.500		1,466,414	-
PARTNERSHIP AGREEMENTS	10.699		328	-
INVESTMENTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT FACILITIES	11.300		88,216	-
SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH	11.620		5,500	-
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420		4,501	-
BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630		638,180	-
ASSISTANCE TO WATER RESOURCES RESEARCH INSTITUTES	15.805		106,482	-
TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE AND CAREER TRAINING (TAACCT) GRANTS	17.282		1,596,221	-
LOW-INCOME TAXPAYER CLINICS	21.008		111,103	-
EDUCATION	43.008		15,720	-
EDUCATION AND HUMAN RESOURCES	47.076		1,309,510	-
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)	84.007		627,980	-
HIGHER EDUCATION - INSTITUTIONAL AID	84.031		5,063,555	-
FEDERAL WORK-STUDY PROGRAM	84.033		188,577	-
TRIO - TALENT SEARCH	84.044		442,687	-
TRIO - UPWARD BOUND	84.047		245,569	-
FEDERAL PELL GRANT PROGRAM	84.063		6,617,104	-
FEDERAL DIRECT STUDENT LOANS	84.268		21,611,746	-
SUBSTANCE ABUSE MENTAL HEALTH SERVICES (SAMHS)_PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	93.243		443,820	-
NATIONAL CENTER FOR ADVANCING TRANSLATIONAL SCIENCES	93.350		22,326	-
CANCER CAUSE AND PREVENTION RESEARCH	93.393		22,364	-
COMMUNITY SERVICES BLOCK GRANT_DISCRETIONARY AWARDS	93.570		328,274	-
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859		23,527	-
SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	93.925		480,629	-
SENIOR COMPANION PROGRAM	94.016		318,421	-
HOMELAND SECURITY-RELATED SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (HS STEM) CAREER DEVELOPMENT PROGRAM	97.104		198,112	-
Total University of the District of Columbia			43,036,429	-

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GOVERNMENT SERVICES CLUSTER:				
Department of Transportation				
URBAN & COMMUNITY FORESTRY PROGRAM	10.675		23,360	-
HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM	20.200		3,551,333	-
HIGHWAY PLANNING AND CONSTRUCTION	20.205		196,290,166	-
HIGHWAY TRAINING AND EDUCATION	20.215		366,352	-
RECREATIONAL TRAILS PROGRAM	20.219		225,272	-
ARRA - HIGH-SPEED RAIL CORRIDORS AND INTERCITY PASSENGER RAIL SERVICE - CAPITAL ASSISTANCE GRANTS	20.319		244,554	-
METROPOLITAN TRANSPORTATION PLANNING	20.505		773,246	-
STATE AND COMMUNITY HIGHWAY SAFETY	20.600		5,556,738	3,591,038
NATIONAL INFRASTRUCTURE INVESTMENTS	20.933		192,944	-
Total Department of Transportation			207,223,965	3,591,038
District Department of the Environment				
ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT	11.474		61,043	18,061
STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE REIMBURSEMENT OF TECHNICAL SERVICES	12.113		323,036	96,864
SPORT FISH RESTORATION PROGRAM	15.605		1,687,705	513,583
CLEAN VESSEL ACT	15.616		9,380	9,380
STATE WILDLIFE GRANTS	15.634		86,496	34,026
US GEOLOGICAL SURVEY RESEARCH AND DATA COLLECTION	15.808		26,000	7,428
AIR POLLUTION CONTROL PROGRAM SUPPORT	66.001		846,640	239,476
STATE INDOOR RADON GRANTS	66.032		121,326	18,512
SURVEYS, STUDIES, INVESTIGATIONS ACTIVITIES RELATING TO THE CLEAN AIR ACT	66.034		70,964	13,849
MULTI PURPOSE GRANTS TO STATES AND TRIBES	66.204		1,235	-
CONSTRUCTION GRANTS FOR WASTEWATER TREATMENT WORKS	66.418		1,189,774	97,334
WATER POLLUTION CONTROL STATE, INTERSTATE, TRIBAL RPROGRAM SUPPORT	66.419		1,249,231	218,589
WATER QUALITY MANAGEMENT PLANNING	66.454		100,000	60,000
NONPOINT SOURCE IMPLEMENTATION GRANTS	66.460		1,119,497	329,602
CHESAPEAKE BAY PROGRAM	66.466		4,698,537	1,806,864
CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS	66.468		7,033	2,310
PERFORMANCE PARTNERSHIP GRANTS	66.605		222,659	67,517
POLUTION PREVENTION GRANTS PROGRAM	66.708		557,337	165,265
SOURCE REDUCTION ASSISTANCE	66.717		26,027	26,027
HAZARDOUS WASTE MANAGEMENT STATE PROGRAM SUPPORT	66.801		214,981	62,812
SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE SPECIFIC COOPERATIVE AGREEMENTS	66.802		327,284	109,095
UNDERGROUND STORAGE TANK PREVENTION, DETECTION & COMPLIANCE PROGRAM	66.804		624,807	196,688
SUPERFUND STATE AND TRIBE CORE PROGRAM COOP AGREEMENTS	66.809		65,151	21,317
STATE AND TRIBAL RESPONSE PROGRAM GRANTS	66.817		258,146	84,265
STATE ENERGY PROGRAM	81.041		377,403	134,981
WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	81.042		863,465	683,381
STATE HEATING OIL AND PROPANE PROGRAM	81.138		6,763	-
LOW INCOME HOME ENERGY ASSISTANCE	93.568		10,198,979	7,998,643
CHILD LEAD POISONING PREVENETION SURVEILLANCE FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH (PPHF) PROGRAM	93.753		325,971	118,756
COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES ELEMENT (CAP-SSSE)	97.023		38,784	-
COOPERATING TECHNICAL PARTNERS	97.045		61,074	-
Total District Department of the Environment			25,766,728	13,134,625

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GOVERNMENT OPERATIONS CLUSTER:				
Office of the Mayor				
RETIRED AND SENIOR VOLUNTER PROGRAM	94.002		56,626	-
STATE COMMISSIONS	94.003		230,438	-
AMERICORPS	94.006		3,377,184	3,377,184
TRAINING AND TECHNICAL ASSISTANCE	94.009		77,721	-
Total Office of the Mayor			3,741,969	3,377,184
Office of the Inspector General				
STATE MEDICAID FRAUD CONTROL UNITS	93.775		2,083,234	-
Total Office of the Inspector General			2,083,234	-
Office on Aging				
COMMODITY SUPPLEMENTAL FOOD PROGRAM	10.565		390,818	390,818
SENIOR FARMER MARKET NUTRITION PROGRAM	10.576		134,403	134,403
SPECIAL PROGRAMS FOR THE AGING - TITLE VII, CHAPTER 3 - PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	93.041		23,712	23,712
SPECIAL PROGRAMS FOR THE AGING - TITLE VII, CHAPTER 2 - LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	93.042		139,650	139,650
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART B - GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044		1,343,435	977,815
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART C - NUTRITION SERVICES	93.045		2,820,353	-
NATIONAL FAMILY CAREGIVERS SUPPORT TITLE III PART E	93.052		526,408	526,408
NUTRITION SERVICES INCENTIVE PROGRAM	93.053		653,678	-
DC LIFESPAN RESPITE PROGRAM	93.072		30,282	29,821
AFFORDABLE CARE ACT - MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS	93.518		14,335	14,335
ALZHEIMER'S DISEASE INITIATIVE: SPECIALIZED SUPPORTIVE SERVICE PROJECT (ADISS) THRU PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	93.763		365,125	342,031
MEDICAL ASSISTANCE PROGRAM	93.778		1,958,395	-
CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) RESEARCH , DEMONSTRATIONS AND EVALUATIONS	93.779		110,918	110,918
Total Office on Aging			8,511,512	2,689,911
Office of the Attorney General				
SMART PROSECUTION INITIATIVE	16.825		38,215	-
CHILD SUPPORT ENFORCEMENT PROGRAM	93.563		18,227,097	-
CHILD SUPPORT ENFORCEMENT RESEARCH	93.564		31,802	-
GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAM	93.597		96,261	-
Total Office of the Attorney General			18,393,375	-
DC Public Library				
GRANTS TO STATES	45.310		931,334	-
NATIONAL LEADERSHIP GRANTS	45.312		8,420	-
Total DC Public Library			939,754	-

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<u>GOVERNMENT OPERATIONS CLUSTER:</u>				
Department of Employment Services				
LABOR FORCE STATISTICS	17.002		704,912	-
REGISTERED APPRENTICESHIP	17.201		82,552	-
EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	17.207		2,599,141	-
UNEMPLOYMENT INSURANCE	17.225		153,993,576	-
ARRA - UNEMPLOYMENT INSURANCE	17.225		424,632	-
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	17.235		508,407	-
TRADE ADJUSTMENT ASSISTANCE	17.245		33,525	-
WIOA ADULT PROGRAM	17.258		2,395,069	-
WIOA YOUTH ACTIVITIES	17.259		3,471,015	-
WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)	17.271		49,594	-
TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS	17.273		6,232	-
WIOA DISLOCATED WORKER FORMULA GRANTS	17.278		3,770,906	-
WORKFORCE INVESTMENT ACT (WIA) DISLOCATED WORKER NATIONAL RESERVE TECHNICAL ASSISTANCE TRAINING	17.281		69,975	-
CONSULTATION AGREEMENTS	17.504		475,260	-
DISABLED VETERANS OUTREACH PROGRAM	17.801		308,660	-
LOCAL VETERANS EMPLOYMENT REPRESENTATIVE	17.804		223,624	-
Total Department of Employment Services			169,117,080	-
Board of Election and Ethics				
HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	90.401		1,350,843	-
Total Board of Election and Ethics			1,350,843	-
Office of the Chief Technology Officer				
STATE AND LOCAL IMPLEMENTATION GRANT PROGRAM	11.549		43,170	-
Total Office of the Chief Technology Officer			43,170	-
<u>PUBLIC SAFETY & JUSTICE CLUSTER:</u>				
Homeland Security / Emergency Management				
NON-PROFIT SECURITY PROGRAM	97.008		494,377	494,377
DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	97.036		10,321,698	51,728
HAZARD MITIGATION GRANT	97.039		2,717,692	2,562,532
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	97.042		3,055,867	-
PRE-DISASTER MITIGATION	97.047		63,225	-
PORT SECURITY PROGRAM GRANT	97.056		159,351	159,351
HOMELAND SECURITY GRANT PROGRAM	97.067		57,040,541	51,004,518
SECURING THE CITIES PROGRAM	97.106		12,218,275	12,115,666
Total Homeland Security / Emergency Management			86,071,026	66,388,172
Metropolitan Police Department				
NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP)	16.554		659,437	-
PUBLIC SAFETY PARTNERSHIP & COMMUNITY POLICING GRANTS	16.710		2,114,879	4,463
EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM	16.751		231,344	-
NATIONAL MOTOR CARRIER SAFETY	20.218		703,724	-
BOATING SAFETY FINANCIAL ASSISTANCE	97.012		740,921	-
Total Metropolitan Police Department			4,450,305	4,463
Fire and Emergency Medical Services				
RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEM STATE SAFETY OVERSIGHT FORMULA GRANT PROGRAM	20.528		277,598	-
ASSISTANCE TO FIREFIGHTERS GRANT	97.044		4,075,624	-
Total Fire and Emergency Medical Services			4,353,222	-
Criminal Justice Coordinating Council				
STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS	16.550		140,675	-
Total Criminal Justice Coordinating Council			140,675	-

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<u>PUBLIC SAFETY & JUSTICE CLUSTER:</u>				
DC National Guard				
NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	12.401		4,956,863	-
NATIONAL GUARD CHALLENGE PROGRAM	12.404		2,065,346	23,232
Total DC National Guard			7,022,209	23,232
Department of Corrections				
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM	16.606		(32,118)	-
Total Department of Corrections			(32,118)	-
Office of Justice Grants Administration/Office of Victim Services				
SEXUAL ASSAULT SERVICES FORMULA PROGRAM	16.017		317,961	317,961
JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT PROGRAM	16.523		69,522	69,522
JUVENILE JUSTICE AND DELINQUENCY PREVENTION - ALLOCATION TO STATES	16.540		313,605	313,605
CRIME VICTIM ASSISTANCE PROGRAM	16.575		5,015,532	4,889,456
CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	16.582		318,805	258,987
VIOLENCE AGAINST WOMEN FORMULA GRANTS	16.588		684,388	662,397
GRANTS TO ENCOURAGE ARREST POLICIES & ENFORCEMENT OF PROTECT ORDERS	16.590		268,129	268,129
RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	16.593		23,365	23,059
PREA PROGRAM: DEMONSTRATION PROJECTS TO ESTABLISH "ZERO TOLERANCE" CULTURES FOR SEXUAL ASSAULT IN CORRECTIONAL FACILITIES	16.735		36,391	36,391
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738		1,095,313	936,862
PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	16.742		61,582	61,582
EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM	16.751		173,580	173,580
SECOND CHANCE ACT PRISONER REENTRY INITIATIVE	16.812		33,673	33,673
BYRNE CRIMINAL JUSTICE INNOVATION PROGRAM	16.817		43,476	19,819
VISION 21	16.826		270,874	241,528
Total Office of Justice Grants Administration/Office of Victim Services			8,726,196	8,306,551
Deputy Mayor for Public Safety and Justice				
JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT PROGRAM	16.523		(358)	(358)
JUVENILE JUSTICE AND DELINQUENCY PREVENTION - ALLOCATION TO STATES	16.540		(715)	-
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738		(3,035)	-
Total Deputy Mayor for Public Safety and Justice			(4,108)	(358)
Department of Forensics Sciences				
FORENSIC DNA BACKLOG REDUCTION PROGRAM	16.741		359,890	-
Total Department of Forensics Sciences			359,890	-
Office of Administrative Hearing				
MEDICAL ASSISTANCE PROGRAM	93.778		150,000	-
Total Office of Administrative Hearing			150,000	-
<u>ECONOMIC DEVELOPMENT AND REGULATION CLUSTER:</u>				
Office of Municipal Planning				
HISTORIC PRESERVATION FUND GRANTS-IN-AID	15.904		570,882	-
Total Office of Municipal Planning			570,882	-
Commission on Arts & Humanities				
PROMOTION OF THE ARTS - PARTNERSHIP AGREEMENTS	45.025		719,736	-
Total Commission on Arts & Humanities			719,736	-

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Schedule of Expenditures of Federal Awards by District Agency

Year Ended September 30, 2017

<i>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>	<i>Passed Through to Subrecipients</i>
<u>ECONOMIC DEVELOPMENT AND REGULATION CLUSTER:</u>				
Department of Housing and Community Development				
COMMUNITY DEVELOPMENT BLOCK GRANTS / ENTITLEMENT GRANTS (CDBG)	14.218		33,865,161	21,648,737
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS (CDBG), OUTSTANDING LOAN BEGINNING BALANCE	14.218		281,943,798	-
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)	14.239		5,667,462	5,223,667
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME), OUTSTANDING LOAN BEGINNING BALANCE	14.239		110,932,460	-
LEAD-BASED PAINT HAZARD CONTROL IN PRIVATELY-OWNED HOUSING	14.900		300,896	272,680
LEAD HAZARD REDUCTION DEMONSTRATION GRANT PROGRAM	14.905		271,647	150,793
Total Department of Housing and Community Development			432,981,424	27,295,877
Public Service Commission				
PIPELINE SAFETY PROGRAM STATE BASE GRANT	20.700		475,476	-
Total Public Service Commission			475,476	-
Deputy Mayor for Economic Development				
SPORTFISHING AND BOATING SAFETY ACT	15.622		2,690,696	-
COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE FOR ESTABLISHMENT, EXPANSION, REALIGNMENT, OR CLOSURE OF A MILITARY INSTALLATION	12.607		443,887	-
Total Deputy Mayor for Economic Development			3,134,583	-
Department of Small & Local Business Development				
PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS	12.002		382,569	-
Total Department of Small & Local Business Development			382,569	-
Department of Insurance, Securities and Banking				
AFFORDABLE CARE ACT (ACA) GRANTS TO STATES FOR HEALTH INSURANCE PREMIUM REVIEW	93.511		145,405	-
Total Department of Insurance, Securities and Banking			145,405	-
<u>OFFICE OF THE CHIEF FINANCIAL OFFICE CLUSTER:</u>				
Office of the Chief Financial Officer				
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION	10.561		361,916	-
Total Office of the Chief Financial Officer			361,916	-
Total Expenditures of Federal Awards			\$ 4,087,558,417	\$ 362,064,357

The accompanying notes are an integral part of this schedule.

Government of the District of Columbia

Notes to Schedules of Expenditures of Federal Awards Year Ended September 30, 2017

1. Summary of Significant Accounting Policies

Reporting Entity

The Schedules of Expenditures of Federal Awards (the "Schedules" or the "SEFA") include the activity of all federal award programs administered by the Government of the District of Columbia (the "District"), except for the District of Columbia Housing Finance Agency (HFA), for the fiscal year ended September 30, 2017. This component unit engaged other auditors to perform an audit in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and, as such the federal awards for this entity are excluded from the Schedules.

Federal award programs include direct expenditures, monies passed through to nonstate agencies (i.e., payments to subrecipients), nonmonetary assistance, and loan programs.

Basis of Presentation

The Schedules present total federal awards expended for each individual federal program in accordance with the Uniform Guidance. Federal award program titles are reported as presented in the Catalog of Federal Domestic Assistance (Catalog). Federal award program titles not presented in the Catalog are identified by Federal awarding agency's two digit prefix (or 99) followed by (contract number or UNKNOWN).

Basis of Accounting

The expenditures for each of the federal award programs are presented in the Schedules on a modified accrual basis. The modified accrual basis of accounting incorporates an estimation approach to determine the amount of expenditures incurred if not yet billed by a vendor. Thus, those Federal programs presenting negative amounts on the Schedules are the result of prior year estimates being overstated and/or reimbursements due back to the grantor.

Matching Costs

Matching costs, the nonfederal share of certain programs costs, are not included in the Schedules.

2. Relationship to Federal Financial Reports

The regulations and guidelines governing the preparation of Federal financial reports vary by Federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the Federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedules, which are prepared on the basis explained in Note 1.

3. Indirect Cost Rate

The District did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Government of the District of Columbia

Notes to Schedules of Expenditures of Federal Awards Year Ended September 30, 2017

4. Federally Funded Loan Programs

Community Development Block Grants (CFDA #14.218)

The amount of total program expenditures in the accompanying schedules is \$33,865,161, which includes current year loan disbursements. The outstanding loans cumulative balance as of September 30, 2017, is \$285,354,340.

Home Investment Partnerships Program (CFDA #14.239)

The amount of total program expenditures in the accompanying schedules is \$5,667,462, which includes current year loan disbursements. The outstanding loans cumulative balance as of September 30, 2017, is \$118,145,766.

Federal Direct Student Loan Program (CFDA #84.268)

The District, through the University of the District of Columbia (UDC), participates in the Federal Direct Student Education Loan Program. Beginning July 1, 2010, UDC began participating in the Federal Direct Loans Program. In fiscal year 2017, new loans made to students enrolled at UDC under the Federal Loan Program, CFDA #84.268 totals \$21,611,746. This amount is included in the Schedules.

