



Potentially Wasteful Pool Maintenance Contracts Need Review, Oversight

February 3, 2016

Report Team:

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A Report by the Office of the District of Columbia Auditor
Kathleen Patterson, District of Columbia Auditor

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW, Suite 504
Washington, D.C. 20004

Letter Report: Potentially Wasteful Pool Maintenance Contracts Need Review, Oversight

Dear Chairman Mendelson:

The Office of the District of Columbia Auditor (ODCA) examined swimming pool operations at the Department of Parks and Recreation (DPR) and the Department of General Services (DGS). This review was initiated at the discretion of the D.C. Auditor. The results of our examination are presented here.

Background

DPR operates 11 indoor and 19 outdoor pools. These pools are staffed by DPR employees, including a site manager, assistant managers, customer service representatives, and lifeguards. The pools provide a range of recreational, exercise, and therapeutic services to residents of the District and surrounding jurisdictions. These services include swimming classes, recreational and lap swimming, water aerobics and, other such courses.

Lifeguards, site managers and assistant managers perform many basic pool cleaning and maintenance tasks as part of their daily duties. For example, they monitor the water quality on an hourly basis, noting pH levels, the amount of chlorine in the water, and many other indicators. In addition, they perform various functions to maintain and clean the pool, from using skimmers and pool vacuums to checking and cleaning hair strainers and other basic equipment. These duties are typically performed by lifeguards but site managers or assistant managers also carry them out as needed. Department of Health (DOH) regulations require all public pools to have a certified pool operator on duty at all times. In order to obtain this license, operators must pass a test and demonstrate knowledge of public pools, including demonstrating their ability to maintain and use pool equipment, handle and administer common chemicals used in maintaining water quality, and respond to changing water quality circumstances. At DPR pools, the site manager is typically a certified pool operator.

The Department of General Services (DGS) is responsible for overall facility maintenance at the pools. DGS currently has contracts with two pool services companies to provide maintenance services at District swimming pools. One of the contracts, with High Sierra Pools, Inc., provides for routine maintenance and monitoring, with twice-weekly visits to each pool.¹ This contractor is also authorized to

¹ This contract has a “Not to Exceed” (NTE) amount of \$580,120. This means that High Sierra is not entitled to receive more than that amount, no matter how much labor is actually involved in performing the work called for in the contract. This amount includes a minimum of \$112,120 for “scheduled maintenance” with up to \$468,000 to be paid for chemicals and repair services on a cost reimbursement basis.

purchase and administer the various chemicals needed to maintain water quality at the pools. The other contract, with Millennium Pool Services, is for annual shutdown services, performed at each of the outdoor pools at the close of each summer season.

Objectives, Scope and Methodology

The objectives of this examination were to determine whether:

1. The Department of Parks and Recreation (DPR) has implemented adequate controls to ensure that fees at swimming pools are collected properly; and
2. DPR and the Department of General Services (DGS) perform water quality and maintenance of DPR's swimming pools in an effective, efficient and economic fashion.

The original scope of our examination was DPR and DGS operations at indoor pools during fiscal year 2015 (October 1, 2014 - September 30, 2015). Later in the project, we expanded the scope to include pool maintenance contracts from 2009 to 2015 for both indoor and outdoor pools.

The Office of the District of Columbia Auditor (ODCA) conducted unannounced visits to eight indoor DPR swimming pools in March 2015. The eight pools visited were:

- Wilson
- Ferebee-Hope
- Barry Farm
- William H. Rumsey
- Takoma
- Deanwood
- H.D. Woodson
- Turkey Thicket

During our visits, we met with staff, reviewed logbooks and other records, toured the facilities, and observed DPR's process for admitting patrons to the facility. We also obtained copies of various documents, including water quality records, and patron sign-in sheets. We asked questions about how patrons check in and pay to use the pool, and how pool maintenance and water quality monitoring is accomplished.

