

Please list and describe any ongoing **investigations**, audits, or reports on your agency or any employee of your agency, or any investigations, studies, audits, or reports on your agency or any employee of your agency that were completed during FY 2014 or FY 2015, to date.

INVESTIGATIONS

DC Water Department of Security

For FY 2014 and FY 2015 to date, the Department of Security managed one hundred twenty-nine (129) investigations, including 24 Workplace Violence Complaint investigations.

Office of Labor Relations and Compliance Branch

For FY 2014 and FY 2015 to date, the Office of Labor Relations and Compliance Branch conducted 11 personnel investigations. Three allegations have been substantiated with appropriate remediation taken by DC Water, and 8 allegations were not substantiated.

Human Capital Management – Talent Management

In the Talent Management Branch, four complaints were received from individual current and/or former DC Water employees. One former employee was eligible for communication under the Priority Reemployment Program, and had not been receiving any communication. Situation was investigated and corrected. Two other complaints were investigated and successfully sustained. One complaint has been fully investigated and is currently under appeal.

District of Columbia Water and Sewer Authority Information Technology Department

In 2014, The IT Department received a request from the Office of Security to review a member's Desktop for signs of activity outside of the normal work hours

In 2014, The IT Department received a request from the Office of Security to review a member's Desktop to determine if business sensitive files may have been deleted

In 2015, The IT Department received a request from the Office of Security to review a member's Desktop to identify any files that may violate acceptable use of the computer.

Internal Audit Investigations Resulting From Fraud, Waste and Abuse Hotline Allegations:

In Fiscal Year 2014, Internal Audit investigated a total of 18 allegations that were received through DC Water's Fraud, Waste and Abuse Hotline. These investigations included:

- Internal Audit investigated one allegation of conflict of interest. The allegation was determined to be unfounded and the investigation was closed.

- Internal Audit investigated one allegation of misuse of company assets. The allegation was investigated and closed as the individual in question left DC Water.
- Internal Audit investigated one allegation of gambling and coercion of other employees. The allegation was determined to be founded and corrective action was taken.
- Internal Audit investigated two allegations of theft of services. The allegations were determined to be founded and corrective action was taken.
- Internal Audit investigated one allegation of inaccurate customer billing. The allegation was unfounded and closed.
- Internal Audit investigated two allegations of fraud. One allegation was unfounded and closed. The other allegation was founded and corrective action is in process in coordination with the Office of General Counsel (OGC).
- Internal Audit investigated one allegation of a violation to DC Water's internship eligibility minimum requirements. The allegation was founded and corrective action was taken.
- Internal Audit investigated three allegations of discrimination in hiring, promotions, and certification requirements. The allegations were unfounded and closed.
- Internal Audit investigated one allegation of a violation to DC Water's cigarette smoking policy. The allegation was founded and corrective action was taken.
- Internal Audit investigated one allegation of an ADA violation. The allegation was founded and corrective action is in process.
- Internal Audit investigated one allegation of disconnected services. The allegation was closed due to a lack of sufficient evidence.
- Internal Audit investigated three allegations of discrimination due to a re-organization and enforcement of DC Water policy. The allegations were turned over to Labor Relations for resolution as this was an organizational issue.

In Fiscal Year 2015, Internal Audit investigated a total of 4 allegations that were received through DC Water's Fraud, Waste and Abuse Hotline. These investigations included:

- Internal Audit investigated one allegation of inaccurate customer billing. The allegation was founded and corrective action was taken.
- Internal Audit investigated one allegation of theft of time. The allegation was unfounded and closed. In addition, we received an anonymous report of employee retaliation as a result of the investigation. Internal Audit provided DC Water's grievance policy and the matter was ultimately resolved with the OGC.

- ❑ Internal Audit investigated one allegation of a sanitation issue. The allegation was closed due to lack of sufficient evidence.
- ❑ Internal Audit received one report of incorrect customer account information. The allegation was turned over to Customer Care and corrective action was taken.

EXTERNAL AUDITS

Fiscal year 2014 External Audit Conducted by DC Water's External Auditor, KPMG

External audit covered DC Water's financial statements. The audit was completed and an unmodified opinion was expressed with respect to DC Water's financial statements.

Fiscal year 2014 A-133 Audit (Audit of Grants) Conducted by DC Water's External Auditor, KPMG

External audit of grants is well underway with expected opinion date of February 20th. An unmodified opinion is expected with respect to grants at this date.