Beginning Balance	\$	155,389,708
Add: New Loans		21,611,746
		177,001,454
Less: Principal payments		-
Ending Balance	\$	177,001,454

5. Rebates from the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

During fiscal year 2017, the District received cash rebates from infant formula manufacturers totaling \$3,136,132 on sales of formula to participants in the WIC program (CFDA #10.557), which are netted against total expenditures included in the Schedules.

Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16(m) as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs.

6. Unemployment Insurance

State unemployment tax revenues and government, tribal, and non-profit reimbursements in lieu of State taxes (State UI funds) must be deposited to the Unemployment Trust Fund in the U.S. Treasury, and are primarily used to pay benefits under the federally-approved State unemployment law. Consequently, State UI funds as well as Federal funds are included in the total expenditures of CFDA #17.225 in the accompanying Schedules.

Government of the District of Columbia

Notes to Schedules of Expenditures of Federal Awards Year Ended September 30, 2017

The composition of CFDA #17.225 in fiscal year 2017 is as follows:

State UI Benefits	\$ 130,108,305
Federal UI and Extended UI Benefits	12,282,583
Federal UI Administrative Expenditures	11,602,688
Subtotal	153,993,576
Additional Federal Unemployment Compensation ARRA - Federal UI	424,632
Total	\$ 154,418,208

7. Disaster Grants - Public Assistance (CFDA #97.036)

The District incurred eligible disaster expenditures during the January 2016 snowstorm. The Federal Emergency Management Agency (FEMA) awarded the Disaster Grants - Public Assistance (Presidentially Declared Disasters) grant to the District to assist with the expenditures related to the response and recovery of the snowstorm. The District incurred \$10,321,698 of eligible expenditures in fiscal year 2016, and FEMA approved the related project worksheets in fiscal year 2017. This amount has been included in the Schedules as required by the OMB Compliance Supplement.

Schedule of Findings and Questioned Costs

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Section I - Summary of Auditor's Results

Basic Financial Statements

1. The basic financial statements of the District as of and for the year ended September 30, 2017, were audited by other auditors whose report dated January 24, 2018, expressed unmodified opinions on the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District.
2. The audit by other auditors identified no material weaknesses and no significant deficiencies in internal control over financial reporting in connection with the basic financial statements of the District as of and for the year ended September 30, 2017.
3. The audit by other auditors identified no instances of noncompliance that are material to the basic financial statements of the District as of and for the year ended September 30, 2017.

Schedules of Expenditures of Federal Awards (SEFA)

Type of auditor's report issued on the SEFA: Unmodified

Internal control over financial reporting on the SEFA:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? X yes _____ no
- Significant deficiency(ies) identified? X yes _____ none reported

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Type of auditor's report issued on compliance for major programs:

#	Major Program/Cluster	CFDA Number(s)	Type of Report Issued
1	Supplemental Nutrition Assistance Program Cluster	10.551, 10.561	Adverse
2	Child Nutrition Cluster	10.553, 10.555, 10.556, 10.559	Qualified
3	Workforce Innovation and Opportunity Act Cluster	17.258, 17.259, 17.278	Unmodified
4	Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	Unmodified
5	Temporary Assistance for Needy Families Cluster	93.558	Adverse
6	Foster Care - Title IV-E	93.658	Qualified
7	Adoption Assistance - Title IV-E	93.659	Qualified
8	Children's Health Insurance Program	93.767	Unmodified
9	Medicaid Cluster	93.775, 93.777, 93.778	Unmodified
10	HIV Emergency Relief Project Grants	93.914	Qualified
11	HIV Care Formula Grants	93.917	Qualified
12	Social Security Disability Insurance Cluster	96.001	Unmodified
13	Disaster Grants - Public Assistance	97.036	Adverse
14	Securing the Cities Program	97.106	Unmodified

There were audit findings that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance for the year ended September 30, 2017.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

The major Federal programs of the District for the year ended September 30, 2017 were as follows:

#	Major Program/Cluster	CFDA Number(s)
1	Supplemental Nutrition Assistance Program Cluster	10.551, 10.561
2	Child Nutrition Cluster	10.553, 10.555, 10.556, 10.559
3	Workforce Innovation and Opportunity Act Cluster	17.258, 17.259, 17.278
4	Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126
5	Temporary Assistance for Needy Families Cluster	93.558
6	Foster Care - Title IV-E	93.658
7	Adoption Assistance - Title IV-E	93.659
8	Children's Health Insurance Program	93.767
9	Medicaid Cluster	93.775, 93.777, 93.778
10	HIV Emergency Relief Project Grants	93.914
11	HIV Care Formula Grants	93.917
12	Social Security Disability Insurance Cluster	96.001
13	Disaster Grants - Public Assistance	97.036
14	Securing the Cities Program	97.106

The dollar threshold used to distinguish between Type A and Type B programs was \$12,262,675 for Federal awards for the year ended September 30, 2017.

Auditee qualified as low risk auditee? _____ Yes X No

Section II - Financial Statement Findings

There were no findings related to the basic financial statements and the schedules of expenditures of federal awards which are required to be reported in accordance with generally accepted government auditing standards (GAGAS).

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Section III - Federal Award Findings and Questioned Costs

Finding Number: 2017-001
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Agriculture

Government Department/Agency:

Department of Human Services (DHS)

Supplemental Nutrition Assistance Program Cluster (SNAP)

CFDA #: 10.551, 10.561

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In addition, per 2 CFR Section 200.403, "Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
- (g) Be adequately documented."

Condition - For one (1) of the 60 non-payroll expenses selected for testing, DHS did not have the appropriate funding mechanism (purchase order) in place to pay for this expenditure incurred for training and education charged to the program. This amount represents 2% of the total sampled items related to the 60 sampled items of \$2,326,916.

Questioned Costs - Known amount is \$49,457.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - Without adequate controls in place to ensure costs are properly reviewed for allowability, DHS could be noncompliant with the allowability requirement and could request funds for costs that are unallowed.

Cause - Management is not adhering to their internal policies and procedures to ensure that transactions are properly supported and authorized to ensure that costs are allowable.

Recommendation - We recommend that DHS strengthen their policies and procedures over the review and maintenance of appropriate documentation to ensure compliance with allowability requirements.

Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DHS concurs with this finding. DHS provided copies of invoices that support the total amount of expenditures accrued for services provided by this vendor. The documentation included the signed grant agreement, and certification from the program staff that the services were received and rendered in accordance with the grant agreement. The purchase order was not modified to reconcile with the revised grant agreement. Consequently, there was no mechanism in place to pay the final invoice.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-002
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Agriculture

Government Department/Agency:

Department of Human Services (DHS)

Supplemental Nutrition Assistance Program Cluster (SNAP)

CFDA #: 10.551, 10.561

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Actual conditions must be taken into account in selecting the base to be used in allocating the expenses in each grouping to benefitted functions. When an allocation can be made by assignment of a cost grouping directly to the function benefitted, the allocation must be made in that manner. When the expenses in a grouping are more general in nature, the allocation should be made through the use of a selected base which produces results that are equitable to both the Federal Government and the government unit.

Condition - DHS did not accurately allocate the share of indirect costs to the program. It appears that indirect costs claimed for FY 2017 were overstated by \$381,138.

Questioned Costs - Known amount is \$381,138.

Context - This is a condition identified per review of DHS' compliance with specified requirements. DHS has an approved indirect cost rate agreement which charges 33.6% to the award.

Effect - Reimbursable amounts were overstated.

Cause - Indirect costs were not properly calculated and captured in the accounting system.

Recommendation - We recommend that DHS should review and reconcile cost allocations to ensure accuracy.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DHS concurs with this finding. DHS agrees with the finding that the adjusting entries on the backup/work papers were not executed in the accounting system. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-003
Prior Year Finding Number: N/A
Compliance Requirement: Cash Management

Program:

U.S. Department of Agriculture

Government Department/Agency:

Department of Human Services (DHS)

Supplemental Nutrition Assistance Program Cluster (SNAP)

CFDA #: 10.551, 10.561

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The Cash Management Improvement Act of 1990 (CMIA) agreement between the Government of the District of Columbia and the U.S. Department of Treasury requires that established funding techniques and clearance patterns be complied with when requesting Federal funds.

The CMIA agreement stipulates that funding for payments relating to administrative costs require the use of actual costs - modified clearance funding techniques and a clearance pattern of 5 days for this program. The CMIA agreement also stipulates that funding for payments for salaries requires the use of a modified average clearance funding technique and a clearance pattern of 0 days for this program. These techniques require DHS to minimize the time that elapses between the payment of the disbursements and the request for reimbursement.

Condition - We reviewed four (4) out of 10 drawdowns made during fiscal year 2017, totaling \$7,714,655, and noted that 4 out of the 4 sampled drawdowns were not in accordance with the provisions of the CMIA agreement. Specifically, we noted that DHS did not follow the funding techniques and clearance patterns outlined in the CMIA agreement and requested the funds later than they should have.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DHS' compliance with the provisions of the CMIA agreement and general compliance principles. Total fiscal year 2017 drawdown requests were \$12,081,520.

Effect - DHS is not in compliance with the stated provisions. The opportunity to use the money for other immediate cash needs is unnecessarily delayed when funds are not requested timely.

Cause - DHS did not appear to exercise due diligence in requesting Federal funds consistent with the CMIA agreement and its actual cash needs.

Recommendation - We recommend that DHS comply with the provisions of the CMIA agreement and request Federal funds consistent with the CMIA agreement funding techniques and clearance patterns for this program.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DHS concurs with the findings. Historically the CMIA has not been applied to SNAP since the grant has never met the state threshold for major Federal assistance programs of \$20,050,855. The fourth quarter reconciliation of SNAP expenditures and the application of the IDCR rate took the grant over the CMIA threshold. DHS will enact the auditor's recommendations after updating the CMIA agreement, which in its present state cannot be effectively and efficiently applied to SNAP.

Eligible SNAP expenditures are identified via the Random Moment Sample (RMS) and other cost allocation methodologies in the agencies approved Cost Allocation Plan (CAP). The adjusting entries are made on a quarterly basis. DHS will enact the auditor's recommendations, however the CMIA agreement, will have to be updated to account for the Quarterly adjustments.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-004
Prior Year Finding Number: N/A
Compliance Requirement: Special Tests and Provisions - ADP System for SNAP

Program:

U.S. Department of Agriculture

Supplemental Nutrition Assistance Program Cluster (SNAP)

CFDA #: 10.551, 10.561

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services

(DHS)/DC Access System (DCAS)

Program Management Administration

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 2 CFR Section 272.10(a), "All State agencies are required to sufficiently automate their SNAP operations and computerize their systems for obtaining, maintaining, utilizing, and transmitting information concerning SNAP."

Per 2 CFR Section 272.10(b), "In order to meet the requirements of the Act and ensure the efficient and effective administration of the program, a SNAP system, at a minimum, shall be automated in each of the following program areas (1) Certification and (2) Issuance Reconciliation and Reporting. Under Certification - States agencies must determine eligibility and calculate benefits or validate the eligibility worker's calculations by processing and storing all casefile information necessary for the eligibility determination and benefit computation (including but not limited to all household members' names, addresses, dates of birth, social security numbers, individual household members' earned and unearned income by source, deductions, resources and household size). Also, State agencies must redetermine or revalidate eligibility and benefits based on notices of change in households' circumstances."

Condition - The District is self-reporting findings it noted from its implementation of a new ADP system for SNAP in October 2016. The issues identified and the estimated impact follows:

1. 1,422 cases of overpayments were identified which resulted from the system identifying a case that was submitted for eligibility determination (and was subsequently updated) as underpaid and the system issued additional benefit. The District is in the process of enhancing the system to avoid future instance of over payment arising from profile updates. Total impact of the error amounted to \$263,163.
2. 7,242 cases of overpayments were identified which resulted from a system malfunction while validating income during interface process with the system at Social Security Administration (SSA). The interface error reported these cases to have zero income hence, benefit calculated is overstated. The system was corrected to avoid future system malfunctions. Total impact of the error amounted to \$2,610,745.
3. 2,142 cases of overpayments were identified which resulted from a system limitation which limited the number of cases the system can close from the certification and re-certification process for the

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

months of November and December 2016. The system was corrected to avoid future system limitation. Total impact of the error amounted to \$710,712.

4. 274 cases of overpayments were identified which resulted from lack of periodic data match with the system at SSA to identify deceased customers. The system was corrected to ensure periodic data matches are performed starting June 2017. Total impact of the error amounted to \$397,371.
5. 2,075 cases of overpayments were identified which resulted from a system configuration error which allowed benefit payments to individuals, who missed their mid-recertification due date, beyond the benefit termination date. The system configuration was updated to ensure no payments are made to individual who missed their re-certification starting September 2017. Total impact of the error was estimated at \$600,000.
6. 1,737 cases of overpayments were identified which resulted from the system failing to provide mid-recertification notices to individuals due for mid-recertification for the month of May 2017. This resulted to extending benefit payments to individuals beyond their original benefit termination date. Total impact of the error amounted to \$237,222.
7. 855 cases of overpayments were identified which resulted from the system failing to cease payments to individual beyond their entitlement period. Total impact of the error amounted to \$192,131.
8. 2,075 cases of estimated payments to be made to individuals who were not provided their benefits but was not notified by the District. Total estimated impact of the error amounted is \$1,500,000.

These amounts represent 3% of the total amounts paid by DHS in claims for beneficiary payments. DHS paid a total of \$199,359,810 in beneficiary payments to all SNAP beneficiaries in fiscal year 2017.

Questioned Costs - Known amount is \$4,411,344 and estimated amount is \$2,100,000.

Context - This is a condition identified per review of DHS' compliance with specified requirements resulting from a system implementation.

Effect - Without an effectively designed and operated system in place, ineligible beneficiaries may receive benefits under the SNAP grant and DHS may make payments on behalf of those beneficiaries resulting in noncompliance with the eligibility requirements. Inaccurate beneficiary allotment payments could result in participants receiving benefits that they are not entitled to receive under the program.

Cause - DHS did not effectively design and operate the new ADP system for SNAP which resulted to inaccurate benefit payments.

Recommendation - We recommend that DHS continue to improve the new ADP system for SNAP to ensure that it addresses all the administration requirements of the SNAP program.

Related Noncompliance - Material noncompliance.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Views of Responsible Officials and Planned Corrective Actions - The Department of Health Care Finance/DCAS Program Management Administration agrees with the findings noted in this report. Findings #2-6 and 8 are all known issues within the system that have already been addressed through a prior system fix/enhancement or separate mitigation plan. Findings #1, 3, and 7 must be researched further prior to corrective action plan development. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-005
Prior Year Finding Number: 2016-002
Compliance Requirement: Special Tests and Provisions - EBT Card Security

Program:

U.S. Department of Agriculture

Supplemental Nutrition Assistance Program Cluster (SNAP)

CFDA #: 10.551, 10.561

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services
(DHS)/Office of Finance and Treasury
(OFT)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 7 CFR Section 274.8(b)(3), As an addition to or component of the Security Program required of Automated Data Processing (ADP) systems, the State agency shall ensure that the following electronic benefits transfer (EBT) security requirements are established:

- (i) Storage and control measures to control blank unissued EBT cards and PINs, and unused or spare POS devices;
- (ii) Measures to ensure communication access control. Communication controls shall include the transmission of transaction data and issuance information from POS terminals to work-stations and terminals at the data processing center;
- (iii) Message validation;
- (iv) Administrative and operational procedures;
- (v) A separate EBT security component shall be incorporated into the State agency Security Program for ADP systems. The periodic risk analyses required by the Security Program shall address the following items specific to an EBT system - (B) Completeness and timeliness of the reconciliation system; and
- (vi) The State agency shall incorporate the contingency plan approved by FNS into the Security Program.

Condition - DHS is required to maintain adequate security over, and documentation/records for EBT cards, to prevent their theft, embezzlement, loss damage, destruction, unauthorized transfer, negotiation, or use. DHS has contracted with Fidelity National Information Service (FIS) for the issuance and security of the EBT cards; however, it is DHS' ultimate responsibility to ensure the contractor has controls in place to maintain adequate security over, and documentation/records of EBT cards. During our tests of the design and implementation of internal controls, we noted the following issues:

- For four (4) out of the 60 samples, although EBT card packages were signed, these packages were not dated as required.
- For one (1) out of the 60 samples, the number of cards issued and listed on the EBT balance sheet did not match the number of cards listed on the issuance log for workstation 1. In addition,

Government of the District of Columbia

Schedule of Findings and Questioned Costs Year Ended September 30, 2017

the date on the balance sheet for workstation 1 did not match the daily login sheet or issuance forms due to a typographical error.

- For two (2) out of the 60 samples, the folder provided was commingled and in no particular order lacking organization. Consequently, we were unable to perform the required procedures.
- For 38 out of the 60 samples, although both EBT balance sheets reconciled with the EBT card issuance logs included in the package, we noted the following deficiencies:
 - For seventeen (17) of the samples, for at least one client a card number written on EBT Issuance Log did not agree with the United Planning Organization (UPO) EBT Center Intake form.
 - For five (5) of the samples, for at least one client no card number was listed on the EBT Intake Form, although listed on the EBT Issuance log. In addition, BDO noted that for at least one client a card number written on the EBT Issuance log did not agree with the UPO EBT Center Intake form.
 - For thirteen (13) of the samples, for at least one client no card number was listed on the UPO EBT Center Intake form, although listed on the EBT Issuance log. In addition, in one instance the worker reversed the line and page numbers on the UPO EBT Center Intake form, which mapped the client information to the EBT Issuance log, and another where the card number on the UPO EBT Center Intake form was illegible.
 - For one (1) of the samples, the same card number was written on two different UPO EBT Center Intake forms at workstation 1. In addition, in one instance, the UPO EBT Center Intake form for one client was missing from the packet for workstation 2.
 - For one (1) of the samples, there was a client in workstation 1 listed on the EBT issuance log but missing an UPO EBT Center Intake form.
- For three (3) out of the 60 samples, although the EBT balance sheets for both workstations agreed with the received and returned amounts on the EBT Issuance Logs, we noted that the destruction detail for at least one (1) card was not included on the Destruction Log.

Questioned Costs - None.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - Without adequate internal controls to ensure compliance with EBT Card Security requirements, there is an increased risk that the inventory of EBT cards will not be properly maintained and accounted for.

Cause - DHS does not have adequate policies and procedures in place to ensure adequate safeguarding/documentation of EBT cards.

Recommendation - We recommend that DHS implement formal policies and procedures to maintain adequate security over, and documentation/records for EBT Cards.

Related Noncompliance - Material noncompliance.

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Views of Responsible Officials and Planned Corrective Actions - Management concurs with the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-006
Prior Year Finding Number: 2016-003
Compliance Requirement: Eligibility

Program:

U.S. Department of Agriculture

Child Nutrition Cluster

CFDA #: 10.553, 10.555, 10.556, 10.559

Award #: 1DC300302

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

District of Columbia Public Schools
(DCPS)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

7 CFR Section 210.8 states:

"Claims for reimbursement: The school food authority shall establish internal controls which ensure the accuracy of lunch counts prior to the submission of the monthly Claim for Reimbursement. At a minimum, these internal controls shall include: an on-site review of the lunch counting and claiming system employed by each school within the jurisdiction of the school food authority; comparisons of daily free, reduced price and paid lunch counts against data which will assist in the identification of lunch counts in excess of the number of free, reduced price and paid lunches served each day to children eligible for such lunches; and a system for following up on those lunch counts which suggest the likelihood of lunch counting problems."