We reviewed pool maintenance contracts between DGS and Millennium Pool Services and High Sierra Pools, Inc., including all modifications, amendments, attachments, and other associated documents. We also obtained and reviewed invoices sent by both vendors to DGS for payment under these contracts.

Our interviews included management and staff at DPR and DGS, including personnel from DPR's Aquatics Division and both the Contracts and Procurement Division and the Facilities Management Division at DGS.

We researched District regulations pertaining to public swimming pools and pool operators². To learn more about how nearby jurisdictions handle pool maintenance at their public pools, we visited pools

² Regulations pertaining to swimming pools, referenced throughout this report, are found in Title 25, Chapter 64 of the D.C. Municipal Regulations.

and met with officials from the following locations: Arlington County, Alexandria City, Fairfax County, and Prince George's County. We obtained copies of various documents during these interviews, including copies of pool maintenance contracts, pool inspection checklists, and other relevant documents.

We did not conduct the examination as an audit as defined by the Government Accountability Office's Government Auditing Standards.

Results of the Auditor's Examination

Fee Collection

We are pleased to note that based on our limited review, DPR's fee collection procedures at the pools appear to be well designed. DPR does not accept cash from patrons wishing to use the pools. Since cash collection is often a high-risk area of operations, this decision significantly reduces the overall risk to DPR. Instead, customer service representatives handle only credit card or money order payments. In addition, swimmers may use their credit cards online in advance of their visit to the pool, and simply show their receipt upon checking in.

Fee collection at the pool is handled using an online system so all transactions result in an electronic record being generated in DPR's centralized system. This helps to reduce the risk of errors that can come from transferring information from one source, such as paper forms, to another.

In addition, since access to the pools for lap swim or open swim is free for District residents, there are actually very few fee collections that are typically made at a given pool on a given day. Most of the pools we visited had not seen a single non-District patron that day and most site managers confirmed that non-District visitors were rare.

We did note one weakness of this system. Currently, site managers (or anyone else at the pools) do not reconcile their sign-in sheets with payments actually received. The system into which payments are entered is integrated across all swimming pools and is also used by online customers who are registering for swimming and other classes. Customer service representatives we spoke with were unaware of how to look at payments just from their facility for a given day. While site managers do send a copy of their patron sign-in sheets to DPR Aquatics headquarters every day, it is unclear whether anyone is attempting to match the number of payments received with the number of non-District residents who use the facility. This represents a weakness. However, as we have noted, very few non-District residents use these facilities. Thus, the overall risk remains low.

Pool Maintenance

The District's practice of hiring outside contractors to perform routine pool water quality operations and equipment maintenance is wasteful and out of line with common practice at other jurisdictions. In addition, DGS has failed to adequately monitor and review invoices submitted by pool maintenance contractors, creating a corresponding increase in the risk that the District is paying more than it should under these contracts.

Pool maintenance contracts are wasteful.

- The District is spending \$178,520 a year on contracted services that DPR/DGS employees could provide.

Figure 1, below, summarizes the annual fixed costs DGS will pay its two pool maintenance contractors under existing contracts. High Sierra's contract includes three areas of fixed payments. The first, "Scheduled Maintenance," includes twice weekly visits to all indoor pools and once weekly visits at all outdoor pools. "Opening Services" are listed separately in the contract. These services are to be provided once per year at the outdoor pools and involve activities to get the pools ready for the summer

swimming season. “Closing Services” are also provided once per year at the outdoor pools, and involve draining the pools and otherwise preparing all equipment for winter. Millennium’s contract includes maintenance and inspection items that appear to duplicate work that also is performed by High Sierra per their contract. They are to provide inspection and maintenance services to ten indoor pools, all of which are also included in High Sierra’s contract. Millennium is to be paid a base amount of \$80,400 for this work. The contract is silent as how frequently or when the work is to be performed. In addition, the contract allows for the contractor to perform unscheduled “repair” work, at an hourly rate.