Audits completed during FY 2015

Clean Rivers Project

DC Water completed two independent audits of Clean Rivers' CCMs, utilizing the DCW DETS Independent Auditor Service Contract with remaining FY2014 funding DETS had allocated to that contract. Those two audits with Final Findings were:

1. DCFA #440-WSA Division A&P CCM: Prime and Sub-consultant Overtime Billing and Prime Overhead Verification
2. DCFA #463 Division Z CCM (pending DCW award at that time): Prime and Sub-consultant Overhead Verification

Reports

U.S. EPA Region III and DDOE FY 2014 Blue Plains NPDES Inspection

In September 2014, the District of Columbia's Department of the Environment (DDOE) completed the annual NPDES Compliance Inspections of Wastewater Treatment (Blue Plains) and Combined Sewer Systems (CSOs) Operations and Maintenance on behalf of EPA Region III. The report on the inspections has not been received yet. The primary purpose of the annual compliance inspection is to determine the accuracy and reliability of the Authority's self-monitoring and reporting programs that are in accordance with the requirements included in NPDES permit number DC0021199. No concerns or issues related to the Operation and Maintenance of the wastewater treatment processes were observed during the inspection. However, DDOE inspectors requested DCWATER to prepare and implement Best Management Practices (BMP) to improve storm water pollution prevention plan for construction activities with emphasis on laydown areas that are covered under Construction General Permits (CGPs).

A draft BMP was presented to DDOE on February 3, 2015 during a follow up inspection of construction laydown areas at Blue Plains.

INTERNAL AUDITS

Internal Audits Conducted during Fiscal Year 2014:

PROJECT	START DATE	FIELD-WORK END DATE	DRAFT REPORT ISSUANCE DATE	FINAL REPORT
Legal Operations	10/14/2013	1/17/2014	1/24/2014	2/11/2014
Disposal of Assets	10/14/2013	12/6/2013	1/22/2014	2/18/2014
Clean Rivers Project Management	11/13/2013	1/17/2014	1/27/2014	2/11/2014
Safety Compliance – Part 1	12/18/2014	1/22/2014	1/29/2014	2/18/2014
Employee Benefit Plans	1/29/2014	3/26/2014	3/31/2014	4/2/2014
Sewer Services – Construction & Repair	2/6/2014	3/31/2014	4/4/2014	5/12/2014
Outside Contractor Management, Part 1	2/11/2014	3/28/2014	4/2/2014	5/23/2014
Emergency Management - Recovery	2/7/2014	4/8/2014	4/10/2014	5/12/2014
Emergency Management – Mitigation and Response	4/7/2014	4/29/2014	5/6/2014	6/27/2014
IT – Disaster Recovery	3/31/2014	6/26/2014	7/11/2014	7/31/2014
Safety Compliance – Part 2	4/10/2014	4/29/2014	5/23/2014	6/19/2014
IT – Asset Management	6/4/2014	7/31/2014	8/20/2014	9/10/2014
Outside Contractor Management, Part 2	4/7/2014	5/30/2014	6/16/2014	7/22/2014
Warehousing & Inventory	6/9/2014	8/1/2014	8/8/2014	9/15/2014

Note: Audits were conducted by outsourced internal audit service provider SC&H. McGladrey has been selected as DC Water’s outsource internal audit service provider for fiscal year 2015.

FY 2014 Software Development Life Cycle and System Change Management; SC&H

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to change management for DC Water’s critical systems and to determine whether a documented Systems Development Life Cycle process/methodology is in place and operating effectively for new system implementations.

FY 2014 Telecomm Audit; SC&H

Our overall audit objective was to evaluate the effectiveness and efficiency of the operations and activities around DC Water's telecommunications services.

FY 2014 IT Contractor Management Audit: SC&H

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to IT Contractor Management Process and to determine whether a documented process is in place and operating effectively.

FY 2014 Human Capital Management: Ongoing Loan Payment Audits

In May 2014 the Benefits Branch created procedures to identify missed loan payments from participants enrolled in the DC Water Defined Contribution Plan. Loan repayments are audited ongoing every month since the procedures were implemented

On-Going Internal Audits

FY 2015; Clean Rivers Project

- Verify the Clean Rivers' Program Consultant Organization's Prime and Sub-consultant Overheads.

FY 2015; Information Technology Policies and Procedures; McGladrey

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to IT Policies and Procedures and to determine whether a documented process is in place and operating effectively:

FY 2015; Information Technology Network Security; McGladrey

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to IT Network Security and to determine whether a documented process is in place and operating effectively:

FY 2015; Information Technology Security and Operations (SCADA); McGladrey

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to IT Security and Operations (SCADA) and to determine whether a documented process is in place and operating effectively.

FY 2015; Information Technology Vendor Management; McGladrey

Our overall audit objectives were to evaluate and test the effectiveness of controls relative to IT Vendor Management and to determine whether a documented process is in place and operating effectively.