

DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

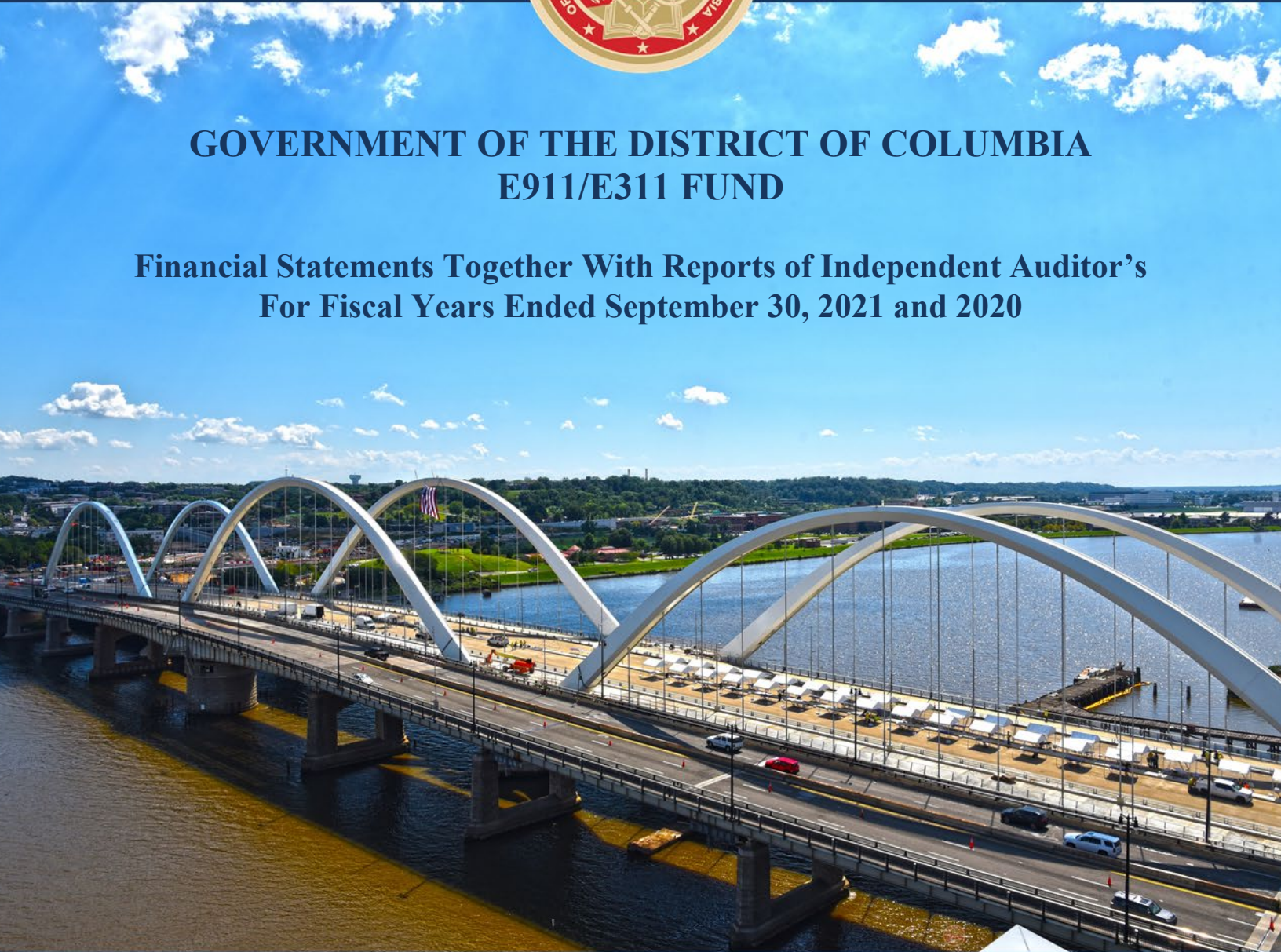
OIG Project No. 22-1-15UC

January 2022



GOVERNMENT OF THE DISTRICT OF COLUMBIA E911/E311 FUND

**Financial Statements Together With Reports of Independent Auditor's
For Fiscal Years Ended September 30, 2021 and 2020**



Guiding Principles

*Workforce Engagement * Stakeholders Engagement * Process-oriented * Innovation
* Accountability * Professionalism * Objectivity and Independence * Communication * Collaboration
* Diversity * Measurement * Continuous Improvement*

Mission

Our mission is to independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to:

- prevent and detect corruption, mismanagement, waste, fraud, and abuse;
- promote economy, efficiency, effectiveness, and accountability;
- inform stakeholders about issues relating to District programs and operations; and
- recommend and track the implementation of corrective actions.