Condition - We selected a sample of 120 students and 40 Community Eligibility Program (CEP) schools in fiscal year 2017 to test DCPS' compliance with eligibility requirements. The sample of 120 consisted of 60 students who were determined to be eligible through the application process, and 60 students who were directly certified through participation in other federal assistance programs. During our testwork over the eligibility requirement for the Child Nutrition Cluster, we noted deficiencies in DCPS' eligibility determination process. These deficiencies also affected DCPS' ability to report complete and accurate meal count claims for reimbursement to the Office of the State Superintendent of Education (OSSE). Specifically, we noted the following:

- For schools not participating in CEP, claim reimbursement is based on the individual student level. For nine (9) students, per the students' account history in WebSMARTT, the students were served a meal on a day that the students' attendance record documented them as absent.
- For schools participating in CEP, claim reimbursement is based on total meals served on a daily basis. For two (2) instances in two (2) schools, the production records and edit check summary showed that the school claimed more meals than what was actually served. For one (1) instance in one (1) school, the production records and edit check summary showed the school claimed fewer meals than what was actually served.

Questioned Costs - Known amount is \$85.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Context - This is a condition identified per review of DCPS' compliance with specified requirements using a statistically valid sample.

Effect - DCPS did not comply with the eligibility and reporting requirements of the Child Nutrition Cluster.

Cause - DCPS does not have fully effective internal controls over the eligibility determination process to ensure participants are accurately being assessed for free and reduced price lunch, and that meal count claims submitted for reimbursement include only claims for students who are eligible. Additionally, DCPS must reassess existing controls to ensure that the student receiving the meal is properly identified to avoid having a served meal associated with a child marked as absent.

Recommendation - We recommend DCPS establish adequate controls over eligibility and reporting that ensure compliance with the requirements of the Child Nutrition Cluster. This includes (1) Data corrections are properly recorded in WebSMARTT; and (2) Enhance controls at the point of sale to improve the accuracy of identifying the student as they are served the meal.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DCPS agrees with the conditions and recommendations of this finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-007
Prior Year Finding Number: 2016-007
Compliance Requirement: Eligibility

Program:

U.S. Department of Education

Government Department/Agency:

Department on Disability Services
(DDS)

Rehabilitation Services - Vocational Rehabilitation Grants to
States

CFDA #: 84.126

Award #: H126A160011

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to 29 U.S. Code Section 722(a)(1), "An individual is eligible for Vocational Rehabilitation (VR) services if the individual (a) has undergone an assessment for determining eligibility and vocational rehabilitation needs and as a result has been determined to be an individual with a disability under U.S. Code Section 705(20)(A); and (b) requires vocational rehabilitation services to prepare for, secure, retain, advance in, or regain employment that is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice."

Per 29 U.S. Code Section 705(A), "An individual with a disability" means any individual who (i) has a physical or mental impairment which for such individual constitutes or results in a substantial impediment to employment; and (ii) can benefit in terms of an employment outcome from VR services provided."

Per 29 U.S. Code Section 722(a)(3), "An individual who is a beneficiary of Social Security Disability Insurance (SSDI) or a recipient of Supplemental Security Income is presumed to be eligible for VR services (provided that the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual) unless the State VR Agency can demonstrate by clear and convincing evidence that such individual is incapable of benefiting in terms of an employment outcome from VR services due to the severity of the disability of the individual."

Per 29 U.S. Code Section 722(a)(6), "The VR agency must determine whether an individual is eligible for VR services within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless:

- a. Exceptional and unforeseen circumstances beyond the control of the State VR agency preclude making an eligibility determination within 60 days and the State Agency and the individual agree to a specific extension of time.
- b. The State VR agency is exploring an individual's abilities, capabilities, and capacity to perform in work situations through trial work experience in order to determine the eligibility of the individual or the existence of clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome from VR services."

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Per 34 CFR Section 361.45, "For each individual determined to be eligible for VR services, an individualized plan for employment (IPE) must be developed and implemented in a timely manner. The designated State unit must ensure that the IPE is agreed to and signed by the eligible individual or, as appropriate, the individual's representative; and approved and signed by a qualified vocational rehabilitation counselor employed by the designated State Unit. It further states that the IPE must be reviewed at least annually by a qualified vocational rehabilitation counselor and the eligible individual or as appropriate, the individual's representative to assess the eligible individual's progress in achieving the identified employment outcome. Amendments to the IPE do not take effect until agreed to and signed by the eligible individual or, as appropriate, the individual's representative and by a qualified vocational rehabilitation counselor employed by the designated State unit."

Condition - We selected a sample of 60 VR program participants to test DDS compliance with eligibility requirements. Based on our review, we noted that management's control over compliance with the program's eligibility requirements was not operating effectively to prevent or detect noncompliance. Specifically, we noted one (1) out of 60 items tested, eligibility was determined before the assessment was done. The individual whose eligibility was determined before its assessment was done was not a SSDI recipient.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DDS' compliance with specified requirements using a statistically valid sample.

Effect - DDS was not in compliance with the eligibility requirements of the VR program.

Cause - DDS did not consistently adhere to established policies and procedures regarding the determination of eligibility.

Recommendation - We recommend that DDS strengthen their controls over the preparation and monitoring of the VR's participant case files to ensure eligibility determinations are completed timely, that eligibility determinations receive the required approvals, and that the case files include all relevant documentation and signatures.

Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The agency agrees with this finding. It's however observed that the specific finding on eligibility determination is not for the FY 2017 timeframe under review as it occurred in 2014. That means the corrective action plans the agency has put in place to address compliance issues would not have changed that. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-008
Prior Year Finding Number: N/A
Compliance Requirement: Reporting

Program:

U.S. Department of Education

Government Department/Agency:

Department on Disability Services
(DDS)

Rehabilitation Services - Vocational Rehabilitation Grants to
States

CFDA #: 84.126

Award #: H126A160011

Award Year: 10/01/2016 - 09/30/2017

Criteria -The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Also, under OMB No. 1820-0017, each State Vocational Rehabilitation (VR) Agency that has expended funds in providing VR services to individuals with disabilities under the Section 110 and Title VI-B programs of the Rehabilitation Act of 1973 (the Act), as amended, must submit an Annual Vocational Rehabilitation Program/Cost Report (RSA-2) for each Federal fiscal year (October 1- September 30). The RSA-2 report must reflect all expenditures made during the Federal fiscal year from Federal, State, and other rehabilitation funds. It must include those expenditures made during the reporting period and charged to Section 110 Federal funds, Title VI-B Federal funds or program income funds that were carried over from the previous fiscal year in accordance with Section 19 of the Act.

Condition - During our testing over reporting, we noted that DDS did not consistently adhere to its established policies and procedures to ensure compliance with the reporting requirements. Specifically, we noted that the expenditures reported on the annual RSA-2 report did not properly include all financial activities of the VRG program. The accruals for expenditures in the amount of \$108,662 were inadvertently excluded from the submitted annual RSA-2 report.

Questioned Costs - None noted.

Context - This is a condition identified per review of DDS' reporting compliance with specified requirements.

Effect - DDS was not in compliance with the stated provisions and inaccurate information may have been reported to the Federal government.

Cause - It appears that existing policies and procedures, including review over reporting procedures, were not functioning as intended.

Recommendation - We recommend that DDS strengthen its existing policies and procedures regarding the preparation and review of the annual RSA-2 report by ensuring that all expenditures including accruals be properly included and reported in the annual RSA-2 report prior to submission to the Federal agency. In addition, the VR program's total expenditures reported in the annual RSA-2 report should also be reconciled to the amount reflected in the D.C System of Accounting and Reporting (SOAR).

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Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DDS agrees with the finding that a variance exists between the CAFR and the expenditures reported to the Federal agency via the RSA-2 report, and that variance was driven solely by accruals. The expenditure data reported to the Federal agency tied to SOAR. A screen shot of the SOAR balance was taken as was requested by the Agency Fiscal Officer during a review with the RSA Program staff and that the screen shot was part of the back-up recognizing that officially the books do not close until the completion of the CAFR which occurs around February 1st of the current Fiscal year while the report is due to the Federal agency by December 31st of the reporting/prior fiscal year. It should be noted that on approximately \$24 million of FY2017 expenditures, the impact of prior year accruals was \$108,661.06 (one hundred and eight thousand, six hundred and sixty-one dollars and six cents).

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-009
Prior Year Finding Number: 2016-008
Compliance Requirement: Special Tests and Provisions - Completion of Individualized Plan for Employment (IPEs)

Program:

U.S. Department of Education

Government Department/Agency:

Department on Disability Services
(DDS)

Rehabilitation Services - Vocational Rehabilitation Grants to States

CFDA #: 84.126

Award #: H126A160011

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to 29 U.S. Code Section 722(b)(1), "If an individual is determined to be eligible for vocational rehabilitation (VR) services, the designated State unit shall complete the assessment for determining eligibility and vocational rehabilitation needs, as appropriate, and shall provide the eligible individual or the individual's representative, in writing and in an appropriate mode of communication, with information on the individual's options for developing an individualized plan for employment."

In addition, according to 29 U.S. Code Section 722(b)(3)(F), "The individualized plan for employment shall be developed as soon as possible, but not later than 90 days after the date of the determination of eligibility, unless the designated State unit and the eligible individual agree to an extension of that deadline to a specific date by which the individualized plan for employment shall be completed."

29 U.S. Code Section 722 (b)(3)(C) also specifies that, "An individualized plan for employment shall be:

- (i) agreed to, and signed by, such eligible individual or, as appropriate, the individual's representative; and
- (ii) approved and signed by a qualified vocational rehabilitation counselor employed by the designated State unit."

Condition - We selected a sample of 60 vocational rehabilitation program participants to test DDS compliance with Special Tests and Provisions - Completion of IPEs requirement. Based on our review, we noted that management's control over compliance with the program's Special Tests and Provisions - Completion of IPEs requirement were not operating effectively to prevent or detect noncompliance. Specifically, we noted the following:

- For two (2) out of 60 items tested, the client IPEs were completed later than 90 days from the date of determination of eligibility. No request for extension was made or issued.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DDS' compliance with specified requirements using a statistically valid sample.

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Effect - DDS was not in compliance with VR program Special Tests and Provisions - Completion of IPEs requirement.

Cause - DDS did not consistently adhere to established policies and procedures regarding the timely development of IPEs, and maintenance of participant IPE case files. In particular, DDS did not perform adequate reviews to ensure that IPEs were developed within the specified time limit.

Recommendation - We recommend that DDS strengthen their controls over the development of IPE for clients to ensure that IPEs are completed timely, and that the case files include all relevant documentation and signatures.

Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The agency partially agrees with the finding because one of the findings referenced and relating to IPE development occurred in 2008, which is outside of the scope and time frame of this audit which is FY 2017. This means that the corrective action plans the agency has put in place to address IPE development compliance would not have changed this finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Finding Number: 2017-010
Prior Year Finding Number: 2016-009
Compliance Requirement: Eligibility

Program:

U.S. Department of Health and Human Services

Temporary Assistance for Needy Families Cluster (TANF)

CFDA #: 93.558

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services

(DHS)/Economic Security

Administration (ESA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 45 CFR Section 205.60 (a), "The State agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan, including records regarding applications, determination of eligibility, the provision of financial assistance, and the use of any information obtained under Section 205.55, with respect to individual applications denied, recipients whose benefits have been terminated, recipients whose benefits have been modified, and the dollar value of these denials, terminations and modifications. Under this requirement, the agency will keep individual records which contain pertinent facts about each applicant and recipient. The records will include information concerning the date of application and the date and basis of its disposition; facts essential to the determination of initial and continuing eligibility (including the individual's social security number, need for, and provision of financial assistance); and the basis for discontinuing assistance."

Condition - During our testing over beneficiary eligibility compliance requirements of the Temporary Assistance for Needy Families (TANF) program, we selected a sample of 60 beneficiaries in fiscal year 2017 to test DHS' compliance with eligibility requirements. We noted the following:

- For three (3) out of 60, the applications related to the latest fiscal year 2017 recertifications shown in the DC Access System (DCAS) were not found in the Document Imaging Management System (DIMS). Therefore, we were unable to verify the household composition, the Income, and the Social Security Numbers for all individuals included on the application.
- For eight (8) out of 60, we noted that the income reported on the applications did not agree with the amount in DCAS/Automated Client Eligibility Determination System (ACEDS).
- For one (1) out of 60, we noted that the employee who received the application was not found in DCAS.
- For four (4) out of 60, DHS was unable to provide sufficient documentation to support that assistance was not provided to any individual who was fleeing to avoid prosecution, or custody or confinement after conviction, for a felony or attempt to commit a felony, or who is violating a condition of probation or parole imposed under Federal or State law.
- For 60 out of 60, DHS was unable to provide support that would allow us to test that cash assistance was not provided to an individual during the 10-year period that began on the date the individual was convicted in Federal or State court of having made a fraudulent statement

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

or representation with respect to place of residence in order to simultaneously receive assistance from two or more States under TANF, Title XIX, or the Food Stamp Act of 1977, or benefits in two or more States under the Supplemental Security Income program under Title XVI of the Social Security Act.

These amounts represent 100% of the total eligibility amounts tested related to the 60 sampled items of \$180,189.

Questioned Costs - Known amount is \$180,189.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - Without properly maintaining documentation to support eligibility determinations, ineligible beneficiaries may receive benefits under the TANF grant and DHS may make payments on behalf of those beneficiaries resulting in noncompliance with the eligibility requirements.

Cause - DHS did not consistently adhere to its established policies and procedures requiring it to maintain documentation supporting participant eligibility.

Recommendation - We recommend that DHS strengthen its existing policies and procedures over the review and maintenance of appropriate documentation to ensure compliance with eligibility requirements.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The District does not dispute the finding provided by BDO for the noted eligibility. ESA will follow through on the outlined internal control procedures to ensure that documentation is maintained to support eligibility decisions and that customer files are properly retained. We will also review and share our internal review processes with the Department of Health Care Finance to support future eligibility decisions. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-011
Prior Year Finding Number: N/A
Compliance Requirement: Special Tests and Provisions - Child Support Non-Cooperation

Program:

U.S. Department of Health and Human Services

Temporary Assistance for Needy Families Cluster (TANF)

CFDA #: 93.558

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services

(DHS)/Economic Security

Administration (ESA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 45 CFR § 264.30 (a) (1) The State agency must refer all appropriate individuals in the family of a child, for whom paternity has not been established or for whom a child support order needs to be established, modified or enforced, to the child support enforcement agency (i.e., the IV-D agency). (2) Referred individuals must cooperate in establishing paternity and in establishing, modifying, or enforcing a support order with respect to the child.

Per 45 CFR § 264.30 (b) If the IV-D agency determines that an individual is not cooperating, and the individual does not qualify for a good cause or other exception established by the State agency responsible for making good cause determinations in accordance with section 454(29) of the Act or for a good cause domestic violence waiver granted in accordance with § 260.52 of this chapter, then the IV-D agency must notify the IV-A agency promptly.

Per 45 CFR § 264.30 (c) The IV-A agency must then take appropriate action by: (1) Deducting from the assistance that would otherwise be provided to the family of the individual an amount equal to not less than 25 percent of the amount of such assistance; or (2) Denying the family any assistance under the program.

Per 45 CFR § 262.5 (d) The burden of proof rests with the State to fully explain the circumstances and events that constitute reasonable cause for its failure to meet a requirement. The state must provide us with sufficient relevant information and documentation to substantiate its claim of reasonable cause.

Condition - During our compliance test work for the Special Tests and Provisions - Child Support Non-Cooperation compliance requirement, we tested 60 cases referred by Child Support Enforcement (CSE) to the TANF program as having not cooperated with Child Support. We noted that there were no internal controls implemented by DHS over this compliance requirement. Of the 60 cases selected for compliance testing, we noted 46 exceptions:

- For one (1) instance, the amount sanctioned was only 12.68 percent of the TANF assistance instead of the required 25 percent.

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- For one (1) instance, the beneficiary was underpaid \$54 each month for 10 months of FY 2017 for a total of \$540 due to being sanctioned improperly. DCAS recalculated that effective March 1, 2017 the beneficiary should have been paid \$91, but DHS only paid \$37 monthly.
- For one (1) instance, there was no sanction in DCAS prior to 04/01/2017 although the request was submitted on 11/16/2016. The beneficiary should have been sanctioned from January 2017. Subsequently, the case was closed effective 3/31/2017 although a payment was made for April 2017. In addition, the case had an expected end of 6/30/2017 (eligibility period). We were unable to determine why the beneficiary was not paid for May or June 2017, and was therefore underpaid \$298.
- For thirty-five (35) instances, the TANF beneficiaries were not sanctioned for all the months required. In addition, for thirty-three (33) of these cases, sanction notifications or actual sanctions were not done timely, and for three (3) of the cases where the sanctions were not done timely, there were no sanction notifications sent to the beneficiaries.
- For one (1) instance, we noted that the beneficiary received duplicate payments for the month of December. This comprised of the regular payment of \$508 and an additional payment for the same period of \$1,071.
- For two (2) instances, there were no sanctions in DCAS.
- For one (1) instance, an individual was improperly included in the population. The individual did not apply for TANF benefits until 09/28/2017, but was included in the sanction request population with a date of 06/23/2017.
- For three (3) instances, the beneficiaries were overpaid in some months in the fiscal year.
- For one (1) instance, in which the sanction request from Child Support Services Division (CSSD) was made in August 2017, but no sanction was in place as of September 2017. We were unable to determine which case the sanction was requested for as there were no notes in DCAS to indicate that follow-up with CSSD was performed. Our review in DCAS revealed that this customer had a general assistance for children case; however, there was no TANF case for FY 2017. The beneficiary was connected in ACEDS to a grandchild who was receiving TANF benefits from 11/1/16, but the grandchild was living with the mother, not the grandmother.

For the 46 instances, management was unable to provide the applicable documentation to support "good cause" for not sanctioning cases referred to by CSSD. We reviewed the TANF policy for Child Support noncooperation sanctions and noted ESA has the authority to not impose sanctions if it finds "good cause" exceptions. However, per interpretation of 45 CFR 262.5 and as of the timing of our audit procedures, we were unable to determine whether there was sufficient evidence to substantiate the "good cause" exception to sanctions.

Questioned Costs - Known amount is \$11,682.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - Without adequate internal controls to ensure compliance with TANF Child Support Non-Cooperation requirements, there is an increased risk that TANF beneficiaries will receive incorrect TANF benefits.

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Cause - Management is not adhering to their policies and procedures to ensure that DHS is in compliance with TANF Child Support Non-Cooperation compliance requirements. Documentation as to the "good cause" for exemptions to this requirement is not maintained and available for review.