DPR pool operators are capable of performing, and often do perform, many of the same daily and weekly maintenance tasks that are contained in the contracts with Millennium Pool Services and High Sierra Pools, Inc. District regulation requires a certified pool operator to be present at every pool while it is open. The Department of Health certifies pool operators who pass an exam and receive training and demonstrate knowledge of pool water quality, filtration equipment, basic maintenance of pumps, and other devices used at the pool, and the proper storage and application of pool chemicals. Therefore, pool operators have the knowledge and competence to perform many of the tasks that are in the maintenance contracts.

Figure 1

High Sierra	
Performance Item	Annual Cost
“Scheduled Maintenance” – 22 outdoor pools	\$19,580
Closing Services – 22 outdoor pools	\$18,480
Scheduled Maintenance – 11 indoor pools	\$60,060
Millennium Pool Service	
Performance Item	Annual Cost
“Inspection and Maintenance” – 10 indoor pools (overlap with High Sierra)	\$80,400
Total for Services	\$178,520

All of the neighboring jurisdictions that we visited had their own employees perform basic maintenance functions, including cleaning the pool, administering chemicals, checking systems and making basic repairs up to and including replacing motors and fixing leaks. They all routinely hire contractors to perform more complicated repairs or replacements as needed. None have the kind of contracts in place that the District does, where the contractor comes twice weekly to each pool, regardless of whether significant work needs to be done.

In addition, we learned that local jurisdictions typically have their own employees handle closing services at their outdoor pools at the end of the season. Many do hire contractors to help with opening those pools at the beginning of the summer.

During our examination, DPR and DGS officials stated that pool maintenance was previously performed by government employees. It is unclear exactly how long the operations have been outsourced, but the signed contracts we were able to obtain indicated that it has been since at least 2012. At more than one point during our examination, we asked both DPR and DGS officials to explain why they privatized pool maintenance. Some DGS staff claimed that prior to privatization, there had allegedly been instances of

DPR employees incorrectly applying pool chemicals which resulted in injuries to at least one member of the public. Neither DPR nor DGS provided documentation of this incident nor could they show that there had been a pattern of mistakes that might justify a decision to outsource. Another explanation provided by DPR and DGS was that the statute creating DGS authorized them to perform maintenance at District-owned facilities. A review of the statute, however, shows that it does not require DGS to hire outside contractors to perform such maintenance.³ This maintenance could be performed by DGS employees. After weeks of trying to obtain a more complete answer, we met with agency officials, including general counsel from both agencies, the head of the Aquatics Division at DPR, and the Deputy Director of DGS. We asked again why the decision had been made to privatize. No one could provide an answer to our question. Instead, they offered hypothetical answers and stated that they were not with the agency when the decision was made. They asked if they could have additional time to provide us with an answer. After two more weeks, they provided no additional information and repeated answers that had previously been given.

In addition, District procurement law requires that agencies seeking to privatize services must provide to the Council of the District of the Columbia a written determination and findings. A determination of findings demonstrates that the privatization contract will provide savings of at least 5 percent over the duration of the contract, in terms of total cost or the unit cost of providing the goods or services.⁴ Neither DGS nor DPR provided evidence that such a determination had ever been provided to the Council.

- The District is overpaying for pool chemicals.

Existing pool maintenance contracts at DGS include the purchase and administration of all swimming pool chemicals. Although current contracts are somewhat unclear on the subject, it has been DGS practice to allow contractors to mark-up the price of materials purchased by 10 percent.

In addition, the contracts do not include a fixed, agreed upon price for any chemicals except chlorine under the High Sierra contract. These features expose the District to great risk of paying more than necessary for these critical components of water quality at DPR swimming pool facilities.

District practice, with regard to the purchase and application of pool chemicals, is out of line with common practice in other nearby cities and counties. Surrounding jurisdictions do not allow their maintenance contractors to purchase pool chemicals on their behalf. Instead, all of the neighboring jurisdictions we visited contract for the purchase of chemicals directly with local suppliers. In some cases, they hire multiple vendors to provide separate chemicals. In other cases, one distributor is hired and tasked with providing all the chemicals needed.