Vision

Our vision is to be a world-class Office of the Inspector General that is customer-focused and sets the standard for oversight excellence!

Core Values

Excellence * Integrity * Respect * Creativity * Ownership
* Transparency * Empowerment * Courage * Passion
* Leadership



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



January 31, 2022

The Honorable Muriel Bowser
Mayor of the District of Columbia Mayor's
Correspondence Unit
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite
316 Washington, D.C. 20004

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the final report entitled *Government of the District of Columbia E911/E311 Fund Financial Statements Together With Reports of Independent Auditor's for the Fiscal Years Ended September 30, 2021, and 2020* (OIG No. 22-1-15UC). McConnell Jones, LLP (MJ) conducted the audit and submitted this component report as part of our overall contract for the audit of the District of Columbia's general-purpose financial statements for fiscal year 2021.

On January 3, 2022, MJ issued its opinion and concluded that the financial statements are presented fairly in all material respects, in accordance with accounting principles generally accepted in the United States of America. MJ identified no material weaknesses in internal control over financial reporting.

If you have questions about this report, please contact me or Fekede Gindaba, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

A handwritten signature in blue ink, appearing to read "DW Lucas".

Daniel W. Lucas
Inspector General

DWL/wms

Enclosure

cc: See Distribution List

DISTRIBUTION (via email):

Mr. Kevin Donahue, City Administrator for the District of Columbia, Office of the City Administrator
Mr. Barry Kreiswirth, General Counsel, Office of the City Administrator, District of Columbia
Mr. Eugene Adams, Director, Mayor's Office of Legal Counsel
Mr. John Falcicchio, Deputy Mayor for Planning and Economic Development and Chief of Staff, Executive Office of the Mayor
Mr. Christopher Geldart, Deputy Mayor for Public Safety and Justice, Executive Office of the Mayor
The Honorable Charles Allen, Chairperson, Committee on the Judiciary and Public Safety
The Honorable Robert C. White, Jr., Chairperson, Committee on Government Operations and Facilities
Ms. LaToya Foster, Director of Communications, Office of Communications, Executive Office of the Mayor
Ms. Jennifer Reed, Director, Office of Budget and Performance Management, Office of the City Administrator
Ms. Cleo Subido, Interim Director, Office of Unified Communications
Ms. Nyasha Smith, Secretary to the Council
The Honorable Karl Racine, Attorney General for the District of Columbia
Dr. Fitzroy Lee, Acting Chief Financial Officer, Office of the Chief Financial Officer
Mr. Timothy Barry, Executive Director, Office of Integrity and Oversight, Office of the Chief Financial Officer
The Honorable Kathy Patterson, D.C. Auditor, Office of the D.C. Auditor
Mr. Jed Ross, Director and Chief Risk Officer, Office of Risk Management
Mr. Wayne McConnell, Managing Partner, McConnell & Jones LLP

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

**Financial Statements Together with
Reports of Independent Auditor's**

**For the Years Ended
September 30, 2021 and 2020**

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

**Table of Contents
For the Years Ended September 30, 2021 and 2020**

INDEPENDENT AUDITOR’S REPORT	1-2
MANAGEMENT’S DISCUSSION AND ANALYSIS	3-5
FINANCIAL STATEMENTS	
Balance Sheets	6
Statements of Revenues, Expenditures, and Changes in Fund Balance	7
Notes to the Financial Statements	8-10
Budgetary Comparison Schedule	11
Notes to the Budgetary Comparison Schedule	12
REPORT OF INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS- INDEPENDENT AUDITOR’S REPORT	13-14



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Government of the District of Columbia E911/E311 Fund (the Fund), a part of the General Fund of the Government of the District of Columbia, as of and for the years ended September 30, 2021 and 2020 and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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.