Recommendation - We recommend that DHS enforce existing policies and procedures and implement internal controls to ensure that Child Support Non-Cooperation sanctions are consistently applied and adequate documentation is maintained to support DHS' compliance with the TANF Child Support Non-Cooperation compliance requirements, especially when it comes to substantiating the "good cause" exception to sanctions.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The District does not dispute the findings provided by BDO for the noted Special Tests and Provisions - Child Support Non-Cooperation. ESA will follow through on the outlined internal control procedures to ensure that the sanctions are consistently applied and adequate documentation is maintained to support DHS' compliance with the TANF Child Support Non-Cooperation compliance requirement. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-012
Prior Year Finding Number: 2016-010
Compliance Requirement: Special Tests and Provisions - Income Eligibility and Verification System

Program:

U.S. Department of Health and Human Services

Temporary Assistance for Needy Families Cluster (TANF)

CFDA #: 93.558

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services

(DHS) /Economic Security

Administration (ESA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 45 CFR Section 205.56(a)(1)(i), "The State agency shall review and compare the information obtained from each data exchange against information contained in the case record to determine whether it affects the applicant's or the recipient's eligibility or the amount of assistance."

Per 45 CFR Section 205.60 (a), "The State agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan, including records regarding applications, determination of eligibility, the provision of financial assistance, and the use of any information obtained under Section 205.55, with respect to individual applications denied, recipients whose benefits have been terminated, recipients whose benefits have been modified, and the dollar value of these denials, terminations and modifications. Under this requirement, the agency will keep individual records which contain pertinent facts about each applicant and recipient. The records will include information concerning the date of application and the date and basis of its disposition; facts essential to the determination of initial and continuing eligibility (including the individual's social security number, need for, and provision of financial assistance); and the basis for discontinuing assistance."

Condition - During our test work of 60 cases selected to test the Special Tests and Provisions - Income Eligibility and Verification System, we noted that DHS was unable to provide sufficient documentation to support all eligibility determinations tested during the fiscal year 2017 audit. Specifically, out of the 60 beneficiary disbursements tested, we noted the following exceptions:

- Forty-seven (47) instances where the Social Services Representative (SSR) failed to include the Beneficiary Data Exchange (BENDEX) print-screen in the application package in the Document Imaging Management System (DIMS). BENDEX is a daily computer match by Social Security numbers between the public assistance case files and Social Security records. DIMS is the depository used by DHS for all applications and related documents. In addition, for one (1) of these instances, the employee who received the application was not found in the DC Access System (DCAS).
- For one (1) instance we noted that there was a negative BENDEX, and it was not included in the application package. Per SSR notes, the printer was inaccessible to print the interface.
- For one (1) instance we noted that the information in the BENDEX screen was unavailable.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

- For one (1) instance we noted that the customer withdrew the application therefore no BENDEX was printed. Consequently, we were unable to verify the withdrawal date but we noted that the customer still received TANF assistance.
- For one (1) instance we noted the BENDEX was positive; however, the SSR was unable to retrieve the print out.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - The District is not in full compliance with its policies and with Federal program compliance requirements surrounding records maintenance. Further, ineligible TANF beneficiaries may receive benefits under the TANF grant and the District may make payment on behalf of those beneficiaries.

Cause - Controls are not adequate to ensure that the District adheres to its established policies and procedures requiring it to maintain documentation supporting participant eligibility.

Recommendation - We recommend that DHS enforce existing policies and procedures and implement additional policies and procedures for maintaining and monitoring case record documentation to ensure that Income Eligibility and Verification System requirements are complied with.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The District does not dispute the findings provided by BDO for the noted Income Eligibility and Verification System. ESA will follow through on the outlined internal control policies and procedures for maintaining and monitoring case record documentation to ensure that Income Eligibility and Verification System requirements are complied with. We will also review and share our internal review processes with the Department of Health Care Finance to support future eligibility decisions. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-013
Prior Year Finding Number: 2016-011
Compliance Requirement: Special Tests and Provisions - Penalty for Refusal to Work

Program:

U.S. Department of Health and Human Services

Temporary Assistance for Needy Families Cluster (TANF)

CFDA #: 93.558

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Human Services

(DHS)/Economic Security

Administration (ESA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 45 CFR Section 261.14 (a) and (b), "If an individual refuses to engage in work required under Section 407 of the Act, the State must reduce or terminate the amount of assistance payable to the family, subject to any good cause or other exceptions the State may establish. Such reduction is governed by the provisions of 45 CFR Section 261.16. The State must, at a minimum, reduce the amount of assistance otherwise payable to the family pro rata with respect to any period during the month in which the individual refuses to work. The State may impose a greater reduction, including terminating assistance."

Condition - During our test work of 60 samples selected to test the Special Tests and Provisions - Penalty for Refusal to Work, we noted the following:

- Twenty five (25) instances where beneficiaries continued to receive full TANF funds although there were periods where the beneficiaries did not work and there was no good cause noted to explain why the beneficiaries were not working and sanctioned.
- Two (2) instances where the customers were not listed in the CATCH system when searched by the case numbers or the names provided in the population. Therefore, we were unable to determine whether the customers worked during the periods in which they got paid or should have been sanctioned.
- One (1) instance where no employer was listed for this customer when the client was federally funded for the months of October 2016 to December 2016. We noted that this customer was sanctioned in September 2017; however, no good cause was provided that indicated that the customer should not have been sanctioned earlier in the year.

Total federally funded benefit payments made to these 28 beneficiaries for the months that they did not work were \$48,621.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Effect - Participants may erroneously receive full federal benefits, when they should have sanctions to reduce their federal benefits under the TANF program.

Cause - Controls are not operating effectively to ensure that the TANF program applies appropriate sanctions on participants who refuse to fulfill the minimum working requirements to receive or maintain benefits.

Recommendation - We recommend that DHS enforce existing policies and procedures and implement additional policies and procedures to ensure that Penalty for Refusal to Work requirements are complied with.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DHS agrees with the recommendation. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-014
Prior Year Finding Number: 2016-012
Compliance Requirement: Reporting;
Special Tests and Provisions - Penalty for Failure to Comply With Work
Verification Plan

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Department of Human Services (DHS)

Temporary Assistance for Needy Families Cluster (TANF)

CFDA #: 93.558

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 45 CFR Section 261.61 (a), "A State must support each individual's hours of participation with documentation in the case file. In accordance with Section 261.62, a State must describe in its Work Verification Plan the documentation it uses to verify hours of participation in each activity."

According to the DC State Verification Plan, the D.C. Department of Human Services (DHS), Department of Human Services Monitoring Unit reviews and audits all documentation submitted by vendors reflecting the activities of recipients in TANF Employment program. This documentation includes time sheets, activity logs, school records, pay stubs, and verification of employment, work experience and on-the-job training. The Monitoring Unit completes this audit process to determine if sufficient documentation exists to substantiate reported time and attendance data, to warrant a payment to TANF Employment program vendors, and submission of countable hours for federal reporting purposes.

Per 45 CFR Section 265.7 (a)-(c), "Each State's quarterly reports (the TANF Data Report, the TANF Financial Report (or Territorial Financial Report), and the SSP-MOE Data Report) must be complete and accurate and filed by the due date."

For disaggregated data report, 'a complete and accurate report' means that:

- (1) The reported data accurately reflect information available to the State in case records, financial records, and automated data systems, and include correction of the quarterly data by the end of the fiscal year reporting period;
- (2) The data are free from computational errors and are internally consistent (e.g., items that should add to totals do so);
- (3) The State reports data for all required elements (i.e., no data are missing);
- (4)(i) The State provides data on all families; or (ii) if the State opts to use sampling, the State reports data on all families selected in a sample that meets the specification and procedures in the TANF Sampling Manual (except for families listed in error); and

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

- (5) Where estimates are necessary (e.g., some types of assistance may require cost estimates), the State uses reasonable methods to develop these estimates.

For an aggregated data report, "a complete and accurate report" means that:

- (1) The reported data accurately reflect information available to the State in case records, financial records, and automated data systems;
- (2) The data are free from computational errors and are internally consistent (e.g., items that should add to totals do so);
- (3) The State reports data on all applicable elements; and
- (4) Monthly totals are unduplicated counts for all families (e.g., the number of families and the number of out-of-wedlock births are unduplicated counts)."

45 CFR Section 265.7 (f) states that "States must maintain records to adequately support any report, in accordance with Section 75.361 through 75.370 of this title."

Condition - During our test work over a sample of 60 participants for Special Tests and Provisions - Penalty for Failure to Comply with Work Verification Plan and Reporting, we noted:

- For twelve (12) instances, it did not appear that the hours were properly reported as the recalculated average of approved hours did not agree to the number of hours reported on the Q5 report. In two (2) of these instances, based on the recalculated average hours the participants did not work the full amount of time required; but DHS indicated that the participant met the participation hours requirement.
- For one (1) instance, although the customer provided documentation supporting participation of 55 hours per week, the hours that were entered by the vendor and approved by DHS were only 35 hours for the week ending 5/6/17. Therefore the documented hours were not properly reported.
- For one (1) instance, an average of 23 hours was approved in CATCH, but only an average of 11 hours was reported in Q5i. Therefore hours do not appear to be properly reported.
- For eight (8) instances, there were no hours recorded in CATCH although there were hours reported on the ACF-199 report. In addition, BDO noted that there were no timesheets for these participants. Based on the hours reported, DHS indicated that the participants met the participation requirements.
- For one (1) instance, the hours reported for 12/19/16 on the Non-Traditional Employment Earnings Form for the week ended 12/24/16 were illegible.
- For one (1) instance, although the customer worked 52.29 hours from 4/30/17 to 5/13/17, the customer was not assigned to a provider until 5/11/17. Therefore, the hours prior to 5/11/17 could not be entered by the provider in CATCH. BDO noted that average hours reported were 15, however, the hours recalculated were 18.1 (rounded to 18). Therefore, the hours were not properly reported.

In addition, during our test of the design and implementation of internal controls over Reporting and to further test the completeness and accuracy of the ACF-199 report, we selected a certain beneficiary to check whether the beneficiary is properly included or excluded in the report. Upon review of the

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supporting documentation provided by DHS, we noted that the TANF beneficiary received federally subsidized child care. However, in the ACF-199 report DHS erroneously reported that the beneficiary did not receive subsidized child care.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DHS' compliance with specified requirements using a statistically valid sample.

Effect - Data within the ACF-199 report may not be complete and accurate. Specifically, if the work participation data is not substantiated, or inconsistencies are noted, it may result in inaccurate data being reported and may lead to an incorrect ACF-199 report, and could result in an incorrect allocation of Federal Funds to the state.

Cause - Controls are not operating effectively over the documentation of work participation data to ensure that adequate evidence of the work participation is maintained.

Recommendation - We recommend that DHS enforce existing policies and procedures and implement additional controls to ensure that adequate documentation is maintained to substantiate the work participation data reported in the ACF-199 report in accordance with the District of Columbia Work Verification Plan.

We also recommend that DHS implement policies, procedures and controls that will enable an accurate reconciliation between the data sources used in the preparation of the ACF-199 report to ensure proper reporting of data elements, such as child care subsidies.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DHS agrees with the finding. There are some DCAS interface issues with documentation reconciliation (exhibited in the issues with 12 and 8 cases, respectively). There are also isolated cases where verified documentation does not match reported hours. DHS agrees with both of those issues. There are also cases where the reported hours in specific categories are defaulting to "other" and that is creating a discrepancy in the hours in CATCH and the submitted hours. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-015
Prior Year Finding Number: 2016-017
Compliance Requirement: Eligibility

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Child and Family Services Agency
(CFSA)

Foster Care - Title IV-E

CFDA #: 93.658

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

45 CFR Section 92.20(b)(2), "Accounting records, "Grantees and sub grantees must maintain records which adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

45 CFR Section 233.90(b)(3), states "a Title IV-E agency may provide foster care maintenance payments on behalf of youth who have attained age 18, but are under the age of 19, and who are full-time students expected to complete their secondary schooling or equivalent vocational or technical training before reaching 19."

45 CFR Section 1356.30(f), "In order for a child care institution to be eligible for title IV-E funding, the licensing file for the institution must contain documentation which verifies that safety considerations with respect to the staff of the institution have been addressed."

45 CFR Section 1356.30(a) states, "The Title IV-E agency must provide documentation that criminal records checks have been conducted with respect to prospective foster and adoptive parents."

42 U.S. Code Section 671(a)(20)(A), "In order for a State to be eligible for payments under this part, it shall have a plan approved by the Secretary which provides procedures for criminal records checks of national crime information databases for any prospective foster or adoptive parent before the foster or adoptive parent may be finally approved for placement of a child regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child under the State plan."

42 U.S. Code Section 671(a)(20)(B), "In order for a State to be eligible for payments under this part, it shall have a plan approved by the Secretary which provides that the State shall check any child abuse and neglect registry maintained by the State for information on any prospective foster or adoptive parent and on any other adult living in the home of such a prospective parent, and request any other State in which any such prospective parent or other adult has resided in the preceding 5 years, to enable the State to check any child abuse and neglect registry maintained by such other State for such

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information, before the prospective foster or adoptive parent may be finally approved for placement of a child."

Furthermore, per 45 CFR Section 1356.21(a), "Statutory and regulatory requirements of the Federal foster care program, "To implement the foster care maintenance payments program provisions of the title IV-E plan and to be eligible to receive Federal financial participation (FFP) for foster care maintenance payments under this part, a Title IV-E agency must meet the requirements of this section, 45 CFR 1356.22, 45 CFR 1356.30, and Parts 472, 475(1), 475(4), 475(5), 475(6)."

Condition - During our audit we noted that in fiscal year 2017, the Foster Care program had total disbursements of \$19,158,237 for Maintenance payments. We selected a sample of 60 participants representing disbursed federal funds totaling \$47,872, we noted the following deficiencies:

- For two (2) of 60 samples, CFSA was unable to provide documentation supporting that a youth over 18 was a full-time student expected to complete their secondary schooling or equivalent vocational or technical training.
- For thirty-one (31) of 60 samples, CFSA was not able to provide the licensing documentation for the selected individuals.
- For thirty-two (32) of 60 samples, CFSA did not provide evidence that criminal record checks, including fingerprint-based checks from the national crime information databases were performed.
- For one (1) of 60 samples, the neglect registry check provided for review by CFSA listed the applicant in the registrar as responsible for abuse or neglect of a child and was provided benefits when they should not have been.

These deficiencies represent 64% of the total disbursements tested.

Questioned Costs - Known amount is \$30,708.

Context - This is a condition identified per review of CFSA's compliance with specified requirements using a statistically valid sample.

Effect - CFSA was not in compliance with the eligibility requirements of the Foster Care program.

Cause - CFSA does not have adequate controls in place to ensure that eligibility files are being properly reviewed and the required documentation is being maintained to evidence compliance with eligibility requirements.

Recommendation - We recommend CFSA strengthen its existing policies and procedures over the review and maintenance of appropriate documentation to ensure compliance with eligibility requirements.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - CFSA concurs with the facts of the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-016
Prior Year Finding Number: 2016-022
Compliance Requirement: Eligibility

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Child and Family Services Agency
(CFSA)

Adoption Assistance - Title IV-E

CFDA #: 93.659

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to 45 CFR Section 92.20(b)(2), Accounting records, "Grantees and sub grantees must maintain records which adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

42 U.S. Code Section 671(a)(20)(A), "in order for a State to be eligible for payments under this part, it shall have a plan approved by the Secretary which provides procedures for criminal records checks of national crime information databases for any prospective foster or adoptive parent before the foster or adoptive parent may be finally approved for placement of a child regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child under the State plan."

42 U.S. Code Section 671(a)(20)(B), " In order for a State to be eligible for payments under this part, it shall have a plan approved by the Secretary which provides that the State shall check any child abuse and neglect registry maintained by the State for information on any prospective foster or adoptive parent and on any other adult living in the home of such a prospective parent, and request any other State in which any such prospective parent or other adult has resided in the preceding 5 years, to enable the State to check any child abuse and neglect registry maintained by such other State for such information, before the prospective foster or adoptive parent may be finally approved for placement of a child."

Condition - In fiscal year 2017, CFSA had total disbursements of \$9,335,933 for subsidy payments. We selected a sample of 60 participants representing disbursed funds totaling \$47,861 to test compliance with eligibility requirements. Based on our review, we noted that management's internal control over compliance with the program's eligibility requirements were not operating effectively to prevent or detect noncompliance. Our audit revealed the following deficiencies:

- For two (2) out of 60 samples, CFSA was unable to provide evidence that the program eligibility checklist was appropriately approved. We further noted that the case files did not contain a referral.

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- For twenty (20) out of 60 samples, CFSA was unable to provide evidence that the annual subsidy application was reviewed and that the reviews were properly documented.
- For one (1) out of 60 samples, the annual subsidy review application was incomplete; it lacked the date and signature of the adoptive parents.
- For twenty six (26) out of 60 samples, CFSA was unable to provide evidence that the neglect registry check was done at the time of the adoption.
- For twenty six (26) out of 60 samples, CFSA was unable to provide documentation evidencing that prospective adoptive parent(s) had met a criminal history record check, including a fingerprint-based check.

These deficiencies represent 71% of the total disbursements tested.

Questioned Costs - Known amount is \$33,873.

Context - This is a condition identified per review of CFSA's compliance with specified requirements using a statistically valid sample.

Effect - Without proper controls in place to ensure case files are properly reviewed and documentation maintained, CFSA was not in compliance with the eligibility requirements of the Adoption Assistance program. In addition, we were unable to determine whether each child remains eligible and whether the subsidy should have continued.

Cause - CFSA does not have adequate controls in place to ensure that eligibility files are being properly reviewed and required documentation is being maintained to ensure compliance with eligibility requirements.

Recommendation - We recommend CFSA strengthen its existing policies and procedures over the review and maintenance of appropriate documentation to ensure compliance with eligibility requirements.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - CFSA concurs with the facts of the finding, with explanation.

- CFSA concurs that for two (2) out of 60 samples, CFSA was unable to provide evidence that the program eligibility checklist was appropriately approved. We further noted that the case files did not contain a referral. CFSA will complete (and approve) the checklist for all adoption assistance cases at the time of finalization and ensure it is included in each adoption subsidy file. It should be noted that the eligibility checklist is not a federal requirement for Title IV-E claiming.
- CFSA concurs that for twenty (20) out of 60 samples, CFSA was unable to provide evidence that the annual subsidy application was reviewed and that the reviews were properly documented. Each January, CFSA sends each adoptive parent an annual questionnaire seeking information on the status and well-being of each adopted child. CFSA has updated its process and forms to ensure that documentation of the annual questionnaires exists for and covers each fiscal year. It's important to note that of the questionnaires CFSA mails, approximately 78% of are returned by adoptive parents. CFSA also follows up on communication it receives regarding the status or well-being of an adopted child. CFSA researches and investigates where applicable, and contacts

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

adoptive parents as appropriate. As necessary, CFSA sends the adoptive parent a Notice of Action to remedy verified status changes which might impact adoption assistance. Equally important, it is necessary to note that the federal Child Welfare Policy Manual states "There is no Federal statute or provision requiring annual renewals, recertifications or eligibility re-determinations for title IV-E adoption assistance". Further, documentation of annual reviews is not a federal eligibility requirement. CFSA will ensure that documentation of the adoption subsidy annual review is placed in the adoption subsidy file.

