

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



June 26, 2020

Unique Morris-Hughes, Ph.D.
Director
Department of Employment Services
4058 Minnesota Avenue, N.E.
Washington, D.C. 20019

Dear Dr. Morris-Hughes:

I am writing to inform you that the Office of the Inspector General (OIG) Inspections and Evaluations Unit (I&E) has concluded its assessment of the District's progress toward implementing the Universal Paid Leave Amendment Act of 2016 (Act).

In this letter, which constitutes the close-out report for the assessment, you will find four opportunities for improvement and corresponding recommendations for the Department of Employment Services (DOES) to consider as you work to activate the Paid Family Leave Benefits Administration System (PFLBAS).

Assessment Background

When the OIG announced this assessment on March 4, 2020, DOES was working through an aggressive, truncated timeline for developing and launching the system so that it could start administering benefits on July 1, 2020, as required by the Act. The primary objective for this project¹ was to identify which PFLBAS implementation milestones have already been met and the status and anticipated completion dates of those milestones that remain.

Assessment Methodology

To conduct our assessment, the OIG reviewed the Act; recordings of roundtable oversight hearings held by the Council of the District of Columbia's Committee on Labor and Workforce Development; D.C. Municipal Regulations regarding Paid Family Leave Benefits,² which were deemed approved on March 26, 2020; the District's contract with Geographic Solutions, Inc. (GSI), the vendor responsible for developing, implementing, and supporting the PFLBAS; the District's contract with Promesa Consulting Group, Inc. (Promesa), the vendor conducting

¹I&E projects are conducted under the *Quality Standards for Inspection and Evaluation* promulgated by the Council of the Inspectors General on Integrity and Efficiency.

² According to the D.C. Council's Legislative Information Management System (LIMS), PR23-0647, *Rulemaking for Paid Family Leave Benefits Approval Resolution*, was deemed approved by the Council on March 26, 2020.

independent verification and validation (IV&V)³ of GSI's work; and status reports that GSI and Promesa have sent to DOES.

Based on our review of this information, it is evident that DOES, GSI, and Promesa have made and continue to make significant progress each week in developing and testing key functional elements of the PFLBAS. In the most recent PFLBAS status report we obtained from DOES, GSI stated that 12 of 15 "pre go live" deliverables had been delivered to DOES and cited a completion percentage of "93%." (GSI's methodology for this calculation is not explained in the report.) We reviewed Promesa's most recent progress report, dated May 26, 2020, and found that considerable IV&V work remains for numerous technical requirements, particularly in functional areas pertaining to accounting, quality assurance, claims appeals, and reporting.

During your testimony at the June 4, 2020, budget oversight hearing before the Committee on Labor and Workforce Development, you stated that DOES was "on track" to begin accepting and reviewing PFL benefit applications on July 1, 2020, and that you did not "[anticipate] any significant issues" that would impact the launch of the PFLBAS. DOES and its contractors appear to be intensely focused on developing, testing, and implementing myriad technical requirements defined in the GSI contract, with progress made each day as the statutory deadline nears. As such, the OIG cannot extrapolate whether the PFLBAS will be ready to "go live" on July 1, 2020, and if it does, which of the PFLBAS's functional areas will be available to DOES employees and benefit applicants.

Through our review, however, the OIG has identified a number of operational and contractual elements of the PFL program that we believe warrant continued close monitoring by DOES now and over the coming months and, in some instances, actions to enhance oversight capabilities or improve the likelihood of a successful, timely implementation of the PFLBAS.

Opportunities for Improvement, Recommendations

GSI Status Reports Do Not Enumerate All Contract Deliverables – Section F.3.3 of the GSI contract specifies 37 distinct deliverables, some of which were due to DOES as soon as 20 days after contract award,⁴ with others due soon before or shortly following deployment of the PFLBAS. The OIG compared GSI status reports with section F.3.3 and found that only 15 of the 37 deliverables specified in the GSI contract were being tracked on GSI's status reports. The 15 deliverables, which first appeared in GSI's status report in February 2020, are all described as

³ "Independent Verification and Validation (IV&V) is necessary to establish the appropriate quality assurance and control efforts for this project independent of the design, development, and implementation efforts. As with any project of this magnitude, the IT project manager will rely upon the IV&V bidder for the following critical needs:

1. Verification (quality control) to assure that the software developed by application vendors ... performs according to specifications and requirements.
2. Validation (user services support) to ensure that the system as developed will meet the current and planned needs of the Paid Family Leave Division of DOES....
3. Ensure complete legal review, including software and program legal compliance.
4. Consulting services in support of the IV&V and overall project efforts.