McConnell Jones

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund, as of September 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in note 2 to the financial statements, the financial statements present only the Fund and do not purport to, and do not present fairly the financial position of the Government of the District of Columbia as of September 30, 2021 and 2020, the changes in its financial position for the years then ended, in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2022, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Washington, D.C.
January 3, 2022

GOVERNMENT OF THE DISTRICT OF COLUMBIA

DC E911-E311 FUND

Management's Discussion and Analysis For the Years Ended September 30, 2021 and 2020

The following is a discussion and analysis of the Government of the District of Columbia (District) E911/E311 Fund's (Fund) financial performance for the fiscal years ended September 30, 2021 and 2020. The Office of Unified Communications, which is a subordinate agency under the Mayor, is responsible for the administration of the Fund. The financial statements and accompanying notes should be read in conjunction with this discussion.

Basic Financial Statements

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

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

Financial Highlights

2021

- **Pooled Cash** decreased by \$6,055,383 or 27%. The decrease was due to current year expenditures, such as payroll cost, contractual labor and IT related charges exceeding current year revenues.
- **Fund balance** decreased by \$6,728,501 or 27%. The decrease was due to lower than expected revenues and usage of fund balance to cover additional expenditures in fiscal year 2021.

Condensed Balance Sheet as of September 30, 2021

	2021	2020	2019	2021-2020		2020-2019	
				Variance	%	Variance	%
Total Assets	\$ 19,480,393	\$ 25,566,622	\$ 31,479,936	\$ (6,086,229)	\$ 6,086,229	\$ (5,913,314)	-19%
Total Liabilities	\$ 1,410,398	\$ 768,125	\$ 927,153	\$ 642,273	\$ (642,273)	\$ (159,028)	-17%
Fund Balance	\$ 18,069,995	\$ 24,798,497	\$ 30,552,783	\$ (6,728,502)	\$ 6,728,502	\$ (5,754,286)	-19%

2020

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

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

**Management's Discussion and Analysis
For the Years Ended September 30, 2021 and 2020**

2021

- **Assets** – A decrease in total assets by \$6,086,229 or 24% in fiscal year 2021 is attributed to fund balance being used to cover additional operating costs, such as IT maintenance costs, supplies and contractual labor.
- **Liabilities** – The liabilities increased in fiscal year 2021 by \$642,273 or 84%. The increase is attributed to increased personnel and non-personnel service costs incurred in fiscal year 2021 compared to 2020.

2020

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

Condensed Statements of Revenues, Expenditures, and Changes in Fund for the Years Ended September 30, 2021, 2020 and 2019

	2021-2020		2020-2019	
	2021	2020	2019	
Revenue:				
User Fees	\$ 12,408,673	\$ 12,162,963	\$ 11,964,155	\$ 245,710 2%
Total Revenue	\$ 12,408,673	\$ 12,162,963	\$ 11,964,155	\$ 245,710 2%
Expenditures:				
Payroll	\$ 9,107,438	\$ 6,462,694	\$ 2,315,837	\$ 2,644,744 41%
Telephone, Teletype, Telegram	\$ -	\$ 3,027	\$ 31,701	\$ (3,027) -100%
Professional/Contractual Services	\$ 4,136,985	\$ 7,062,180	\$ 3,596,556	\$ (2,925,195) -41%
Information Technology	\$ 4,335,230	\$ 2,878,371	\$ 6,436,119	\$ 1,456,859 51%
Other*	\$ 1,573,765	\$ 338,172	\$ 903,553	\$ 1,235,593 365%
Total Expenditures	\$ 19,153,418	\$ 16,744,444	\$ 13,283,766	\$ 2,408,974 14%
Other Financing Sources (Uses)				
Interest Income	\$ 16,243	\$ 282,636	\$ 339,795	\$ (266,393) -94%
Prior Year Cost Recovery	\$ -	\$ 60	\$ -	\$ (60) -100%
Transfer from other fund/DC Agencies	\$ -	\$ (1,455,501)	\$ 23,925,500	\$ 1,455,501 -100%
Total Other Financing Sources (Uses)	\$ 16,243	\$ (1,172,805)	\$ 24,265,295	\$ 1,189,048 -101%
Net Change in Fund Balance	\$ (6,728,502)	\$ (5,754,286)	\$ 22,945,685	\$ (974,216) 17%
Beginning Fund Balance October 1	\$ 24,798,497	\$ 30,552,783	\$ 7,607,098	\$ (28,699,971) -125%
Ending Fund Balance September 30	\$ 18,069,995	\$ 24,798,497	\$ 30,552,783	