- CFSA concurs that for one (1) out of 60 samples, the annual subsidy review application was incomplete; it lacked the date and signature of the adoptive parents. CFSA will ensure that all subsidy review applications are complete. It is important to note that the adoption subsidy application and referral are not required documents for IV-E eligibility. The absence of these documents in the adoption subsidy file should not render associated payments ineligible for federal reimbursements.
- CFSA concurs with the remaining two findings pertaining to evidence that the neglect registry check was done at the time of the adoption, and documentation evidencing that prospective adoptive parent(s) had met a criminal history record check, including a fingerprint-based check. CFSA will update its process to obtain scan and store licenses, child protection registry checks and criminal background checks at the time of licensure. In addition, CFSA will strengthen its quality assurance system to better track and reconcile licensure documentation discrepancies early in the process. More than half of the cases identified in the audit were finalized prior to CFSA's documentation improvement process which was implemented in October 1, 2014, and September 30, 2015, CFSA implemented an improved process for centralizing storage, maintenance and retrieval of all criminal background checks and child abuse and registry checks for all Title IV-E eligible Adoption Assistance cases for which CFSA is claiming Title IV-E funds. Many of the cases identified in the audit were finalized 5 - 10 years prior to the implementation of the above improvements. CFSA will ensure that all newly finalized adoption assistance cases contain the criminal history checks and child protection registry checks as required. CFSA's transition from seven to one private agency provider will also strengthen documentation as approximately 85% of the identified cases were managed by private agencies.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Finding Number: 2017-017
Prior Year Finding Number: N/A
Compliance Requirement: Matching, Level of Effort, Earmarking

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Child and Family Services Agency
(CFSA)

Adoption Assistance - Title IV-E

CFDA #: 93.659

Award #: Various

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

2 CFR Section 215.23(a)(4) states, "All contributions, including cash and third party in-kind shall be accepted as part of the recipients' cost sharing or matching when such contribution are allowable under the applicable cost principles."

45 CFR sections 1355.52 and 1356.60(d) state, "The percentage of Federal funding for expenditures for planning, design, development, and installation and operation of a statewide or tribal service area-wide automated child welfare information system meeting specified requirements (and expenditures for hardware components for such systems) is 50 percent."

45 CFR sections 1356.41(f) and 1356.60(c) state, "The percentage of Federal funding of all other allowable administrative expenditures, is 50 percent."

Condition - During our text work of the reconciliation of the completeness of the data for maintenance payments claimed in the CB-496, we noted that the 2nd and 4th quarters erroneously included legal costs which were claimed at 70%. These costs should have been claimed as administrative costs at 50%. Therefore, the costs claimed and reimbursed were overstated by \$17,016.

Questioned Costs - \$17,016.

Context - This is a condition identified per review of CFSA's compliance with specified requirements.

Effect - Without adequate internal controls over reporting and matching requirements, CFSA matched expenditures at a higher rate than allowed under the grant and as such was not able to demonstrate compliance with various program compliance requirements.

Cause - CFSA mistakenly included legal costs in the costs claimed for maintenance for the second and fourth quarters in the amount of \$51,078 and \$34,000, respectively.

Recommendation - We recommend that CFSA enhance the review process to ensure that reported expenditures match the actual expenditures incurred, are placed in the proper categories and enhance its review of compliance with the matching requirements.

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Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - CFSA concurs with the facts of the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-018
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Department of Health Care Finance
(DHCF)

Medicaid Cluster

CFDA #: 93.775, 93.777, 93.778

Award #: 1705DC5MAP

Award Year: 10/01/2016 - 09/30/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per Section 1927 of the Social Security Act (42 USC 1396r-8): Drug manufacturers are required to provide a listing to CMS of all covered outpatient drugs and; and on a quarterly basis, are required to provide their average manufacturer's price and their best prices for each covered outpatient drug. Based on these data, CMS calculates a unit rebate amount for each drug, which it then provides to States. Each State agency under this subchapter shall report to each manufacturer not later than 60 days after the end of each rebate period and in a form consistent with a standard reporting format established by the Secretary, information on the total number of units of each dosage form and strength and package size of each covered outpatient drug dispensed after December 31, 1990, for which payment was made under the plan during the period, and shall promptly transmit a copy of such report to the Secretary. Within 30 days of receipt of the utilization data from the State, the manufacturers are required to pay the rebate or provide the State with written notice of disputed items not paid because of discrepancies found.

Condition - During our review of 25 samples of drug rebates, we noted that one rebate totaling \$11,927 was not paid by the drug manufacturer for the quarter ended June 30, 2017. The invoice was mailed to the manufacturer on August 30, 2017, however, the rebate amount remains unpaid with no follow-ups made. In addition, we noted that for two (2) of the 25 drug rebates tested, the manufacturer did not pay the rebate amount within 30 days after receiving the invoice from the DHCF, however, no interest was calculated and charged to the drug manufacturer.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DHCF's compliance with the drug rebates requirements using a statistically valid sample.

Effect - Without adequate policies and procedures in place, there is no assurance that drug rebates are paid or interest is assessed when rebates are not paid timely.

Cause - The contractor responsible for processing drug rebates for DHCF did not have policies and procedures in place to follow-up with drug manufacturers when rebates were not paid. In addition, the contractor's system for processing rebates does not have the capability to calculate interest once an account is paid in full. The system will only calculate interest if the account has an open balance.

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Recommendation - We recommend that DHCF establish policies and procedures to ensure that follow-up procedures are performed to ensure that drug manufacturers pay the drug rebate amount and that interest be assessed when drug rebates are not paid timely.

Related Noncompliance - Noncompliance.

Views of Responsible Officials - DHCF concurs with the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-019
Prior Year Finding Number: 2016-023
Compliance Requirement: Eligibility

Program:

U.S. Department of Health and Human Services

Medicaid Cluster

CFDA #: 93.775, 93.777, 93.778

Award #: 1705DC5MAP

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Department of Health Care Finance
(DHCF)/Department of Human Services
(DHS)/Economic Security
Administration (ESA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

The Medicaid State Plan: Citation 42 CFR Section 431.17AT-79-29. Section 4.7 (Maintenance of Records) states, *"The Medicaid agency maintains or supervises the maintenance of records necessary for the proper and efficient operation of the plan, including records regarding applications, determination of eligibility, the provision of medical assistance, and administrative costs and statistical, fiscal and other records necessary for reporting and accountability, and retains these records in accordance with Federal requirements. All requirements of 42 CFR 431.17 are met."*

Economic Security Administration (ESA) Policy Manual, Section 1.3, *"All eligibility criteria and clarifying information are documented on the Record of Case Action, form 1052. The case record should speak for itself. An outside reviewer shall be able to follow the chronology of events in the case by reading the narrative. All application documents including verification and correspondence must be date-stamped. For working recipients, the record should include the dates pay is received and how often the recipient is paid. When the recipient's statement is the best available source, the record should include the application/recipient's and agency efforts to verify the information. All address changes should be documented."*

Condition - During testing over beneficiary eligibility for the Medicaid benefits, we noted that the District's Economic Security Administration (ESA) was unable to provide sufficient documentation to support the beneficiary's eligibility determination during the fiscal year 2017 audit. Specifically, out of a sample of 132 participant files tested, we noted the following exceptions:

- Nine (9) participant files where ESA was unable to provide a signed application form and signed recertification form covering the audit period.

Without ESA maintaining the proper documentation in the case files, we were unable to verify whether certain participants were properly enrolled in the Medicaid program.

ESA began using the Document Imaging Management System (DIMS) to maintain participant documentation. The DIMS is a record retention system used to record and scan all incoming documents that support the case record. However, even with the use of automated files, the DHS was still unable to retrieve the required supporting documentation.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

In addition, the Department of Health Care Finance, as the State Medicaid Agency, lacks a quality control oversight system to ensure that eligibility documentation is maintained to support the eligibility decision.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of ESA's compliance with specified requirements using a statistically valid sample.

Effect - Lack of supporting documentation for program services and noncompliance with program requirements could result in disallowances of costs and participants could be receiving benefits that they are not entitled to receive under the program.

Cause - ESA does not appear to have adequate internal control procedures to ensure that participant documentation is recorded and scanned in DIMS in order to maintain participant documentation in a centralized location.

Recommendation - We recommend that ESA improve internal control procedures to ensure that documentation is maintained to support eligibility decisions and that files are properly retained. In addition, we recommend that DHCF establish a quality control system to ensure that ESA maintains documentation to support the eligibility determination decision.

Related Noncompliance - Noncompliance.

Views of Responsible Officials - The District does not dispute the findings provided by BDO. ESA will follow through on the outlined internal control procedures to ensure that documentation is maintained to support eligibility decisions and that customer files are properly retained. ESA will also review and share internal review processes with DHCF to support future eligibility decisions. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-020
Prior Year Finding Number: 2016-024
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Department of Health (DOH)

HIV Emergency Relief Project Grants

CFDA #: 93.914

Award #: 2 H89HA00012-27-00, H89HA00012-26-00

Award Year: 03/01/2017 - 02/28/2018, 03/01/2016 - 02/28/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 2 CFR Section 200.430 Compensation - Personal Services:

"Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:

- (1) Is reasonable for the services rendered and conforms to the establish written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;
- (2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and
- (3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable."

2 CFR Section 200.430(i):

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity;
- (vi) [Reserved]

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
- (viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards."

Condition - We noted that DOH continued to allocate payroll expenditures to the HIV Emergency Relief Project Grant (HIVER) program during fiscal year 2017 based on budgeted percentages. These percentages were entered into the PeopleSoft Human Resources/Payroll System (PeopleSoft) at the beginning of the fiscal year and were based on management's estimate of the respective employee's level of effort for each program. PeopleSoft calculated the payroll costs every payroll cycle for each employee and program based on the predetermined percentage, and reported it through the Labor Distribution Report (485 Report). However, management did not perform a periodic comparison of actual costs to the budgeted costs and make any necessary adjustment as required by 2 CFR Section 200.430. Specifically, 33 out of 60 sampled payroll items tested for the HIVER grant were recorded based on estimated hours and not actual hours.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DOH's compliance with specified requirements using a statistically valid sample. Payroll costs including fringe benefits, for HIVER program in fiscal year 2017 were \$2,450,838.

Effect - DOH was unable to demonstrate that the payroll expenditures charged to the HIVER grant accurately reflected the time incurred on the program and were properly supported in accordance with 2 CFR Part 200 time and effort reporting requirements.

Cause - DOH did not have policies and procedures in place to review the estimated amounts of payroll expenditures charged to the HIVER program to the actual expenditures incurred. Per corrective action plans and status updates submitted by DOH to BDO in FY 17, DOH has a plan still in progress to develop a program manager-level certification of employee time and effort reflected in bi-weekly payroll records (485 Reports). It has not been completed by the end of fiscal year 2017.

Recommendation - We recommend that DOH fully implement its current corrective action plan to deploy policies and procedures to periodically compare employees' estimated hours per the 485 Report to the actual hours incurred, and make any necessary adjustments as required by 2 CFR 200.430.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DOH concurs with the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-021
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Health and Human Services

Government Department/Agency:

Department of Health (DOH)

HIV Care Formula Grants

CFDA #: 93.917

Award #: 2 X07HA00045-27-00, 2 X07HA00045-26-00

Award Year: 04/01/2017 - 03/31/2018, 04/01/2016 - 03/31/2017

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 2 CFR Section 200.430 Compensation - Personal Services:

"Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:

- (1) Is reasonable for the services rendered and conforms to the establish written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;
- (2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and
- (3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable."

2 CFR Section 200.430(i):

"*Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity;
- (vi) [Reserved]

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
- (viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards."

Condition - We noted that DOH continued to allocate payroll expenditures to the HIV Care Formula Grant (HIV Care) program during fiscal year 2017 based on budgeted percentages. These percentages were entered into the PeopleSoft Human Resources/Payroll System (PeopleSoft) at the beginning of the fiscal year and were based on management's estimate of the respective employee's level of effort for each program. PeopleSoft calculated the payroll costs every payroll cycle for each employee and program based on the predetermined percentage, and reported it through the Labor Distribution Report (485 Report). However, management did not perform a periodic comparison of actual costs to the budgeted costs and make any necessary adjustment as required by 2 CFR 200.430. Specifically, 30 out of 60 sampled payroll items tested for the HIV Care grant were recorded based on estimated hours and not actual hours.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of DOH's compliance with specified requirements using a statistically valid sample. Payroll costs including fringe benefits, for HIV Care program in fiscal year 2017 were \$1,448,474.

Effect - DOH was unable to demonstrate that the payroll expenditures charged to the HIV Care grant accurately reflected the time incurred on the program and were properly supported in accordance with 2 CFR Part 200 time and effort reporting requirements.

Cause - DOH did not have policies and procedures in place to review the estimated amounts of payroll expenditures charged to the HIV Care program to the actual expenditures incurred. Per corrective action plans and status updates submitted by DOH to BDO in FY 17, DOH has a plan still in progress to develop a program manager-level certification of employee time and effort reflected in bi-weekly payroll records (485 Reports). It has not been completed by the end of fiscal year 2017.

Recommendation - We recommend that DOH fully implement its current corrective action plan to deploy policies and procedures to periodically compare employees' estimated hours per the 485 Report to the actual hours incurred, and make any necessary adjustments as required by 2 CFR 200.430.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - DOH concurs with the finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-022
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Program:

U.S. Department of Homeland Security

Government Department/Agency:

Homeland Security and Emergency
Management Agency (HSEMA)

Disaster Grants - Public Assistance

CFDA #: 97.036

Award #: DR-4260-DC

Award Year: 10/01/2016 - 09/30/2017

Criteria -The Uniform Guidance in 2 CFR Section 200.510 (b) indicates:

Schedule of expenditures of Federal awards (SEFA). The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with 2 CFR section 200.502, Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended shall be shown either by individual Federal award or by Federal agency and major subdivision with the Federal agency.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in 2 CFR section 200.502 Basis for determining Federal awards expended paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
- (6) Include notes that describe the significant accounting policies used in preparing the schedule, and note whether or not the non-Federal entity elected to use the 10% de minimis cost rate as covered in 2 CFR section 200.414 Indirect (F&A) costs.
- (7) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.

As indicated in Part 4 of the April 2017 OMB Compliance Supplement relating to the Disaster Grants - Public Assistance, we noted:

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Non-Federal entities must record expenditures on the SEFA when: (1) FEMA has approved the non-Federal entity's project worksheet (PW), and (2) the non-Federal entity has incurred the eligible expenditures. Federal awards expended in years subsequent to the fiscal year in which the PW is approved are to be recorded on the non-Federal entity's SEFA in those subsequent years.

For example,

1. If FEMA approves the PW in the non-Federal entity's fiscal year 2014 and eligible expenditures are incurred in the non-Federal entity's fiscal year 2015, the non-Federal entity records the eligible expenditures in its fiscal year 2015 SEFA.
2. If the non-Federal entity incurs eligible expenditures in its fiscal year 2014 and FEMA approves the non-Federal entity's PW in the non-Federal entity's fiscal year 2015, the non-Federal entity records the eligible expenditures in its fiscal year 2015 SEFA with a footnote that discloses the amount included on the SEFA that was incurred in a prior year.

Condition - Certain grant expenditures related to the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (PDD) program, amounting to approximately \$7.3 million had been inaccurately recorded and initially reported in FY 2017. In reconciling the project worksheets detail and the general ledger, it was discovered that the expenses for the PDD program were incurred in FY 2016 and the related PW's were approved by FEMA in FY 2016. Therefore, these expenses should have not been included in the FY 2017 SEFA. An adjustment was recorded to correct the SEFA.

Questioned Costs - None.

Context - This is a condition identified per review of Part 4 of the OMB Compliance Supplement.

Effect - The SEFA may not be fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

Cause - HSEMA does not appear to have adequate policies and procedures in place to ensure adequate preparation and review the SEFA.

Recommendation - We recommend that HSEMA implement policies and procedures within the finance department to ensure federal funds are reported at the appropriate amounts.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - HSEMA agrees with this finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-023
Prior Year Finding Number: N/A
Compliance Requirement: Activities Allowed or Unallowed and Allowable Costs/Cost Principles;
Special Tests and Provisions - Project Accounting

Program:

U.S. Department of Homeland Security

Government Department/Agency:

Homeland Security Emergency
Management Agency (HSEMA)

Disaster Grants - Public Assistance

CFDA #: 97.036

Award #: DR-4260-DC

Award Year: 10/01/2016 - 09/30/2017

Criteria -The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 2 CFR Section 200.430 Compensation - Personal Services:

"Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:

- (1) Is reasonable for the services rendered and conforms to the establish written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;
- (2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and
- (3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable."

Per 2 CFR Section 200.31 *Disallowed costs* means those charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.

Per 44 CFR Section 206.203 *Federal Grant Assistance* the allowed activities for the public assistance program are for the approved project as described on the Project Worksheet (PW) and supporting documentation. The approved project may be repair or replacement of the damaged facility, an improved project, or an alternate project.

Per Sections 406 and 407 of the Stafford Act (42 USC 5170b and 5173 "Force Account Labor Costs-The straight- or regular-time salaries and benefits of a subgrantee's permanently employed personnel are not eligible in calculating the cost of eligible work for emergency protective services or debris removal under Sections 403 and 407 of the Stafford Act (42 USC 5170b and 5173, respectively).

Per 44 CFR Section 206.205, (b) Large Projects. (1) The Grantee shall make an accounting to the Regional Administrator of eligible costs for each approved large project. In submitting the accounting the Grantee shall certify that reported costs were incurred in the performance of eligible work, that the approved work was completed, that the project is in compliance with the provisions of the FEMA-

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

State Agreement, and that payments for that project have been made in accordance with 44 CFR 13.21, Payments. Each large project shall be submitted as soon as practicable after the subgrantee has completed the approved work and requested payment.

Condition - In fiscal year 2017, HSEMA had \$10,321,698 in nonpayroll and payroll expenditures for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (PDD) program. During our testwork, we noted that expenditures charged to the program could not be supported. The population included 21 project worksheet lines. Of those 21 lines, we sampled 11 lines. Specifically, we noted the following:

- For the eleven (11) sampled lines selected, four (4) of the lines represented labor/payroll expenditures. During our test work, we identified straight time pay that was inaccurately included for reimbursement. We noted the following for these labor/payroll expenditures:
 - For two (2) of the four (4) labor/payroll lines totaling \$295,426, HSEMA was unable to provide timesheets and pay rates to substantiate the completeness and accuracy of these costs. In addition, we noted that thirty-seven (37) of these employees overtime rate could not be clearly substantiated.
- For the eleven (11) sample lines selected, three (3) of the eleven (11) lines were for contracts/contractual services and included a total of seventy-two (72) invoices. We determined that nineteen (19) of the seventy-two (72) invoices had calculation errors and the amounts reimbursed were overstated by \$12,510.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of HSEMA's compliance with specified requirements using a statistically valid sample.

Effect - Without adequate controls in place to ensure costs are properly reviewed for allowability, HSEMA could be noncompliant with the allowability requirement and could request funds for costs that are unallowed.

