

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL**

DISTRICT OF COLUMBIA

**WASHINGTON CONVENTION AND
SPORTS AUTHORITY**

**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Fiscal Years Ended September 30, 2010, and 2011**



**CHARLES J. WILLOUGHBY
INSPECTOR GENERAL**

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



March 2, 2012

The Honorable Vincent C. Gray
Mayor
District of Columbia
Mayor's Correspondence Unit, Suite 316
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

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

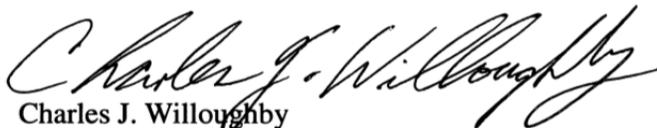
Dear Mayor Gray and Chairman Brown:

As part of our contract for the audit of the District of Columbia's general purpose financial statements for fiscal year (FY) 2011, KPMG LLP (KPMG) submitted the enclosed final report on the District of Columbia Washington Convention and Sports Authority Internal Control Over Financial Reporting and on Compliance and Other Matters (OIG 12-1-05ES(a)).

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of an entity's financial statements will not be prevented, or detected and corrected on a timely basis. This report did not identify any deficiencies in internal control over financial reporting and compliance considered to be material weaknesses as identified above. Additionally, tests performed of compliance disclosed no instances of noncompliance or other matters required to be reported under Government Auditing Standards.

If you have questions or need additional information, please contact Ronald W. King, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,


Charles J. Willoughby
Inspector General

Enclosure

CJW/ws

cc: See Distribution List

DISTRIBUTION:

Mr. Allen Y. Lew, City Administrator, District of Columbia (via email)
Mr. Victor L. Hoskins, Deputy Mayor for Planning and Economic Development, District of Columbia
The Honorable Muriel Bowser, Chairperson, Committee on Government Operations, Council of the District of Columbia (via email)
The Honorable Jack Evans, Chairperson, Committee on Finance and Revenue, Council of the District of Columbia (via email)
Mr. Brian Flowers, General Counsel to the Mayor (via email)
Mr. Christopher Murphy, Chief of Staff, Office of the Mayor (via email)
Ms. Janene Jackson, Director, Office of Policy and Legislative Affairs (via email)
Mr. Pedro Ribeiro, Director, Office of Communications
Mr. Eric Goulet, Budget Director, Mayor's Office of Budget and Finance
Ms. Nyasha Smith, Secretary to the Council (1 copy and via email)
Mr. Irvin B. Nathan, Attorney General for the District of Columbia (via email)
Dr. Natwar M. Gandhi, Chief Financial Officer (1 copy and via email)
Mr. William DiVello, Executive Director, Office of Integrity and Oversight, Office of the Chief Financial Officer (via email)
Ms. Yolanda Branche, D.C. Auditor
Mr. Phillip Lattimore, Director and Chief Risk Officer, Office of Risk Management (via email)
Ms. Jeanette M. Franzel, Managing Director, FMA, GAO, Attention: Norma J. Samuel (via email)
The Honorable Eleanor Holmes Norton, D.C. Delegate, House of Representatives, Attention: Bradley Truding (via email)
The Honorable Darrell Issa, Chairman, House Committee on Oversight and Government Reform, Attention: Howie Denis (via email)
The Honorable Elijah Cummings, Ranking Member, House Committee on Oversight and Government Reform, Attention: Yvette Cravins (via email)
The Honorable Trey Gowdy, Chairman, House Subcommittee on Health Care, the District of Columbia, the Census and the National Archives, Attention: Anna Bartlett (via email)
The Honorable Danny Davis, Ranking Member, House Subcommittee on Health Care, the District of Columbia, the Census, and the National Archives, Attention: Yul Edwards (via email)
The Honorable Joseph Lieberman, Chairman, Senate Committee on Homeland Security and Governmental Affairs, Attention: Holly Idelson (via email)
The Honorable Susan Collins, Ranking Member, Senate Committee on Homeland Security and Governmental Affairs, Attention: Daniel Jenkins (via email)
The Honorable Daniel K. Akaka, Chairman, Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Attention: Benjamin Rhodeside (via email)
The Honorable Ron Johnson, Ranking Member, Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia
The Honorable Harold Rogers, Chairman, House Committee on Appropriations, Attention: Cornell Teague (via email)
The Honorable Norman D. Dicks, Ranking Member, House Committee on Appropriations, Attention: Laura Hogshead (via email)

Mayor Gray and Chairman Brown
FYs 2010 & 2011 Washington Convention and Sports Authority
Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters
OIG No. 12-1-05ES(a) – Final Report
March 2, 2012
Page 3 of 3

The Honorable Jo Ann Emerson, Chairman, House Subcommittee on Financial Services and
General Government, Attention: John Martens (via email)

The Honorable José E. Serrano, Ranking Member, House Subcommittee on Financial Services
and General Government, Attention: Laura Hogshead (via email)

The Honorable Daniel K. Inouye, Chairman, Senate Committee on Appropriations, Attention:
Charles Houy

The Honorable Thad Cochran, Ranking Member, Senate Committee on Appropriations

The Honorable Richard Durbin, Chairman, Senate Subcommittee on Financial Services and
General Government, Attention: Marianne Upton (via email)

The Honorable Jerry Moran, Ranking Member, Senate Subcommittee on Financial Services and
General Government, Attention: Dale Cabaniss (via email)

Mr. John E. Reagan, III, CPA, Public Sector Audit Division KPMG LLP (1 copy)



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

**Independent Auditors' 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***

To the Mayor and the Council of the Government of the District of Columbia
Board of Directors Washington Convention and Sports Authority
Washington, DC

We have audited the financial statements of the Washington Convention and Sports Authority (the Authority), a component unit of the Government of the District of Columbia, as of September 30, 2011 and 2010, and for the years then ended, and have issued our report thereon dated January 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2011 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.



Washington Convention and Sports Authority
January 26, 2012
Page 2 of 2

This report is intended solely for the information and use of management, the Board of Directors, the Mayor, the Council of the District of Columbia, and the Office of the Inspector General, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 26, 2012