*Other=Equipment and Machinery, Furniture and Fixtures, General and others

2021

- **Revenue** – The Fund assesses user fees to carriers, which is the main source of revenues for the Fund. The fiscal year 2021 fees totaled \$12,408,673 which was an increase of \$245,710 or 2%. This increase is attributed to an increase in remittances from carriers, based on an increase in the number of phone lines in use.
- **Expenditures** – Overall expenditures increased by \$2,408,974 or 14%. During fiscal year 2021, more payroll expenditures were reclassified from local source dollars to the Fund resulting in increased expenditures mainly from continuing full time employment category.
- **Interest Income** – Interest Income decreased by \$266,393 or 94% to \$16,243. The

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

**Management's Discussion and Analysis
For the Years Ended September 30, 2021 and 2020**

decrease is attributed to a \$6,055,383 or 27% reduction in Pooled Cash and lower interest rate for FY 21 compared to prior year.

2020

- **Revenue** – The Fund assesses user fees to carriers. The fiscal year 2020 fees totaled \$12,162,963 which was an increase of \$198,808 or 2%.
- **Expenditures** – Overall expenditures increased by \$3,460,678 or 26%. During fiscal year 2020, more payroll expenditures were reclassified from local source dollars to the Fund resulting in increased expenditures mainly from comp source 0011.
- **Interest Income** – Interest Income decreased by \$57,159 to \$282,636. The decrease is attributed to a \$6,020,032 or 21% reduction in Pooled Cash and lower interest rate for FY 20 compared to prior year.

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

**Balance Sheets
For the Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Assets		
Pooled Cash	\$ 16,594,779	\$ 22,650,162
Accounts Receivable	2,885,614	2,908,260
Due from District's General Fund	-	8,200
Total Assets	<u>\$ 19,480,393</u>	<u>\$ 25,566,622</u>
 Liabilities and Fund Balance		
Liabilities:		
Vouchers Payable	\$ 721,535	\$ 479,278
Payroll Liabilities	688,863	288,847
Total Liabilities	<u>\$ 1,410,398</u>	<u>\$ 768,125</u>
 Fund Balance		
Committed	\$ 22,470,000	\$ 22,470,000
Unassigned	(4,400,005)	2,328,497
Total Fund Balance	<u>\$ 18,069,995</u>	<u>\$ 24,798,497</u>
 Total Liabilities and Fund Balance	<u>\$ 19,480,393</u>	<u>\$ 25,566,622</u>

The accompanying notes are an integral part of the financial statements

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

**Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Revenue:		
Wireline, Wireless, and VOIP User Fees	\$ 12,000,153	\$ 11,670,031
Prepaid Wireless and Internet User Fees	408,520	\$ 492,932
Total Revenue	<u>\$ 12,408,673</u>	<u>\$ 12,162,963</u>
Expenditures :		
Contractual Services	\$ 3,915,377	\$ 6,782,717
Equipment and Machinery	10,923	-
Furniture and Fixtures	22,263	-
General	265,640	52,688
IT Consultants Contracts	10,279	39,125
IT Hardware Acquisitions	73,587	73,927
IT Hardware Maintenance	62,119	99,423
IT Software Maintenance	4,187,245	2,448,360
IT Supplies	2,000	-
IT Training	-	4,350
Maintenance and Repairs Auto	31,103	36,843
Maintenance and Repairs Machinery	15,000	-
OCTO IT Assessment	1,061,735	213,186
Office Support	-	148,152
Payroll	9,107,438	6,462,694
Professional Services	221,608	279,463
Telephone, Teletype, Telegram, etc.	-	3,027
Travel	-	6,143
Tuition Reimbursement	167,101	94,346
Total Expenditures	<u>\$ 19,153,418</u>	<u>\$ 16,744,444</u>
Excess (Deficiency) of Revenue Over(Under) Exp.	<u>\$ (6,744,745)</u>	<u>\$ (4,581,481)</u>
Other Financing Sources (Uses)		
Interest Income	16,243	282,636
Prior Year Cost Recovery	-	60
Transfer from the District's General Fund	-	(1,455,501)
Total Other Financing Sources (Uses)	<u>\$ 16,243</u>	<u>\$ (1,172,805)</u>
Net Change in Fund Balance	(6,728,502)	(5,754,286)
Beginning Fund Balance, at October 1, 2020	<u>24,798,497</u>	<u>30,552,783</u>
Ending Fund Balance, at September 30, 2021	<u><u>\$ 18,069,995</u></u>	<u><u>\$ 24,798,497</u></u>

The accompanying notes are an integral part of the financial statements

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

**Notes to the Financial Statements
As of September 30, 2021 and 2020**

NOTE 1 DESCRIPTION OF FUND

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

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

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

Measurement Focus and Basis of Accounting

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

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

**Notes to the Financial Statements
As of September 30, 2021 and 2020**

Fund balances

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

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

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

Unassigned: Unassigned is the residual classification within the fund and the deficit in the current year is due to expenditures exceeding the revenues from user fees. The deficit will be covered by an increase in expected user fees and other funding sources.