Therefore surrounding jurisdictions have much more control over the price paid for the necessary chemicals and site managers are more directly involved in the purchase and application of these chemicals.

We strongly recommend that DGS and DPR consider contracting directly with distributors for the purchase of chemicals. The District should not be paying a markup to contractors, especially without having a negotiated and agreed price for each chemical in place. The risk is very high that the District is

³ D.C. Code § 10-551.01 et seq.

⁴ D.C. Code § 2-352.05.

overpaying for pool chemicals using the current contract structure. In addition, by having these outside vendors purchase pool chemicals, there is the added risk that the quantity of chemicals purchased is greater than might actually be needed.

Pool maintenance contracts are not being adequately monitored.

- DGS records do not support payments made to vendors under pool maintenance contracts.

We obtained copies of approximately 30 invoices and all supporting documentation submitted for payment to DGS by High Sierra Pools, Inc. and Millennium Pools per their pool maintenance contracts.⁵ We then conducted detailed reviews of two High Sierra invoices and seven Millennium invoices. During our review of these documents, we found numerous causes for concern. It appears that DGS has in some cases overpaid their contractors and in other cases has allowed the contractors to be paid despite missing supporting documentation for the submitted invoices. Together, the issues we discovered raise significant concerns about the agency's ability to properly monitor these pool maintenance contracts, which, in turn, means an increased risk that District tax revenue is being spent inefficiently.

For example, High Sierra's contract⁶ required them to submit job work tickets with the invoices. Job work tickets are forms filled out at each job site showing what work High Sierra personnel performed at each visit. They would normally be signed by a representative of the District government to verify that the work had been done. We did not find job work tickets for either of the two High Sierra invoices we reviewed. The same contract also requires that High Sierra submit invoices from the supplier for materials or supplies they purchased and used in their work. High Sierra was required to submit these invoices on the supplier's letterhead showing what High Sierra was charged. The two invoices we examined totaled \$23,090.50. Of that amount, \$19,729 was for materials, chemicals, or other supplies used by the vendor that was likely purchased from a third party supplier. Neither of the two invoices we examined included invoices on a supplier's letterhead.

In addition, there are numerous charges on High Sierra's invoices that appear to be billed at a flat rate, rather than by the hour. For example, on one invoice there is a \$595 charge for "temp adjustment at pool," with no indication of how many hours or mechanics were involved. High Sierra's contract includes an hourly rate for mechanics and for mechanic's helpers, but does not include any pricing information for specific tasks, such as adjusting the temperature at a pool.

We also found at least one instance where High Sierra appears to have submitted the same job twice for payment. Other concerns include charges for chemicals by High Sierra that appear substantially higher than what is charged by Millennium for the same chemicals and delivery charges for chemicals with no provision in the contract for such charges.

Questionable and unsupported charges in the two High Sierra invoices we reviewed totaled \$17,679.50 (out of \$23,090.50 billed).

Supporting documentation for payments to Millennium Pools, as required by their 2012 -2014 contract, was also lacking. Many of the same issues we found when reviewing High Sierra's invoices also existed in the Millennium invoices. For example, DGS was missing much of the documentation showing what

⁵ The contract signed in 2012 included two option years, both of which were used to extend the contract through September 30, 2014. The new contract signed in August 2014 became effective October 1, 2014.

⁶ Contract number DCAM-14-NC-0178.

Millennium paid their suppliers for pool chemicals, parts, and other materials. These documents are necessary (and required by the contract) to support the charges made to DGS. When we asked the contract administrator for evidence showing how much Millennium paid for pool chemicals, he said that Millennium had those records and that he did not.