Cause - Management is not adhering to their internal policies and procedures to ensure that transactions are properly supported and authorized to ensure that costs are allowable.

Recommendation - We recommend that HSEMA strengthen their policies and procedures over the review and maintenance of appropriate documentation to ensure compliance with allowability requirements.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - HSEMA does not agree with the findings. This disagreement is based upon the findings being premature. This project is an open project currently undergoing final closeout reconciliation. Upon completion of the closeout process all discrepancies will be noted and corrected.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

BDO Response - We have reviewed management's response and our finding remains as indicated, as controls were not properly implemented to ensure that costs are allowable.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-024
Prior Year Finding Number: N/A
Compliance Requirement: Period of Performance

Program:

U.S. Department of Homeland Security

Disaster Grants - Public Assistance

CFDA #: 97.036

Award #: DR-4260-DC

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Homeland Security Emergency
Management Agency (HSEMA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per 44 CFR Section 206.227 *Snow assistance*. Emergency or major disaster declarations based on snow or blizzard conditions will be made only for cases of record or near record snowstorms, as established by official government records. Federal assistance will be provided for all costs eligible under 44 CFR 206.225 for a specified period of time which will be determined by the circumstances of the event. [62 FR 45330, Aug. 27, 1997]

Per 2 CFR Section 200.77 *Period of performance* means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award (see Sections 200.210 Information contained in a Federal award paragraph (a)(5) and 200.331 Requirements for pass-through entities, paragraph (a)(1)(iv)).

Per the FEMA State Agreement, FEMA-4260-DR-DC Attachment 3, eligible applicants within the District of Columbia are eligible to apply for emergency protective measures (Category B) under the Public Assistance program. Snow assistance will be provided for a period of 48 hours for the District of Columbia. Eligible Applicants within the District of Columbia are eligible to apply for assistance under the Hazard Mitigation Grant Program.

Per the FEMA Public Assistance and Program and Policy Guide, 18. Snow-Related Activities. When the President declares an incident as a Snowstorm or specifically authorizes snow assistance in a declaration for a Severe Winter Storm, FEMA provides PA funding for impacts related to snow, but the assistance is limited. (a) Limited Time Period. Snow-related activities are eligible for a continuous 48-hour period to address the most critical emergency needs. Each Applicant designates the beginning of its 48-hour period. However, all agencies, departments, or branches of a local government must use the same 48-hour period.

A State agency, such as a Department of Transportation, that conducts snow-related activities in multiple locations throughout a State may use different 48-hour periods for different locations. Once FEMA approves a project for the Applicant's designated 48-hour period, the Applicant cannot change its selected period. If the Applicant awards a contract for periods greater than the 48-hour period, PA funding is limited to the costs incurred during the 48-hour period. The FEMA Assistant Administrator of the Recovery Directorate may extend the eligible period by 24 hours in counties, parishes, or Tribal

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Government areas where the snowfall exceeds the historical record snowfall by at least 50 percent. For Severe Winter Storm Declarations that do not specifically authorize snow assistance, FEMA only provides PA funding for limited snow-related activities that are necessary to perform otherwise eligible work. For example, snow removal necessary to repair downed power lines is eligible, while normal snow removal from roads is not eligible.

Condition - In fiscal year 2017, HSEMA had \$10,321,698 in nonpayroll and payroll expenditures for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (PDD) program. During our testwork, we noted that HSEMA charged expenditures to the program which were outside of the period of performance given by FEMA. The period of performance questioned costs relate to five (5) of the eleven (11) sampled line items selected for testing. Specifically, we noted the following expenditures to be outside of the period of performance:

- Two (2) line items related to contracts/contractual services totaling \$213,388.
- Two (2) lines related to labor costs totaling \$45,047.
- One (1) line item related to equipment totaling \$2,685.

Questioned Costs - \$261,134.

Context - This is a condition identified per review of HSEMA's compliance with specified requirements using a statistically valid sample.

Effect - Without adequate controls in place to ensure costs are properly reviewed for period of performance, HSEMA could be noncompliant with the period of performance requirement and could request funds for costs that are not in the period of performance.

Cause - Management is not adhering to their internal policies and procedures to ensure that transactions are properly supported and authorized to ensure that costs are within period of performance.

Recommendation - We recommend that HSEMA enhance its processes and controls to ensure that only expenses incurred within the period of performance are charged to the program.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - HSEMA does not agree with the findings. This disagreement is based upon the findings being premature. This project is an open project currently undergoing final closeout reconciliation. Upon completion of the closeout process all discrepancies will be noted and corrected.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

BDO Response - We have reviewed management's response and our finding remains as indicated, as controls were not properly implemented to ensure that only expenses incurred within the period of performance are charged to the program.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-025
Prior Year Finding Number: N/A
Compliance Requirement: Reporting

Program:

U.S. Department of Homeland Security

Disaster Grants - Public Assistance

CFDA #: 97.036

Award #: DR-4260-DC

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Homeland Security Emergency
Management Agency (HSEMA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per Part 4 of the Office of Management and Budget (OMB) Compliance Supplement the instructions for recording expenditures on the Schedule of Expenditures of Federal Awards (SEFA) for the Disaster Grants - Public Assistance (Presidentially Declared Disasters) (PDD) program, "Non-Federal entities must record expenditures on the SEFA when: (1) Federal Emergency Management Agency (FEMA) has approved the non-Federal entity's project worksheet (PW), and (2) the non-Federal entity has incurred the eligible expenditures. Federal awards expended in years subsequent to the fiscal year in which the PW is approved are to be recorded on the non-Federal entity's SEFA in those subsequent years."

Per instructions for the Federal Financial Report (FFR) form SF-425, "For reports prepared on an accrual basis, expenditures are the sum of cash disbursements for direct charges for property and services; the amount of indirect expense incurred; and the net increase or decrease in the amounts owed by the recipient for (1) goods and other property received; (2) services performed by employees, contractors, subrecipients, and other payees; and (3) programs for which no current services or performance are required.

Condition - HSEMA is required to submit the SF-425 financial reports quarterly to the federal government for the PDD grant. Our review of financial reports revealed that expenditures in the amount of approximately \$7.3 million were not reported in accordance with the guidelines outlined above and thus the federal financial reports were not completed accurately as prescribed.

Questioned Costs - Not determinable.

Context - This is a condition identified per review of HSEMA's compliance with specified requirements.

Effect - HSEMA did not accurately reflect the accrual basis for the reporting period, and as such HSEMA is noncompliant with the reporting requirements.

Cause - HSEMA recorded expenditures based on the FEMA signed award letter which was received in FY 2017.

Recommendation - We recommend that HSEMA establish financial reporting policies and procedures specific to the recording of expenditures and preparation of financial reports for FEMA programs. In

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

addition federal financial reports should be reviewed before submission to ensure that they are completed in accordance with the established policies and procedures.

Related Noncompliance - Material noncompliance.

Views of Responsible Officials and Planned Corrective Actions - HSEMA agrees with this finding. The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

Finding Number: 2017-026
Prior Year Finding Number: N/A
Compliance Requirement: Reporting

Program:

U.S. Department of Homeland Security

Securing the Cities Program

CFDA #: 97.106

Award #: 2014-DN-106-000001

Award Year: 10/01/2016 - 09/30/2017

Government Department/Agency:

Homeland Security Emergency
Management Agency (HSEMA)

Criteria - The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Per the co-operative agreement terms and conditions - Grants and Financial Assistance Division (GFAD), HSEMA is required to submit a quarterly performance report to U.S. Department of Homeland Security (DHS) Domestic Nuclear Detection Office (DNDO) for the Securing the Cities (STC) program.

Condition - We selected a sample of two (2) performance reports. HSEMA was unable to provide complete documentation to support the reported amounts in the reports. A number of variances between the reported amounts and the underlying supporting data were noted. In addition during our testing of the design and implementation of internal controls over reporting we noted that HSEMA does not have instructions or guidance for the report and as such they are unable to determine whether the report is completed accurately.

Questioned Costs - None.

Context - This is a condition identified per review of HSEMA's compliance with specified requirements using a statistically valid sample.

Effect - Data reported in the quarterly report may not be complete and accurate. HSEMA is not in compliance with the reporting requirements.

Cause - HSEMA did not obtain the required guidance from DHS. In addition, management did not review the underlying data for the reports filed before submission to the federal agency.

Recommendation - We recommend that HSEMA contacts DHS and obtain the required guidance that would allow the accurate completion of the report. HSEMA should also establish a process for accumulation of the data and should review the underlying supporting data for the reports before submission to the federal agency.

Related Noncompliance - Noncompliance.

Views of Responsible Officials and Planned Corrective Actions - The agency concurs with the finding as presented in this audit report. HSEMA ensured that the STC program quarterly performance reports

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Schedule of Findings and Questioned Costs Year Ended September 30, 2017

were completed by the STC program office and the reports were submitted on time to the DHS/DNDO program office which accepted the reports and has not raised any issue with the reports. The federal agency was involved in validating and providing some of the information contained in these quarterly reports.

The federal agency did not provide specific written guidance on its expectations for each element of the quarterly performance report; to the extent guidance and instruction was provided by the federal agency to the STC program manager, it was provided directly in conversation and was not in writing.

Due to the various types of information collected by different means for submission in the report, and changes in the manner of presenting that data, DC HSEMA recognizes that the backup documentation available for review by the audit team did not in every case completely match the information in the quarterly performance report.

The District's corrective action is described in the Management's Corrective Action Plan included as Appendix B of the attached Management's Section.

Management's Section

GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

Appendix A

**Government of the District of Columbia
Summary Schedule of Prior Audit Findings**

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
2016-001 <i>Prior Year Finding: 2015-001</i> DHS	US Dept. of Agriculture Supplemental Nutrition Assistance Program Cluster 10.551, 10.561	Special Tests and Provisions - ADP System for SNAP	Corrected.
2016-002 <i>Prior Year Finding: 2015-002</i> DHS	US Dept. of Agriculture Supplemental Nutrition Assistance Program Cluster 10.551, 10.561	Special Tests and Provisions - EBT Card Security	Status: Finding repeated in the current year (2017-005). Reason for Recurrence: A number of the discrepancies (38/60) appear to be related to the completion of the EBT intake form. OFT did not address the completion of the intake form in its prior mitigation plan. Additional training is required to complete the form correctly and ensure it reconciles to the issuance log. OFT will review this with FIS and DHS staff to ensure proper training provided to UPO staff. FY 2017/2018 Corrective Action Plan: OFT is the COTR for the FIS (prime) and UPO (sub) contract that supports the EBT card program. In response to prior year's audit findings, OFT amended the FIS

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>contract on July 13, 2017 with procedures mutually agreed upon by OFT and FIS to strengthen internal controls, documentation/records, reconciliation processes, and card security. In addition, OFT hired an outside accounting firm to perform quarterly reviews of the new procedures to ensure they are followed. Each quarterly result is reviewed with FIS, DHS OCFO and OFT with additional corrective action plans implemented, if needed. The FY 2017 test period for this audit overlaps OFT's: development of procedures to mitigate the prior year's discrepancies, contracting time for accounting support services, and implementation time of the corrective actions. Therefore, the findings appear to reflect a lack of implemented procedures. OFT has taken steps to strengthen card security, documentation/records, reconciliation and internal controls.</p> <p>OFT will also compare all findings to the currently amended procedures to ensure that each are addressed and make any additional amendments. The quarterly reviews will continue to be used to monitor procedural adherence and reports will be provided to FIS, DHS OCFO and OCFO procurement.</p> <p>Partially Corrected: Start date: October 1, 2018 Estimated completion date: September 30, 2019</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
2016-003 <i>Prior Year Finding: 2015-003</i> DCPS	US Dept. of Agriculture Child Nutrition Cluster 10.553, 10.555, 10.556, 10.559	Eligibility	<p>Status: Finding repeated in the current year (2017-006).</p> <p>Reason for Recurrence: Large school district, with 113 sites reaching almost 50,000 students. Some sites do not have adequate controls for the meal line process.</p> <p>FY 2017/2018 Corrective Action Plan:</p> <ol style="list-style-type: none"> 1. Strengthen reporting to identify accountability issues. (Completed) 2. Perform inventory of accountability practices being carried across the district. (Initial report completed, being peer reviewed) 3. Develop targeted training sessions for struggling schools. (Summer) 4. Continue reviews to ensure operations are complying. 5. Hold annual training. (August 2018) 6. Continuous monitoring throughout the school years. <p>Partially Corrected: Start date: January 2018 Estimated completion date: August 31, 2018</p>
2016-004 <i>Prior Year Finding: 2015-006</i> DHCD	US Dept. of HUD Community Development Block Grants/Entitlements Grants 14.218	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	Corrected.
2016-005 <i>Prior Year Finding: 2015-009</i> DHCD	US Dept. of HUD HOME Investment Partnerships Program 14.239	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	Corrected.

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
2016-006 <i>Prior Year Finding: N/A</i> DDS	US Dept. of Education Rehabilitation Services - Vocational Rehabilitation Grants to States 84.126	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	Corrected.
2016-007 <i>Prior Year Finding: 2015-014</i> DDS	US Dept. of Education Rehabilitation Services - Vocational Rehabilitation Grants to States 84.126	Eligibility	<p>Status: Finding repeated in the current year (2017-007).</p> <p>Reason for Recurrence: This specific finding pertains to eligibility determination for the FY 2014 and not the year under current audit review. The agency still has many older case records in the Case Management System (referred to as System 7). However, the agency has instituted corrective measures to ensure new cases are in full compliance with both federal regulations and DCRSA policies and procedures. The DCRSA put in place Case Review Operating Procedures (SOP) in 2016 and since then monthly case review of randomly sampled cases is completed. For instance, in 2016 a total of 1090 cases were reviewed. In FY 2017 a total of 2273 cases were reviewed for compliance. In addition, all VR counselors and supervisors were provided with training on eligibility determination and training will continue.</p> <p>FY 2017/2018 Corrective Action Plan: All counselors and supervisors are going to receive training on eligibility determination and corresponding federal regulations and DCRSA policies and procedures. The on-going monthly review of cases for quality</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>compliance will continue in FY 2018.</p> <p>Partially Corrected: Start date: Training was initiated in FY 2017 as part of the corrective action plan and will continue. Cases were being aggressively reviewed in FY 2017 and will continue as long as needed.</p> <p>Estimated completion date: Training and case reviews will continue as long as necessary to meet the required level of performance and quality.</p>
2016-008 <i>Prior Year Finding: N/A</i> DDS	US Dept. of Education Rehabilitation Services - Vocational Rehabilitation Grants to States 84.126	Special Tests and Provisions - Completion of Individualized Plan for Employment (IPEs)	<p>Status: Finding repeated in the current year (2017-009).</p> <p>Reason for Recurrence: One case finding relates to IPE development completed in 2008, not the current year under review and is due to the fact that the agency has older case records in the Case Management System and these cases were not under the corrective measures the agency has since put in place to ensure compliance with federal regulations as well as DCRSA policies and procedures. Failure by counselor to document rationale for any delays and oversight are also factors in one case of reoccurrence.</p> <p>FY 2017/2018 Corrective Action Plan: All VR counselors and supervisors will receive training on IPE development and corresponding federal regulations and DCRSA policies and procedures during the 4th quarter of FY 2018. The on-going monthly case reviews for</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>quality compliance will continue in 2018 and 2019. Any VR counselor or supervisor who fails to comply will receive targeted monitoring and corrective actions including Performance Improvement Plans (PIPs) as needed.</p> <p>Partially Corrected: Start date: Training was initiated in FY 2017 as part of the corrective action plan and will continue. Cases were being aggressively reviewed in FY 2017 and will continue as long as needed.</p> <p>Estimated completion date: Training and case reviews will continue as long as necessary to meet the required level of performance and quality.</p>
2016-009 <i>Prior Year Finding: N/A</i> DHS	US Dept. of HHS Temporary Assistance for Needy Families Cluster (TANF) 93.558	Eligibility	<p>Status: Finding repeated in the current year (2017-010).</p> <p>Reason for Recurrence: A significant number of staff failed to properly index and tag documents to electronic case records, creating an increased number of "orphan documents", which could not be located in DIMS during the audit. We are continually working to make improvements in this area.</p> <p>FY 2017/2018 Corrective Action Plan: The Department has reassessed and revised its document scanning protocols and has mandated disuse of scanning directly into DIMS via the web application method and will universally use the Data Cap method for scanning documents into DIMS. The Data Cap method for scanning into DIMS allows more</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>compressed information to be scanned, separated and tagged into DIMS more quickly and accurately, which should reduce the number of scanned "orphan documents". Onsite technical support has been and will be provided at each Service Center, wherein staff receives standardized training on the Data Cap scanning method and how to properly search for documents in DIMS.</p> <p>DHS will work on a process to verify information that cash assistance was not provided to an individual during the 10-year period that began on the date the individual was convicted in Federal or State court of having made a fraudulent statement or representation with respect to place of residence in order to simultaneously receive assistance from two or more States. DHS will add a self-attestation question to its consolidated application for the customer to answer if they have falsely made a statement or misrepresentation with respect to place of residence in order to simultaneously receive assistance from two or more States.</p> <p>Partially Corrected: Start date: July 1, 2018 Estimated completion date: September 30, 2019</p>
2016-010 <i>Prior Year Finding: N/A</i> DHS	US Dept. of HHS Temporary Assistance for Needy Families Cluster (TANF) 93.558	Special Tests and Provisions - Income Eligibility and Verification System	<p>Status: Finding repeated in the current year (2017-012).</p> <p>Reason for Recurrence: Automatic population of verified information alleviates the need for workers to initiate the previous</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>procedure of manually checking and printing documents from other systems to verify data/information. We need to continue to ensure that staff is following this process to verify customer information.</p> <p>FY 2017/2018 Corrective Action Plan: We plan on instituting Policy Memos to ensure that staff are receiving the automatic population of verified information with no system issues. This will ensure that the DC Access System (DCAS) has software that enables DHS to more efficiently and accurately review and maintain appropriate documentation for individuals applying for TANF. DCAS interfaces with Social Security Administration and other systems, nightly and the verified data is populated into DCAS.</p> <p>Partially Corrected: Start date: September 1, 2018 Estimated completion date: September 30, 2019</p>
2016-011 <i>Prior Year Finding: 2015-019</i> DHS	US Dept. of HHS Temporary Assistance for Needy Families Cluster (TANF) 93.558	Special Tests and Provisions - Penalty for Refusal to Work	<p>Status: Finding repeated in the current year (2017-013).</p> <p>Reason for Recurrence: DHS has, due to changes in local law, been forced to change the sanction process three times in the last three years. The continual changing, has meant that there have been inconsistencies in process and gaps in the periods of sanction. DHS has streamlined the policy and practice. That took place effective April 1, 2018.</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>FY 2017/2018 Corrective Action Plan: DHS has modified the Sanctions policy. DHS has streamlined the policy. Effective April 1, 2018, EAS implemented a sanctioned policy and procedure, which is administratively straightforward. In accordance with the FY 2017 Budget Support Act, which mandates a single level sanction of 6%, DHS drafted regulations which support this law and require that individuals, who fail to meet their work participation requirements over four consecutive weeks, are subject to a 6% sanction. DHS implemented the new policy of April 1, 2018. DHS estimates that it will take up to six months for the entire caseload to cycle through the sanction process.</p> <p>Partially Corrected: Start date: October 1, 2018 Estimated completion date: September 30, 2019</p>
2016-012 <i>Prior Year Finding: 2015-018</i> DHS	US Dept. of HHS Temporary Assistance for Needy Families Cluster (TANF) 93.558	Special Tests and Provisions - Penalty for Failure to Comply with Work Verification Plan	<p>Status: Finding repeated in the current year (2017-014).</p> <p>Reason for Recurrence: There are three issues, which contribute to this finding. The first is that the interface between DCAS and Q5i is not pulling all of the correct data fields, and results in discrepancies or errors. DHS is working with the DCAS team and Q5i system managers to ensure that there is a clean and accurate file from DCAS to Q5i. This should be completed before September 30, 2018. The second issue is a documentation issue. DHS will work with service providers and case reviews to ensure consistency and accuracy across files. The</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>third issue is that verified hours in CATCH do not match reported hours on the ACF 199. DHS will review the logic, and also, as necessary, amend the work verification plan.</p> <p>FY 2017/2018 Corrective Action Plan: DHS agrees in general with the recommendation and will work to make sure that all documentation is properly verified before submitted to Q5i. DHS will also work to make sure that the interface between DCAS and Q5i is reconciled, such that the system of record (DCAS) matches that are submitted to Q5i, and in turn reported on the ACF-199 reports are supported by documentation.</p> <p>Partially Corrected: Start date: October 1, 2018 Estimated completion date: September 30, 2019</p>
2016-013 <i>Prior Year Finding: N/A</i> DOEE	US Dept. of HHS Low-Income Home Energy Assistance Program (LIHEAP) 93.568	Eligibility	Corrected.
2016-014 <i>Prior Year Finding: 2015-020</i> DCPS	US Dept. of HHS Head Start 93.600	Activities Allowed or Unallowed and Allowable Costs/Cost Principles; Period of Performance	Corrected.
2016-015 <i>Prior Year Finding: N/A</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	Corrected.