⁴ DOES' contract with GSI, which was definitized in February 2020, consists of a base year (October 10, 2019 to October 9, 2020) and 4 option years.

“pre go live” deliverables. Other deliverables specified in the contract as being due 20 to 30 days after the date of contract award, such as a Privacy Impact Assessment,⁵ a Contingency/Recovery Plan,⁶ and Technical Architecture Diagrams,⁷ do not appear in any of the GSI status reports that we reviewed.

The OIG acknowledges the possibility that GSI has furnished contract deliverables that did not appear in the status report, or that DOES and GSI may have mutually agreed to postpone the completion of or forgo certain deliverables. However, to facilitate contract administration and oversight by external entities such as the OIG and the Office of Contracting and Procurement, and to have complete documentation of GSI’s performance and compliance with contract terms, GSI’s status reports should clearly specify the completion status of each deliverable cited in the contract.

Recommendation 1: That DOES request changes to GSI’s status reports to ensure progress toward and the completion status of all contract deliverables can be readily gleaned.

Service Level Agreement Measures Defined, but Escalation Procedures are not a Contract Deliverable – Section C.5.17 of the GSI contract, titled “Service Level Agreement” (SLA), details various PFLBAS performance measures that GSI must meet. These measures define various types of work outages (e.g., an “urgent” work outage is a critical system component that an internal or external user cannot use that affects the majority of users and causes “loss of function or data”), the amount of time in which GSI must respond to the outage (e.g., less than 1 hour), and a resolution time (e.g., within 4 hours of the outage being first reported.)

The contract specifies that DOES’ contract administrator will review GSI’s performance against SLA standards using reports furnished monthly by GSI. The “Monthly SLA Status Report,” deliverable number 34 in the contract, should include an executive summary and “details identifying achievements[,] risks, issues and remediations.”

Escalation procedures, while cited in the SLA section of the GSI contract, are not referenced in the deliverables section (F.3) of the contract. While the SLA requirements define types of PFLBAS system outages, affected users, and response and resolution times, the escalation procedures are essential because they should specify who must be notified.

⁵ Deliverable number 6 in the contract, the Privacy Impact Assessment is an “[a]ssessment that determines if Personally Identifiable Information (PII) is contained within a system, what kind of PII, what is done with that information, and how that information is protected[.]”

⁶ Deliverable number 8, this plan “highlights alternative actions, key trigger events and/or dates that invoke the implementation of an alternative course of action, including impacts (i.e., monetary or otherwise) to the District[.]”

⁷ Deliverable number 18, these diagrams provide a “[d]escription of network, data storage, security, middleware, and server architecture.”

Contract Section C.5.17.9 states:

The Contractor shall provide the process and procedures that will be utilized by the District if the SLA is not met and the issue(s) require(s) escalation. This document shall include the names, titles, addresses, and telephone numbers of the persons who are to be notified....

If the Contractor must make a change to System feature(s) or function(s) to resolve the problem, the Contractor shall notify the Contract Administrator or designee immediately and request approval within the designated resolution time.

As DOES prepares to “go live” with the PFLBAS, and because escalation procedures are not a specified deliverable, the OIG wants to ensure that established and approved escalation procedures will be developed and disseminated so that (1) PFLBAS functional outages receive the proper response, and (2) in addition to the monthly SLA status reports, DOES has real-time information regarding GSI and PFLBAS performance.

Recommendation 2: That DOES request written confirmation from GSI that it will provide DOES with escalation procedures that comply with section C.5.17.9 of the contract.

Little or no time available for external User Acceptance Testing before PFLBAS launch; risk to PFLBAS functionality and DOES reputation – User Acceptance Testing (UAT) is “the process [for obtaining] confirmation by an approved Subject Matter Expert ... from the agency that the system meets mutually agreed-upon requirements.”

During a January 30, 2020, public oversight roundtable convened by the Committee on Labor and Workforce Development, public witnesses representing the D.C. Chamber of Commerce⁸ and the Federal City Council⁹ expressed concerns with the aggressive timeline for developing and testing the PFLBAS, and noted that employers and benefit administrators would need sufficient time to, among other things, learn how to use the PFLBAS and understand the types of information and documentation DOES will need from them to administer benefit claims and how to submit them.