Even when Millennium had submitted proper documentation, such as charges submitted on a subcontractor's letterhead showing what they had been billed by that subcontractor, there were other problems. We found more than one instance where Millennium appeared to be routinely marking up pool chemicals and subcontracted work by 20 percent and in some cases up to 30 percent. While their 2012 -2014 contract allowed for a 20 percent markup on materials and supplies, it did not allow for any markup of subcontracted work.⁷ As with the High Sierra invoices, we also found instances of apparent double-billing, billing at flat rates where no flat rates are indicated in the contract, and subcontracted work billed without supporting documentation from the subcontractor. Questionable and unsupported charges in the seven Millennium invoices we reviewed totaled \$149,517.11 (out of \$248,167.43 billed).

⁷ These invoices were paid under contract number DCAM-12-NC-0109, no longer in effect. Millennium's current contract with DGS is DCAM-14-NC-0168. This contract allows for a ten percent markup of both materials and sub-contracted work.

Conclusion

Our review of pool maintenance operations at DGS/DPR revealed serious questions about the efficiency and economy of the decision to outsource. We learned that DGS has contracted with two local companies to provide routine maintenance, chemical purchase and application, opening and closing services, as well as more extensive repairs and servicing of the pools and associated mechanical equipment. In a review of neighboring jurisdictions, we found that no other local government has outsourced their pool maintenance and upkeep in such a complete manner. All of them maintain existing contracts with pool service companies to perform extensive repairs and servicing as needed but these other government units are able to perform regular maintenance and repairs in-house. In addition, they all purchase their pool chemicals directly from distributors and have their certified pool employees monitor water quality and apply the chemicals as needed. These arrangements save a good deal of money, as the District of Columbia is paying contractors a markup for all chemicals that they purchase and apply. The pool maintenance contractors are also allowed to markup the price of subcontracted work, something that other jurisdictions are able to routinely avoid.

We also learned that District law requires a certified pool operator, capable of applying pool chemicals, maintaining pool equipment, and performing minor repairs to be on duty at all public pools. DPR is in compliance with this requirement. Interviews with pool employees reveal that they are currently performing daily some of the same water quality monitoring and simple pool maintenance duties that hired contractors are being paid to do twice a week.

In addition, our review of invoices paid under pool maintenance contracts reveals numerous problems of overpayments, lack of supporting documentation for reported work, markups above those allowed by the contracts, and other problems in oversight.

Neither DGS nor DPR was able to provide evidence of having prepared a determination of findings, required whenever an agency of the District of Columbia government chooses to outsource an activity previously performed by government employees. This determination would include an assessment of the cost-effectiveness of outsourcing government activity. We strongly recommend that DGS/DPR perform a cost-benefit analysis of their existing pool maintenance contracts as soon as possible. We did not conduct an analysis of DGS's (or DPR's) existing personnel to determine whether either agency might need to hire additional staff in order to bring all pool maintenance activities back in-house. The two agencies should conduct this analysis, as well as examine the questions we have raised in this report about duplicated effort, unnecessary markups involved in purchasing chemicals through a third party, and other costs associated with overseeing a large service contract. After conducting this analysis, if there is not a clear financial benefit to outsourcing pool maintenance, DGS should consider modifying or cancelling their existing maintenance contracts. In order to make better use of District residents' tax dollars, regular maintenance should be performed in the most economical and efficient manner.

Issues and Recommendations Summary

Issue

Pool maintenance contracts are wasteful.

- The District is spending \$178,520 a year on contracted services that DPR / DGS employees could provide.
- The District is overpaying for pool chemicals.

Pool maintenance contracts are not being adequately monitored.

- DGS records do not support payments made to vendors under pool maintenance contracts.

Recommendations:

- DGS and DPR should perform a cost / benefit analysis of their existing pool maintenance contracts and consider modifying or cancelling their existing maintenance contracts if no clear benefit can be shown.
- DGS and DPR should consider contracting directly with distributors for the purchase of pool chemicals.