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
2016-016 <i>Prior Year Finding: 2015-022</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Cash Management	Corrected.
2016-017 <i>Prior Year Finding: 2015-023</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Eligibility	<p>Status: Finding repeated in the current year (2017-015).</p> <p>Reason for Recurrence: A major reason for the recurrence was CFSA's transition from seven private agencies to one private agency provider, as approximately 85% of the cases in question were managed by private agencies.</p> <p>FY 2017/2018 Corrective Action Plan: CFSA has partnered with one private agency provider which has a strong documentation infrastructure and will undoubtedly improve documentation efforts in the future. In addition, CFSA has revised its process to centrally obtain, scan and store licenses, child protection registry checks and criminal background checks at the time of licensure (as opposed to waiting to capture this documentation at the time of the IV-E eligibility determination). Furthermore, CFSA is strengthening its quality assurance system to better track and reconcile licensure documentation discrepancies earlier in the process to minimize errors and improve accuracy. Quality assurance improvement is an ongoing process to which CFSA is committed.</p> <p>Partially Corrected: Review of files and improved quality assurance. Start date: January 1, 2018</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			Estimated completion date: September 30, 2018
2016-018 <i>Prior Year Finding: 2015-024</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Matching, Level of Effort, Earmarking; Reporting	Corrected.
2016-019 <i>Prior Year Finding: N/A</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Period of Performance	Corrected.
2016-020 <i>Prior Year Finding: 2015-025</i> CFSA	US Dept. of HHS Foster Care - Title IV-E 93.658	Special Tests and Provisions - Payment Rate Setting and Application	Corrected.
2016-021 <i>Prior Year Finding: 2015-028</i> CFSA	US Dept. of HHS Adoption Assistance - Title IV-E 93.659	Cash Management	Corrected.
2016-022 <i>Prior Year Finding: 2015-029</i> CFSA	US Dept. of HHS Adoption Assistance - Title IV-E 93.659	Eligibility	<p>Status: Finding repeated in the current year (2017-016).</p> <p>Reason for Recurrence: Recurrences in checklist and subsidy review application documentation were oversights which should be corrected with closer case review and QA. The annual questionnaire documentation recurrence was due to process changes which have since been corrected. A major reason for the recurrence of licensure documentation challenges was due to CFSA's transition from seven private agency providers to one private agency provider, as approximately 85% of the cases in question were managed by private agencies. In addition, many of the adoption subsidy cases in question were finalized 5 -10 years ago which was</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>prior to CFSA implementing process improvements in 2014 and 2015.</p> <p>FY 2017/2018 Corrective Action Plan: CFSA will complete (and approve) the checklist for all adoption assistance cases at the time of finalization and ensure it is included in each adoption subsidy file.</p> <p>CFSA has updated its process and forms to ensure that documentation of the annual questionnaires exists in each adoption subsidy file covering each fiscal year going forward.</p> <p>CFSA will ensure that all subsidy review applications are complete and placed in each adoption subsidy file.</p> <p>CFSA has partnered with one private agency provider which has a strong documentation infrastructure will undoubtedly improve documentation efforts in the future. In addition, CFSA has revised its process to obtain, scan and store licenses, child protection registry checks and criminal background checks at the time of licensure (as opposed to waiting to capture this documentation at the time of the IV-E eligibility determination), again at the time of adoption, and again at the time of the IV-E eligibility determination. Furthermore, CFSA is strengthening its quality assurance system to better track and reconcile licensure documentation discrepancies earlier in the process to minimize errors and improve accuracy. Quality assurance improvement is</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>an ongoing process to which CFSA is committed.</p> <p>Partially Corrected: Review of files and improved quality assurance. Start date: October 1, 2017 Estimated completion date: September 30, 2018</p>
2016-023 <i>Prior Year Finding: 2015-031</i> DHCF/ DHS/ESA	US Dept. of HHS Medicaid Cluster 93.775, 93.777, 93.778	Eligibility	<p>Status: Finding repeated in the current year (2017-019).</p> <p>Reason for Recurrence: A number of staff failed to properly scan documents to electronic case records, creating cases with "missing application documents", which could not be located in DIMS during the audit. More staff support and oversight is needed in this area. We're making improvements in both systems and processes as relates to better locating documents.</p> <p>FY 2017/2018 Corrective Action Plan: To ensure that files are properly retained and that documentation is maintained, ESA / "The District" will access and review statistical scanning reports per Service Center / Unit to check for staff scanning inconsistencies such as documents scanned that are considered orphaned (unable to attach to a case) after scanning, monitor documents sizes when scanned, ensure documents are scanned and tagged on the same day per BPR.</p> <p>DHS will transition away from utilizing scanning via the Document Imaging Management System (DIMS / Web application) to solely utilize DataCAP for scanning. OIS will</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>dismantle the DIMS Web application system scanning component so staff's focus can be on utilizing DataCAP to ensure a more accurate scanning and tagging of documents occur.</p> <p>The OIS team will provide onsite staff support at the Centers on Mondays, Wednesdays, Thursdays and Fridays while offering staff scanning training on a scheduled basis and upon request. Schedules will be provided.</p> <p>DHS will create Quality Assurance (QA) processes to ensure all documents are scanned and tagged timely and accurately.</p> <p>Partially Corrected: Start date: July 1, 2018 Estimated completion date: September 30, 2019</p>
2016-024 <i>Prior Year Finding: 2015-032</i> DOH	US Dept. of HHS HIV Emergency Relief Projects Grants 93.914	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	<p>Status: Finding repeated in the current year (2017-020).</p> <p>Reason for Recurrence: The FY 2017 finding was issued while the corrective action plan for the prior year's (FY 2016) finding is still being implemented. The prior year's (FY 2016) CAP already accounted for crossing fiscal years in order to cover a range of review/study, stakeholder engagement, development, implementation activities guided by technical assistance from a contractor/subject matter expert procured specifically for this purpose. All targeted activities by DC Health could not be met during just the FY 2017 timeframe.</p> <p>DC Health initially proposed <u>four major deliverables</u> in the CAP to</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			<p>be completed. This plan included procurement of a contractor to assist in developing a T&E methodology, drafting an SOP and internal controls narrative - all based on a detailed study of DC Health's grants portfolio and requirements, operational and programmatic infrastructure.</p> <p>CAP Milestones were completed in FY 2017, as follows:</p> <ul style="list-style-type: none"> (1) Analysis by Innovative Cost Solutions Inc. (ICS) of DOH practices, and operations that support time and effort reporting, review and certification. (2) Delivery by ICS of A Time and Effort Methodology Study Report. (3) Final determination and concurrence by DC Health management of a uniform agency-wide T&E certification methodology to be outlined in an SOP and Internal Control Narrative (prepared by ICS). <p>FY 2017/2018 Corrective Action Plan:</p> <ul style="list-style-type: none"> (1) DC Health will integrate will management feedback and edits into a final version of the SOP. (2) Finalization & Approval by DC Health Director / delegate of a Time and Effort Reporting SOP and Internal Control Narrative. (3) Training & Implementation for all staff. <p>Partially Corrected: Start date: Previously started January 2017</p>

Finding Number	Program Name & CFDA #	Type of Finding	Current Status
			Estimated completion date: August 31, 2018
2016-025 <i>Prior Year Finding: N/A</i> DDS	US Social Security Administration Social Security Disability Insurance Cluster 96.001	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	Corrected.
2016-026 <i>Prior Year Finding: 2015-033</i> DHS/ESA	US Dept. of HHS Medicaid Cluster; Children's Health Insurance Program; Temporary Assistance for Needy Families Cluster (TANF) US Dept. of Agriculture Supplemental Nutrition Assistance Program Cluster 93.775, 93.777, 93.778, 93.767, 93.558, 10.551, 10.561	Special Tests and Provisions - ADP System for SNAP	Corrected.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

Appendix B

**Government of the District of Columbia
Management's Corrective Action Plan**

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
46	2017-001	Mary Thea Proctor, Office of Food Stamp Employment and Training (FSET) Program Manager	September 30, 2018	<p>DHS concurs with this finding. DHS provided copies of invoices that support the total amount of expenditures accrued for services provided by this vendor. The documentation included the signed grant agreement, and certification from the program staff that the services were received and rendered in accordance with the grant agreement. The purchase order was not modified to reconcile with the revised grant agreement. Consequently, there was no mechanism in place to pay the final invoice.</p> <p>The Office of SNAP Employment and Training will inform the Office of Administrative Support (OAS) of all grant modifications prior to execution. Upon receipt of the signed modification OAS will adjust the existing funding on the purchase order to reflect the increase in the grant agreement.</p> <p>OAS will update its policies and procedures to reflect the planned corrective action.</p>
48	2017-002	Morris Thorpe, HSSC Controller	June 30, 2018	<p>DHS concurs with this finding. DHS agrees with the finding that the adjusting entries on the backup\work papers were not executed in the accounting system.</p> <p>DHS will enact the auditor's recommendation. DHS will ensure that the accounting systems reconciles with the supporting documentation for the indirect cost calculation prior to the claiming of funds</p>

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
				for the period. This will ensure that the indirect cost is allocated appropriately to the correct program.
49	2017-003	Hayden A. Bernard, Agency Fiscal Officer; Morris Thorpe, HSSC Controller	June 30, 2018	DHS concurs with the findings. DHS will enact the auditor's recommendations. The CMIA agreement, in its present state cannot be effective and efficiently applied to SNAP. The adjustments to SNAP expenditures are made quarterly based on the application of the RMS and other cost allocation methodologies in the CAP, and the existing clearance patterns may not be applicable. DHS OCFO will update its cash management policies and procedures and train staff to bring awareness to the updates and to ensure that policy and procedural changes are enacted.
51	2017-004	Trey Long, Deputy Administrator, Change and Innovation Management	<p>June 29, 2018</p> <p>March 12, 2017</p> <p>June 29, 2018</p> <p>June 20, 2017</p>	<p>The Department of Health Care Finance (DHCF), DC Access System (DCAS) Program Management Administration agrees with the findings noted in this report. Findings #2-6 and 8 are all known issues within the system that have already been addressed through a prior system fix/enhancement or separate mitigation plan. Findings #1, 3, and 7 must be researched further prior to corrective action plan development.</p> <p>1. DCAS is currently conducting a root cause analysis on this issue. An updated corrective action task will be provided at a later date.</p> <p>2. The system error noted in this finding has been resolved in production on March 12, 2017.</p> <p>3. DCAS is currently conducting a root cause analysis on this issue. An updated corrective action task will be provided at a later date.</p> <p>4. The system error noted in this finding has been resolved in DCAS as of June 20, 2017 in Release 2.7.</p>

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
			July 22, 2017	5. The system error noted in this finding has been resolved in DCAS as of July 22, 2017 in Release 2.8.
			August 2018	6. From January through May 2018, the system triggered 15,339 Mid-certification notices (average 3000+ per month) with only 12 of those notices failing to be processed (<0.001% Failure) during that 5-month period. We believe that we have identified and resolved the issue of initial midcertification notices being generated and sent to customers. Release 2.17 (August 2018 delivery) will include additional enhancements that will improve the overall midcertification process.
			June 29, 2018	7. DCAS is currently conducting a root cause analysis on this issue. An updated corrective action task will be provided at a later date.
			August 2018	8. In April 2018, DCAS initiated a formal Notice Remediation project to analyze and fix technical issues that impede the successful generation and distribution of several notice types (including SNAP Termination Notices). On June 1, the DCAS PMA completed the root cause analysis around Termination notices and are scheduled to implement fixes during our Release 2.17 (August 2018 delivery) development cycle. Also, starting April 30, 2018, the DCAS team has been manually generating Termination notices that failed its system processes. As a result, as of 4/30/18, all SNAP Termination notices are being sent to the customer.
54	2017-005	Clarice Wood, Associate Treasurer, Office of Finance and Treasury (OFT)	September 30, 2019	Management concurs with the finding. OFT is the COTR for the FIS (prime) and UPO (sub) contract that supports the EBT card program. In response to prior year's audit findings, OFT amended the FIS contract officially on July 13, 2017 with procedures mutually agreed upon by OFT and FIS to

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
				<p>strengthen internal controls, documentation/ records, reconciliation processes, and card security. In addition, OFT hired an outside accounting firm to perform quarterly reviews of the new procedures to ensure they are followed. Each quarterly result is reviewed with FIS, DHS OCFO, and OFT with additional corrective actions implemented, if needed. The FYE17 test period for this audit overlaps OFT's: development of procedures to mitigate the prior year's discrepancies, contracting time for accounting support services, and implementation time of the corrective actions. Therefore, the findings appear to reflect a lack of implemented procedures. OFT has taken steps to strengthen card security, documentation/records, reconciliation and internal controls.</p> <p>A number of the discrepancies (38/60) appear to be related to the completion of the EBT intake form. OFT did not address the completion of the intake form in its prior mitigation plan. Additional training is required to complete the form correctly and ensure it reconciles to the issuance log. OFT will review this with FIS and DHS staff to ensure proper training is provided to UPO staff.</p> <p>OFT will also compare all findings to the currently amended procedures to ensure that each are addressed and make any additional amendments. The quarterly reviews will continue to be used to monitor procedural adherence and reports will be provided to FIS, DHS OCFO and OCFO procurement.</p>
57	2017-006	Rob Jaber, Director OFNS, District of Columbia Public Schools (DCPS)	August 31, 2018	<p>DCPS agrees with the conditions and recommendations of this finding.</p> <p>Starting in SY17-18, DCPS Food and Nutrition Services (FNS) has developed stronger reporting mechanisms to identify potential accountability issues. These reports are reviewed more frequently with the goal of mitigating issues more quickly. While much progress has been made, we understand we</p>

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
				<p>have more work to do. OSSE has also requested a quarterly analysis to review meals transactions verses attendance. This will move from quarterly to monthly, per FNS request, so that the department is more aware of these issues in real time. Any discrepancies with meals will not be claimed during the monthly reconciliation process, nor will they be paid to the vendor. This reduces the financial risk of misappropriation of federal funding.</p> <p>Currently, FNS is strategizing ways to improve accountability policies across the district. The first step is working with FNS vendors to complete an inventory of the various accountabilities practices being carried across the district. The second step is to develop targeted trainings for each accountability practice, with more intense trainings occurring at schools identified as struggling. Lastly, school food operations reviews will continue to take place once a month to ensure policies are being adhered to; any issues of noncompliance will be documented and actions plans will be created. Trends will be observed to provide more targeted trainings. Repeat findings will result in punitive penalties against the vendors.</p> <p>In addition, DCPS will hold the annual training at the school year opening meeting in August 2018 prior to the commencement of service. This training will cover the Daily Accountability Policies and Procedures including point of sales transactions and the meal line process. DCPS will conduct annual accountability reviews at every NSLP site to ensure daily accountability policies and procedures are followed.</p>
59	2017-007	Darryl Evans, Acting Deputy Director, DCRSA	<p>Training: August 30, 2018</p> <p>Case Reviews:</p>	The agency agrees with this finding. It's however observed that the specific finding on eligibility determination is not for the FY 2017 timeframe under review as it occurred in 2014. That means the corrective action plans the agency has put in place to address

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
			December 31, 2018	<p>compliance issues would not have changed that.</p> <p>The agency has instituted on-going corrective action plan to ensure compliance with federal regulations and corresponding RSA policies and procedures. These include training for counselors and supervisors on eligibility determination federal requirements, on-going monthly and targeted case reviews which are conducted for the purpose of ensuring compliance. Details of the corrective action plan are indicated in the attached document which aligns with BDO suggested template for corrective action.</p>
61	2017-008	Deborah Bonsack, Deputy Director Agency Management Program, DDS	July 31, 2018	<p>DDS agrees with the finding that a variance exists between the CAFR and the expenditures reported to the Federal agency via the RSA-2 report, and that variance was driven solely by accruals. The expenditure data reported to the Federal agency tied to SOAR. A screen shot of the SOAR balance was taken as was requested by the Agency Fiscal Officer during a review with the RSA Program staff and that the screen shot was part of the back-up recognizing that officially the books do not close until the completion of the CAFR which occurs around February 1st of the current Fiscal year while the report is due to the Federal agency by December 31st of the reporting/prior fiscal year. It should be noted that on approximately \$24 million of FY2017 expenditures, the impact of prior year accruals was \$108,661.06 (one hundred and eight thousand, six hundred and sixty-one dollars and six cents).</p> <p>DDS will do the following to correct this finding:</p> <ul style="list-style-type: none"> Request that the U.S. Department of Education re-open the RSA-2 report for FY2017 so that revisions can be made to the expenditure report to tie back to FY2017 CAFR.