⁸ “The DC Chamber is a clear and central voice on public policy issues affecting businesses in the District of Columbia. Our assiduous advocacy efforts support a pro-growth business climate, the development of a talented workforce and sustainable investments in infrastructure to meet the needs of businesses and citizens.”
<https://www.dchamber.org/dc-advocacy/policy-agenda/> (last visited June 12, 2020)

⁹ “The Federal City Council (FC2) is a nonprofit, nonpartisan, membership-based organization dedicated to the advancement of civic life in the nation’s capital. Established in 1954, the FC2 recognizes that improvements in the District of Columbia’s social, economic and physical infrastructure require innovative, tireless work. We seek long-term solutions to complex, community-based problems that produce lasting change and a stronger D.C.”
<https://www.federalcitycouncil.org/about-us/> (last visited June 12, 2020)

During the roundtable, you indicated that DOES expected UAT to begin in March 2020, and that external stakeholders would be invited to participate in the process. GSI's June 5, 2020, status report cites "UAT Acceptance Testing" as a "pre go live" deliverable, but there are no entries in the "Estimated Due Date," "Status," and "Next Steps" columns. The risk management log in GSI's status report cites "UAT slow response – impacted productivity" as an open issue with "high" risk impact.

Excluding external users from the UAT process exposes DOES to reputational risk, especially given the concerns voiced and expectations established during the January 2020 roundtable before the Committee on Labor and Workforce Development. As noted in our first observation, GSI's contract with DOES requires a contingency/recovery plan, which should "describe its approach for managing the critical risk associated with meeting the lawfully imposed deadline (i.e., July 1, 2020)" and "[highlight] the key trigger events and dates that invoke the implementation of the contingency plan, impacts (i.e., monetary or otherwise) to the District, and remedies."¹⁰

The Contingency/Recovery Plan was due to DOES 20 days after award of the contract, but DOES and GSI pushed the due date to July 14, 2020, after it was deemed not critical to the July 1, 2020 launch. Given risks to both PFLBAS functionality and DOES' reputation posed by a truncated UAT process that may not include external users, DOES and GSI should work expeditiously to develop a contingency plan.

Recommendation 3: That DOES work with GSI to develop and implement a plan to mitigate current and future risk to PFLBAS functionality and DOES' reputation among external stakeholders posed by the current status of the UAT process.

Development of Training Materials, Job Aids, User Guides – GSI is required to "develop a training plan and provide a broad spectrum of training curricula, materials and programs" to ensure that "PFLBAS Solution users, customers, and support staffs are successful in learning and mastering the system."¹¹ Such items are to include:

- Instructor and student guides;
- PFLBAS help files "for those users who maintain, support, and/or use the system in a day-to-day operations environment;" and
- Call center scripts for both inbound and outbound customer interactions with the contact center for use by customer service representatives that are "written in clear, understandable and relatable language to maximize the overall customer service experience."

Promesa's role with regard to training is to, among other things, verify that:

- "training for users is instructor-led and hands-on and is directly related to the business process and required job skills[;]"

¹⁰ GSI Contract § C.13.4.

¹¹ *Id.* §§ C.5.10.5.1 – C.5.10.5.2.

- “user-friendly training materials and help desk services are readily available to all users[;]” and
- “all training is given on-time and is evaluated and monitored for effectiveness....”

GSI’s June 5, 2020, status report states that it has delivered user manuals, a training plan, and training materials to DOES and cites “Delivered to DC” as next steps. However, the OIG is concerned that these user manuals and training materials may not be accurate and thorough given that Promesa has yet to verify and validate many PFLBAS system requirements. We also reviewed Promesa’s most recent IV&V status report and found no references to work pertaining to training or training materials.

The OIG is also concerned that even if functional elements of the PFLBAS “go live” on July 1, 2020, DOES employees will not have received adequate training and documentation to perform their jobs efficiently and effectively, which would negatively affect claimants’ initial customer service experience and DOES’ reputation within the business community.

Recommendation 4: That DOES work with GSI to develop and implement a plan to mitigate current and future risk to PFLBAS functionality and DOES’ reputation among external stakeholders posed by the current status of developing training materials, job aids, user guides, and in-person training sessions.

Although we have concluded this evaluation, in early FY 2021 the OIG will request an update on the status of the PFLBAS and some of the issues identified in this letter.

We appreciate the cooperation and courtesies extended by your staff during this assessment. If you have any questions concerning this letter, please contact me or Edward Farley, Assistant Inspector General for Inspections and Evaluations, at 202-727-9249 or edward.farley@dc.gov.

Sincerely,



Daniel W. Lucas
Inspector General

DWL/ef

cc: See Distribution List

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