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

Estimates

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

NOTE 3 POOLED CASH

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

The Fund's cash is deposited into an invested pooled account with the District. As required by D.C. Law 34-1802, the District allocates to the Fund its share of interest income earned from the pooled account. In fiscal year 2021, interest income allocated to the Fund totaled \$16,243. At September 30, 2021 and 2020, the Fund's pooled cash with the District totaled \$16,594,779 and \$22,650,162 respectively.

In accordance with District policies, substantially all deposits were insured or collateralized with

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

**Notes to the Financial Statements
As of September 30, 2021 and 2020**

securities held by the District or by its agent in the name of the District. As of September 30, 2021, and 2020, there was no exposure to interest rate, credit, concentration or foreign currency risks as the Fund held no investments.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable represents the fees owed by carriers. At September 30, 2021 and 2020, accounts receivables were estimated at \$2,885,614 and \$2,908,260.

NOTE 5 SUBSEQUENT EVENTS

The District has evaluated subsequent events through the date this report was available for issuance, which is January 3, 2022. The review revealed no material events that would influence the financial statements.

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

**Budgetary Comparison Schedule
For the Year Ended September 30, 2021**

	Budget Adopted and Final	Actual	Variance
Revenues:			
User Fees	\$ 22,712,436	\$ 12,408,673	\$ 10,303,763
Total Revenues	\$ 22,712,436	\$ 12,408,673	\$ 10,303,763
Expenditures:			
Advertising	\$ 65,000	\$ -	\$ 65,000
Contractual Services	4,575,386	3,915,377	660,009
Purchases - Equipment & Machinery	50,000	10,923	39,077
Purchases - Furniture & Fixtures	30,000	22,263	7,737
General	364,500	265,640	98,860
IT Consultants Contracts	75,000	10,279	64,721
IT Hardware Acquisitions	80,000	73,587	6,413
IT Hardware Maintenance	76,939	62,119	14,820
IT Software Maintenance	5,293,440	4,187,245	1,106,195
IT Supplies	-	2,000	(2,000)
Maintenance & Repairs - Auto	65,000	31,103	33,897
Maintenance & Repairs - Machinery	15,000	15,000	-
OCTO IT Assessment	1,537,542	1,061,735	475,807
Payroll	9,945,193	9,107,438	837,755
Professional Services	308,186	221,608	86,578
Travel-Out of City	15,000	-	15,000
Tuition Reimbursement	216,250	167,101	49,149
Total Expenditures	\$ 22,712,436	\$ 19,153,418	\$ 3,559,018
Excess (Deficit) Revenue Over (Under) Expenditures	\$ -	\$ (6,744,745)	\$ 6,744,745

The accompanying notes are an integral part of the financial statements

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

**Notes to the Budgetary Comparison Schedule
For the Year Ended September 30, 2021**

NOTE 1 BUDGET BASIS

The Fund has a legal adopted budget approved by the District's City Council. Pursuant to the Reprogramming Policy Act, the District may reallocate budget amounts within an appropriation title. No reallocations occurred within the Fund in fiscal year 2021. The budgetary comparison schedule has been prepared in accordance with the accounting principles generally accepted in the United States of America.



McConnell Jones

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Government of the District of Columbia's E911/E311 Fund (the Fund), a part of the General Fund of the Government of the District of Columbia as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements and have issued our report thereon dated January 3, 2022.

Internal Control over Financial Reporting

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

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

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

5101 Wisconsin Ave., NW
Suite 210
Washington, DC 20016
Phone: 202.207.3570
Fax: 202.968.1601

WWW.MCCONNELLJONES.COM



McConnell Jones

Compliance and Other Matters

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

Purpose of this Report

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

Washington D.C.
January 3, 2022



To report fraud, waste, abuse, or mismanagement:

(202) 724-TIPS (8477) and (800) 521-1639



<http://oig.dc.gov>



oig@dc.gov