Agency Comments

On January 19, 2016, we sent a draft copy of this report to the Directors of the Department of Parks and Recreation (DPR) and the Department of General Services (DGS) for review and written comment. On February 2, 2016, we received written comments from both agencies. Those comments are included, in their entirety, with this report.

The Office of the District of Columbia Auditor appreciates the commitment on the part of both DPR and DGS to review, within the next 90 days, the costs associated with the pool maintenance contracts.

Further, per the request of both agencies, we have changed the title of the draft report so that the final title will be "Potentially Wasteful Pool Maintenance Contracts Need Review, Oversight."



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Parks and Recreation



Muriel Bowser
Mayor

Office of the Director

Keith A. Anderson
Director

February 2, 2016

VIA EMAIL

kathy.patterson@dc.gov

Ms. Kathleen Patterson, Auditor
Office of the District of Columbia Auditor, ODCA
717 14th St, N.W. Suite 900
Washington, DC 20005

Dear Ms. Patterson,

DPR is in receipt of your draft report entitled "Pool Maintenance Contracts Represent Unnecessary Cost to District Taxpayers." We appreciate your office providing DPR an opportunity to review the findings and comment. Along with the ODCA, DPR and our partners at DGS are committed to efficient and transparent government operations. After reviewing the findings and recommendations in the draft report, below are a few comments and responses that we have coordinated with DGS for your consideration.

First, we respectfully request that ODCA reconsider the title of the audit report. Given the actual findings, we believe that the title of the report implies that ODCA found that the existing contracts cannot show a benefit when you actually recommend that we analyze the benefit.

Recommendation #1: DGS and DPR should perform a cost/benefit analysis of their existing pool maintenance contracts and consider modifying or canceling their existing maintenance contracts if no clear benefit can be shown.

Response: DPR and DGS work closely on pool maintenance projects and tasks. As you know, the District of Columbia has the largest inventory of pools per capita in the nation with over 50 aquatic facilities serving more than 400,000 users per year. Given the safety sensitive nature of swimming pool operations, including both Department of Health and Department of Energy and Environment pool chemical and handling restrictions and public health and disease prevention, both agencies strongly feel that the third party contractor has proven that the government requirements are being met in a safe and efficient manner. What we can commit is that both agencies will re-review the current contract over the next 90 days to identify potential increasing efficiency with those of other municipalities of like size and function.

Recommendation #2: DGS and DPR should consider contracting directly with distributors for the purchase of pool chemicals.

Response: DPR will work closely with our partners at DGS to evaluate the feasibility of contracting with distributors directly. There are several elements to this decision to include safety system redundancy, certification and permits of chemical transport operation, as well as accountability. Both agencies will ensure that costs are analyzed but the decisions made will be lead with safety as the highest priority.



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Parks and Recreation



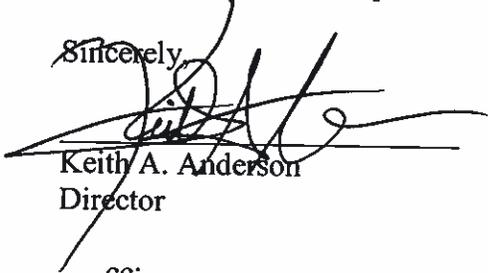
Muriel Bowser
Mayor

Office of the Director

Keith A. Anderson
Director

Thank you again for the opportunity to respond to this drafted report. If you have any additional questions or comments, please feel free to send them to my attention.