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
				<ul style="list-style-type: none"> Revise the current policies and procedures for the RSA-2 reporting to include reconciliation to a draft CAFR as of December 31st of the Fiscal Year being reported. Ensure that the expenditure detail report provided to RSA Program staff be based solely on Fiscal Year (FY) and not exclude Appropriated Year as this was the reason prior FY accruals were not captured in the reconciliation to SOAR and thus the RSA-2 report. Upon finalization of the CAFR, revise and resubmit the RSA-2 report if variances identified.
63	2017-009	Darry Evans, Acting Deputy Director, DCRSA	Training: August 30, 2018 Case Reviews: December 31, 2018	<p>The agency partially agrees with the finding because one of the findings referenced and relating to IPE development occurred in 2008, which is outside of the scope and time frame of this audit which is FY 2017. This means that the corrective action plans the agency has put in place to address IPE development compliance would not have changed this finding.</p> <p>The agency has instituted on-going corrective action plans to ensure compliance with federal regulations and corresponding RSA policies and procedures pertaining to IPE development. These include training for counselors and supervisors on IPE development federal requirements, and on-going monthly and targeted case reviews which are conducted for the purpose of ensuring compliance.</p>
65	2017-010	Denise Nedab, Assistant Deputy Administrator, Economic Security Administration, Department of Human Services		<p>The District does not dispute the finding provided by BDO for the noted eligibility. ESA will follow through on the outlined internal control procedures to ensure that documentation is maintained to support eligibility decisions and that customer files are properly retained. We will also review and share our internal review processes with DHCF to support future eligibility decisions.</p>

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
			September 30, 2019	<p>Planned Corrective Actions - DHS will work on a process to verify information that cash assistance was not provided to an individual during the 10-year period that began on the date the individual was convicted in Federal or State court of having made a fraudulent statement or representation with respect to place of residence in order to simultaneously receive assistance from two or more States. DHS will add a self-attestation question to its consolidated application for the customer to answer if they have falsely made a statement or misrepresentation with respect to place of residence in order to simultaneously receive assistance from two or more States.</p> <p>Technology Improvements</p> <p>To ensure that files are properly retained and that documentation is maintained, ESA / "The District" will:</p>
			September 30, 2019	<ul style="list-style-type: none"> • Access and review statistical scanning reports per Service Center / Unit to check for staff scanning inconsistencies such as documents scanned that are considered orphaned (unable to attach to a case) after scanning, monitor documents sizes when scanned, ensure documents are scanned and tagged on the same day per BPR.
			September 30, 2019	<ul style="list-style-type: none"> • Transition away from utilizing scanning via the Document Imaging Management System (DIMS / Web application) to solely utilize Data cap for scanning. OIS will disable the DIMS Web application system scanning component so staff's focus can be on utilizing DataCAP to ensure a more accurate scanning and tagging of documents occur.
			September 30, 2019	<ul style="list-style-type: none"> • Have the OIS team provide ongoing onsite staff support at the Service Centers. <p>Process Improvements</p>

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
			September 30, 2019	<ul style="list-style-type: none"> Create Quality Assurance (QA) processes to ensure all documents are scanned and tagged timely and accurately.
67	2017-011	Tamitha Davis, Deputy Administrator, Division of Customer Workforce Employment & Training (DCWET)	September 30, 2019	<p>The District does not dispute the findings provided by BDO for the noted Special Tests and Provisions - Child Support Non-Cooperation. ESA will follow through on the outlined internal control procedures to ensure that the sanctions are consistently applied and adequate documentation is maintained to support DHS' compliance with the TANF Child Support Non-Cooperation compliance requirement.</p> <p>ACEDS has continued to send Child Support cooperation data to OAG on a daily basis based on case information in DCAS. OAG has continued to transmit cooperation data to ACEDS in a daily file in the same manner as before DCAS implementation. ACEDS creates a report which the Sanction Team utilizes to review and apply or lift sanctions as necessary in DCAS. Currently, DHS Sanction Team processes the sanction information in DCAS. As each case on the report is reviewed, actions to apply/lift a sanction are only completed for TANF cases. In addition, OAG sends an Excel spreadsheet on a monthly to bi-monthly basis with cooperation data.</p> <p>Planned Corrective Actions - DHS will reinforce policies and procedures to ensure that customers are sanctioned at 25% once the sanction is imposed and the sanction worker will retrieve the case the following day to make sure that it is sanctioned with the correct percentage. We will work with the DCAS team to work on a resolution to ensure the customers are not overpaid or underpaid and the worker will check the payments in DCAS once the sanction has been implemented.</p> <p>DHS will continue to work with the DCAS team to analyze information in DCAS to prevent a customer from receiving duplicate payment once the child support sanction is implemented. Please note, "good cause" is</p>

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				determined by CSSD and not by the Sanction Team.
70	2017-012	Denise Nedab, Assistant Deputy Administrator, Economic Security Administration, Department of Human Services	September 30, 2019	<p>The District does not dispute the findings provided by BDO for the noted Income Eligibility and Verification System. ESA will follow through on the outlined internal control policies and procedures for maintaining and monitoring case record documentation to ensure that Income Eligibility and Verification System requirements are complied with. We will also review and share our internal review processes with DHCF to support future eligibility decisions.</p> <p>The DC Access System (DCAS) has software that enables DHS to more efficiently and accurately review and maintain appropriate documentation for individuals applying for TANF. DCAS interfaces with SSA and other systems nightly and the verified data is populated into DCAS. The workers were trained that the system would automatically ping to retrieve the BENDEX information. This automatic population of verified information alleviates the need for workers to initiate the previous procedure of manually checking and printing documents from ACEDS to verify data/information became unnecessary. The ACEDS process of manually printing of BENDEX was eliminated when DCAS was implemented.</p> <p>Planned Corrective Actions - DHS will ensure the BENDEX information is captured in the DCAS system by providing additional training and instruction to eligibility staff. DHS will also work with the DCAS Project Team to ensure that the automatic pinging system is consistently applied to all cases. To reinforce the need for this information to be addressed by staff, management will provide a Memorandum of Instruction regarding BENDEX to all staff responsible for eligibility determination. Management will be required to randomly select cases for review to ensure that staff is adhering to instructions provided as it relates to BENDEX.</p>

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72	2017-013	David Ross, Chief, OPM, Department of Human services	September 30, 2019 September 30, 2019	DHS agrees with the recommendation. 1. DHS has modified the Sanctions policy. DHS has streamlined the policy. Effective April 1, 2018, ESA implemented a sanctioned policy and procedure, which is administratively straightforward. In accordance with the FY17 Budget Support Act, which mandates a single level sanction of 6%, DHS drafted regulations which support this law and require that individuals, who fail to meet their work participation requirements over four consecutive weeks, are subject to a 6% sanction. 2. DHS implemented the new policy of April 1, 2018. DHS estimates that it will take up to six months for the entire caseload to cycle through the sanction process.
74	2017-014	Brian Campbell, Senior Policy Advisor, Economic Security Advisor, Department of Human Services	September 30, 2019	DHS agrees with the finding. There are some DCAS interface issues with documentation reconciliation (exhibited in the issues with 12 and 8 cases, respectively). There are also isolated cases where verified documentation does not match reported hours. DHS agrees with both of those issues. There are also cases where the reported hours in specific categories are defaulting to "other" and that is creating a discrepancy in the hours in CATCH and the submitted hours. DHS agrees in general with the recommendation and will work to make sure that all documentation is properly verified before submitted to Q5i. DHS will also work to make sure that the interface between DCAS and Q5i is reconciled, such that the system of record (DCAS) matches that which is submitted to Q5i, and in turn reported on the ACF-199 reports are supported by documentation.
77	2017-015	John Simmons, Jr., Business Services Administrator	September 30, 2018	CFSA concurs with the facts of the finding. With regard to the three findings pertaining to licensing documentation, criminal record checks, including fingerprint-based checks

Page Number	Finding	Contact	Estimated Completion Date	Corrective Action
				<p>from the national crime information databases, and the neglect registry check, CFSA will update its process to obtain scan and store licenses, child protection registry checks and criminal background checks at the time of licensure. In addition, CFSA will strengthen its quality assurance system to better track and reconcile licensure documentation discrepancies early in the process. CFSA's transition from seven to one private agency provider will also strengthen documentation as approximately 85% of the identified cases were managed by private agencies.</p> <p>CFSA will update its process to obtain scan and store licenses, child protection registry checks and criminal background checks at the time of licensure. In addition, CFSA will strengthen its quality assurance system to better track and reconcile licensure documentation discrepancies early in the process.</p>
79	2017-016	John Simmons, Jr., Business Services Administrator	September 30, 2018	<p>CFSA concurs with the facts of the finding, with explanation.</p> <p>CFSA will complete (and approve) the checklist for all adoption assistance cases at the time of finalization and ensure it is included in each adoption subsidy file. It should be noted that the eligibility checklist is not a federal requirement for Title IV-E claiming.</p> <p>CFSA will ensure that documentation of the adoption subsidy annual review is placed in the adoption subsidy file.</p> <p>CFSA will ensure that all subsidy review applications are complete.</p> <p>CFSA will update its process to obtain scan and store licenses, child protection registry checks and criminal background checks at the time of licensure. In addition, CFSA will strengthen its quality assurance system to better track and reconcile licensure</p>

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				documentation discrepancies early in the process.
82	2017-017	John Simmons, Jr., Business Services Administrator; Justin Kopca, Agency Fiscal Officer	September 30, 2018	CFSA concurs with the facts of the finding. CFSA will strengthen internal control over legal cost by isolating adoption legal expenditures into an administrative cost pool. Costs will be claimed within the quarter or as Prior Quarter Adjustments in the administrative cost category.
84	2017-018	Donald Shearer, Director, Health Care Operations Administration, Department of Health Care Finance	September 30, 2018	DHCF concurs with the finding. For interest that was not calculated for manufacture outstanding balances: although it is not the District of Columbia's responsibility to calculate and invoice CMS Drug Rebate interest, we acknowledge the requirement to collect and report on it. To that end we have implemented the following to be started with the 1Q2018 invoicing period: <ul style="list-style-type: none"> • 90 day T-Bill rates, which interest is based upon, will be updated in the Drug Rebate Administration and Management System (DRAMS) weekly. Although this can be done quarterly, we believe that weekly input will keep focus on the importance of this finding. • Interest will now be calculated at 38, 45, 60 and 90 day intervals. It was previously calculated quarterly before invoicing. Interest due will be stated on the corresponding 45, 60 and 90 day late notices that will be sent to Drug manufactures. • Each associate will be responsible for calculating interest on all payments received after 37 days before the payment is posted. This will address DRAMS inability to calculate interest on payments made in full but are still late. • Each associate who is responsible for calculating interest will sign off on a

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				<p>completion log that will be reviewed and signed by the Drug Rebate manager and made available to future audits.</p> <ul style="list-style-type: none"> All new procedures to the interest calculation process will be updated in the District of Columbia Drug Rebate policy and procedure manual and made available upon request. <p>For unpaid CMS Drug Rebates that are not being assessed and followed as indicated in the DRAMS policy and procedure manual: the Drug Rebate System has the ability to track unpaid balances and those balances are available for review at any time. However, the Drug Rebate policies and procedure manual does not address the method by which this is accomplished.</p> <ul style="list-style-type: none"> All associates will now maintain a signature log to confirm that a late notice has gone out to the manufacture at 45, 60 and 90 days. The Drug Rebate Manager will review this log and make it available for future audit reviews. This policy will be updated in the DRAMS policy and procedure manual.
86	2017-019	Danielle Lewis Wright, Associate Director, Division of Eligibility Policy	September 30, 2019	<p>The District does not dispute the findings provided by BDO. ESA will follow through on the outlined internal control procedures to ensure that documentation is maintained to support eligibility decisions and that customer files are properly retained. ESA will also review and share internal review processes with DHCF to support future eligibility decisions.</p> <p><u>Technology Improvements:</u></p> <p>To ensure that files are properly retained and that documentation is maintained, ESA / "The District" will:</p> <ul style="list-style-type: none"> Access and review statistical scanning reports per Service Center / Unit to check for staff scanning inconsistencies

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			September 30, 2019	<p>such as documents scanned that are considered orphaned (unable to attach to a case) after scanning, monitor documents sizes when scanned, ensure documents are scanned and tagged on the same day per BPR.</p> <ul style="list-style-type: none"> Transition away from utilizing scanning via the Document Imaging Management System (DIMS / Web application) to solely utilize Datacap for scanning. OIS will dismantle the DIMS Web application system scanning component so staff's focus can be on utilizing DataCAP to ensure a more accurate scanning and tagging of documents occur.
			September 30, 2019	<ul style="list-style-type: none"> Have the OIS team provide onsite staff support at the Centers on Mondays, Wednesdays, Thursdays and Fridays while offering staff scanning training on a scheduled basis and upon request. Schedules will be provided.
			September 30, 2019	<p><u>Process Improvements:</u></p> <p>Create Quality Assurance (QA) processes to ensure all documents are scanned and tagged timely and accurately.</p>
			May 2019	<p><u>Single State Medicaid Agency Oversight:</u></p> <p>DHCF will conduct quarterly oversight audits to ensure proper documentation of applications/renewals form are included in case file to support accurate eligibility decision.</p>
88	2017-020	Clara Ann McLaughlin, Chief Office of Grants Management	August 31, 2018	<p>DOH concurs with the finding.</p> <p>Corrective actions include: (1) Finalization of a Time & Effort Certification SOP; (2) Orientation & training for managers and (3) Submission of a request for approval on this method to the cognizant agency.</p> <p>A corrective action plan (CAP) has been underway with several milestones reached prior to this determination of the FY 17</p>

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				<p>finding. The current CAP will continue to be implemented in response to this finding. Per the CAP plan, DOH obtained a contractor to provide technical assistance and to conduct a study on the best options available to DOH, considering specific needs of the DOH operations, program structures and the portfolio of awards. Options posed in prior years' CAPs included the use of individual Personnel Activity Reports (PARS) and use of combo codes in PeopleSoft. These methods were not deemed the optimum reporting and certification methods, given staff size, and the number and complexity of federal awards managed by DOH. Also considered was the number of routine program changes that align with time and effort reporting (e.g. budget revisions, staff reassignments, temporary delegations, etc.) and multiple budget periods that are managed simultaneously.</p> <p>DOH has as of this response, a draft Standard Operating Procedure (SOP) for Time & Effort Reporting Certification under review by senior DOH management. The SOP directs managers to conduct at a minimum, a monthly review and written certification of employee time worked, aligned with cost objectives and fund source reflected in bi-weekly payroll records (i.e. 485 Reports). Requirements for reconciliation and redirection of staff time assigned to cost objectives are addressed in the SOP.</p>
90	2017-021	Clara Ann McLaughlin, Chief Office of Grants Management	August 31, 2018	<p>DOH concurs with the finding.</p> <p>Corrective actions include: (1) Finalization of a Time & Effort Certification SOP; (2) Orientation & training for managers and (3) Submission of a request for approval on this method to the cognizant agency.</p> <p>A corrective action plan (CAP) has been underway with several milestones reached prior to this determination of the FY 17 finding. The current CAP will continue to be implemented in response to this finding. Per the CAP plan, DOH obtained a contractor to</p>

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92	2017-022	John Nitz, Agency Fiscal Officer (PSJC/OCFO)	August 31, 2018	<p>HSEMA agrees with this finding.</p> <p>The District of Columbia Office of the Chief Financial Officer requires a signed grant agreement from the Federal Government before granting budget authority during the fiscal year. In this specific case, there was a conflict between the District's requirement and the Presidentially Declared Disasters grant uniform guidance. The Public Safety and Justice Cluster (PSJC) Office of the Chief Financial Officer (OCFO) and Homeland Security Emergency Management Agency (HSEMA) actively attempted to obtain budget authority in fiscal year 2016 using the P.5 reports from FEMA. If budget authority had been granted, the expenditures of \$7.3</p>

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				million would have been recorded in financial system of record during fiscal year 2016. Therefore, the Schedule of Expenditures of Federal Awards and SF425 Federal Financial Report would have reflected expenditures of \$7.3 million in fiscal year 2016. The District did not receive an official grant award notification until fiscal year 2017. The PSJC OCFO will work with the Office of Budget and Planning to establish a new budget authority approval process for Presidentially Declared Disasters grants.
94	2017-023	Russell Gardner, District Public Assistance Officer	September 30, 2018	<p>HSEMA does not agree with the findings. This disagreement is based upon the findings being premature. This project is an open project currently undergoing final closeout reconciliation. Upon completion of the closeout process all discrepancies will be noted and corrected.</p> <p>Planned Corrective Actions - Complete final closeout procedures. Additionally, a disaster cost reimbursement manual is developed to identify and capture disaster related cost from the onset. This draft manual will completed by the end of the current fiscal year.</p>
97	2017-024	Russell Gardner, District Public Assistance Officer	September 30, 2018	<p>HSEMA does not agree with the findings. This disagreement is based upon the findings being premature. This project is an open project currently undergoing final closeout reconciliation. Upon completion of the closeout process all discrepancies will be noted and corrected.</p> <p>Planned Corrective Actions - The final closeout procedures will be completed, which will include a comprehensive reconciliation of allowable costs. Additionally, a disaster cost reimbursement manual is developed to identify and capture disaster related cost from the onset. This draft manual will completed by the end of the current fiscal year.</p>

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99	2017-025	Winston Jackson, Accounting Manager (PSJC/OCFO)	August 31, 2018	<p>HSEMA agrees with this finding.</p> <p>The District of Columbia Office of the Chief Financial Officer requires a signed grant agreement from the Federal Government before granting budget authority during the fiscal year. In this specific case, there was a conflict between the District's requirement and the Presidentially Declared Disasters grant uniform guidance. The Public Safety and Justice Cluster (PSJC) Office of the Chief Financial Officer (OCFO) and Homeland Security Emergency Management Agency (HSEMA) actively attempted to obtain budget authority in fiscal year 2016 using the P.5 reports from FEMA. If budget authority had been granted, the expenditures of \$7.3 million would have been recorded in financial system of record during fiscal year 2016. Therefore, the Schedule of Expenditures of Federal Awards and SF425 Federal Financial Report would have reflected expenditures of \$7.3 million in fiscal year 2016. The District did not receive an official grant award notification until fiscal year 2017. The PSJC OCFO will work with the Office of Budget and Planning to establish a new budget authority approval process for Presidentially Declared Disasters grants.</p>
101	2017-026	Charles Madden, Assistant Director - Grants, DC HSEMA	October 2018	<p>The agency concurs with the finding as presented in this audit report. HSEMA ensured that the STC program quarterly performance reports were completed by the STC program office and the reports were submitted on time to the DHS/DNDO program office which accepted the reports and has not raised any issue with the reports. The federal agency was involved in validating and providing some of the information contained in these quarterly reports.</p> <p>The federal agency did not provide specific written guidance on its expectations for each element of the quarterly performance report; to the extent guidance and instruction was provided by the federal agency to the STC program manager, it was</p>

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				<p>provided directly in conversation and was not in writing.</p> <p>Due to the various types of information collected by different means for submission in the report, and changes in the manner of presenting that data, DC HSEMA recognizes that the backup documentation available for review by the audit team did not in every case completely match the information in the quarterly performance report.</p> <p>Planned Corrective Actions - HSEMA will work with the STC program manager and with the federal agency to review each element of the STC quarterly report and will record in a written process guide the specific expectations of the federal agency for each data element in the report, the data sources and process used by the STC program manager to collect this data, the data source records which must be preserved by the STC program manager, how those records will be kept and made available to HSEMA, and the HSEMA review process prior to submission to the federal agency.</p>