Sincerely,



Keith A. Anderson
Director

cc:

Jonathan Kayne, DGS Chief Operating Officer
Camille Sabbakhan, DGS General Counsel
Spencer Davis, DGS Deputy Director, Facilities

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES



February 2, 2016

Ms. Kathleen Patterson, Auditor
Office of the District of Columbia Auditor
717 14th St, N.W., Suite 900
Washington, DC 20005

Re: DGS Response to Draft Letter Report Entitled “*Pool Maintenance Contracts Represent Unnecessary Cost to District Taxpayers*”

Dear Ms. Patterson,

Thank you for the opportunity to review the draft letter report from the Office of the District of Columbia Auditor (ODCA) entitled “*Pool Maintenance Contracts Represent Unnecessary Cost to District Taxpayers.*” Although this letter report did not result from a formal, scheduled audit of DGS operations, DGS appreciates the opportunity to constructively review DGS contracts and operations with the objective of ensuring contracting efficiency and improving contract administration. We look forward to collaboratively working with our sister agency, the Department of Parks and Recreation (DPR), and the ODCA to address any issues identified by the review. In response to the issues and recommendations offered by the ODCA, DGS offers the following:

ODCA Issue #1:

Pool maintenance contracts are wasteful.

- The District is executing \$178,520 a year on contracted services that DPR / DGS employees could provide.
- The District is overpaying for pool chemicals.

Recommendations:

- DGS and DPR should perform a cost / benefit analysis of their existing pool maintenance contracts and consider modifying or cancelling their existing maintenance contracts if no clear benefit can be shown.

- DGS and DPR should consider contracting directly with distributors for the purchase of pool chemicals.

DGS Response:

Although DGS does not concur with the ODCA's finding that pool maintenance contracts are wasteful (such finding is pre-mature since the analysis has not yet occurred), DGS does agree that there may be some benefit to conducting a cost-benefit analysis to ensure that contracts are not unnecessarily duplicative of available resources and that they present the greatest economic benefit while also balancing the District's primary interest of protecting the public safety. DGS and DPR have agreed to conduct this analysis within the next 90 days. This analysis would also include a review of the contract structure and consideration of paying for chemicals directly. Any analysis regarding the purchase of chemicals directly from distributors must necessarily include consideration of risk, storage, volume, as well as cost. The ODCA has compared DGS/DPR pool maintenance/contracting practices with that of surrounding jurisdictions. However, comparisons to other jurisdictions, without consideration of similarities and differences in facilities, demand, population, recreational program structure, and overall pool inventory, can easily lead to inaccurate conclusions.

ODCA Issue #2:

Pool maintenance contracts are not being adequately monitored.

- DGS records do not support payments made to vendors under pool maintenance contracts.

DGS Response:

ODCA has indicated that its review of pool maintenance contracts revealed numerous problems of overpayments, lack of documentation, markups above those allowed by contract and other oversight issues. The letter report generally refers to 30 invoices paid under the 2012-14 contract. Although the ODCA report did not offer specific recommendations to address this issue or request a DGS response to this issue, DGS takes its contract administration responsibility very seriously and recognizes its obligation to ensure proper oversight of contract actions. We have thus proactively taken various actions prior to the ODCA review which would address these issues. Beginning in FY 2015, DGS assigned pool maintenance contract oversight responsibilities to a single employee within our Facilities Division who ensures contract compliance and oversight. This employee is, in turn, supervised in the execution of his responsibilities. Review and approval of all invoices now includes three layers of review prior to payment to ensure proper documentation.

Therefore, we do not believe that ODCA's review of the 2012-14 contract and invoices is reflective of DGS current contract administration practices.

I look forward to meeting with you to discuss current contract oversight and management changes implemented that would specifically address the ODCA's specific observations related to contract oversight.

Thank you again for the opportunity to provide comments to the draft letter report. Please do not hesitate to contact Camille Sabbakhan, General Counsel, at 202.727.2800 if you have questions or require additional information. Please note that this letter has been coordinated with Director Keith Anderson of the Department of Parks and Recreation.

LOOKING FORWARD
TO THE CHANCE TO MEET
WITH YOU - V/R
W.

Sincerely,



Christopher Weaver
Director

cc: Jonathan Kayne, DGS Chief Operating Officer
Camille Sabbakhan, DGS General Counsel
Spencer Davis, DGS Deputy Director, Facilities
Keith Anderson, DPR Director