

**D.C. CONTROL BOARD, IMPLEMENTATION OF  
PUBLIC LAW 105-33, AND POLICE MATTERS**

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**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON THE  
DISTRICT OF COLUMBIA  
OF THE  
COMMITTEE ON  
GOVERNMENT REFORM  
AND OVERSIGHT  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED FIFTH CONGRESS  
FIRST SESSION

DECEMBER 19, 1997

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# D.C. CONTROL BOARD, IMPLEMENTATION OF PUBLIC LAW 105-33, AND POLICE MATTERS

FRIDAY, DECEMBER 19, 1997

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA,  
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 9:10 a.m., in room 2154, Rayburn House Office Building, Hon. Thomas M. Davis (chairman of the subcommittee) presiding.

Present: Representatives Davis, Morella, and Delegate Norton.

Staff present: Ron Hamm, staff director; Howard Denis, counsel; Anne Mack, professional staff member; Ellen Brown, clerk; and Cedric Hendricks, minority counsel.

Mr. DAVIS. The meeting will come to order. Good morning. Seasons greetings. This is a time of year when we reflect on our many blessings, and surely our experience on this subcommittee over the 3 years justifies the hope that we have for the future of the Nation's Capital.

The municipal affairs of the Nation's Capital, for historic reasons reflecting fundamental national policy, is the most complex local government in the United States and perhaps the world.

In 1995, when this subcommittee was first created, the District of Columbia faced a spending and management crisis of epic proportions. Congress, in passing the "Control Board" legislation, embarked on a critically important process to address these issues in a truly bipartisan way. I am, as always, grateful to the ranking member, Delegate Eleanor Holmes Norton, Vice Chair Connie Morella, Speaker Gingrich, the congressional leadership and the executive branch, President Clinton, for working together through so many difficult issues over the past 3 years.

President Clinton has my deep gratitude for instructing the administration to work with Congress, and for the balanced leadership he has exercised in this regard. In recent days Mayor Barry has been critical of comments made by the President at his December 17th news conference. I must note in the cause of simple accuracy that I deem the Mayor's criticisms to be off base. Permit me to emphasize that the official name of the Control Board is the Financial Responsibility and Management Assistance Authority for good reason. The failure of management in the District played a major role leading to the creation of the Control Board in 1995. It is the continuing failure of management which led to the management reforms enacted this year. As noted by the Office of Management and Budget just 2 days ago, on a per capita basis, the District

spends more on law enforcement and schools than other cities of similar size and gets far too little for its investment. That is a management issue, pure and simple.

With patience and perseverance, the Control Board is having its intended effect, it has begun to instill much-needed fiscal discipline into the city's budget process. The city's return to the private financial markets and the spectacular arrival of the new MCI Arena is solid evidence that significant progress has been made.

I thank each and every member of the Control Board and its staff for working with Congress and for helping to achieve so many positive results under such difficult circumstances. I fully recognize that without the Control Board we would not have been in a position to move to the next level, which we did this year with the passage of the D.C. Revitalization Act and related measures. The result was a basic restructuring of the relationship between the Federal Government and the District of Columbia.

Key elements of the Revitalization Act include the Federal assumption of certain functions performed by State governments and incentives for economic development and private sector jobs. Authorization of any funds was conditioned on specific budget and management reforms. Thus, the District's financial and managerial tasks were reduced through cost avoidance of the fastest growing parts of its budget, such as Medicare and its criminal justice system. The Federal Government is making significant investments in these and other areas. Tax incentives were included, as well as the equally historic Tax Reform Act of 1997.

The management reform section of the Revitalization Act reflects concern that the District has suffered from exceptionally poor management practices. This section was not motivated by a desire to confer or remove specific power from existing governmental entities. Rather, it springs from a strong desire to provide direction to the Control Board and to the city. I feel very strongly that management issues are the long-term keys to good government and prosperity for the government of the District of Columbia.

Many of the issues addressed in the Revitalization Act were particularly urgent and time sensitive. Passage of a consistent budget for the District of Columbia for fiscal year 1998 was thus essential to keep our many reforms on track. This was done.

However, there is concern that progress and prospects in certain areas have not been as expeditious as called for under the circumstances. Today we will not only review the progress that has been made, but assess the timetable for implementation of the management reforms mandated in the Revitalization Act. This will include issues regarding personnel and procurement reform. The status of Medicaid, the Strategic Plan and the Financial Management Systems contract will also be reviewed.

In addition, we are seeking information on efforts to achieve an accurate census of the public school population in the District.

A certain amount of anxiety has been expressed by various parties about the process being followed with the consultant reports and the decisionmaking apparatus for implementing these recommendations. Those specific details are not the subject of this hearing, but they are of interest to this subcommittee and are fully appropriate issues for us to address. Therefore, I am announcing

that next month it is my intention to hold an additional hearing to review the management reforms in greater detail than is possible at this time. That hearing will include appropriate stakeholders.

We are pleased today to have Acting Police Chief Sonya Proctor, in her first appearance before a congressional panel in her new capacity, to update us on crime reduction efforts being undertaken by the Metropolitan Police Department. We are also seeking information on continuing efforts to implement the Booz-Allen study in certain public safety areas, including reorganization and re-equipment.

There has been a lot of attention and public comment regarding the Booz-Allen initiative and its relation to ongoing efforts to detect and root out alleged corruption in the Metropolitan Police Department. I trust that Chief Proctor and the Control Board witnesses will shed some light on these matters and clear up any misunderstandings which they feel may be overshadowing positive developments about crime reduction and MPD reforms.

1997 has been a year that has been marked by historic accomplishments, but I am fully cognizant that momentum must be maintained and that serious issues remain. I look forward to working with the Control Board and others next year to build on the progress we have made, and I would now yield to Delegate Norton, the ranking member of the subcommittee, for an opening statement.

[The prepared statement of Hon. Thomas M. Davis follows:]

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REP. TOM DAVIS  
 CHAIRMAN, D.C. SUBCOMMITTEE  
 DECEMBER 19, 1997  
 OPENING STATEMENT

Season's Greetings! This is a time of year when we reflect on our many blessings. Surely our experience in this Subcommittee over the past 3 years justifies the hope we have for the future of the Nation's Capital.

The municipal affairs of the Nation's Capital, for historic reasons reflecting fundamental national policy, is the most complex local government in the United States, perhaps the world.

In 1995, when this Subcommittee was first created, the District of Columbia faced a spending and management crisis of epic proportions. Congress, in passing the "control board" legislation, embarked on a critically important process to address these issues in a truly bi-partisan way. I am, as always, grateful to Ranking Member Delegate Eleanor Holmes Norton, Vice-Chair Connie Morella, Speaker Gingrich, the Congressional leadership, and the Executive Branch for working together through so many difficult issues over the past 3 years.

President Clinton has my deep gratitude for instructing his Administration to work with Congress, and for the balanced leadership he has exercised in this regard. In recent days Mayor Barry has been critical of comments made by the President at his recent news conference. I must note in the cause of simple accuracy that I deem the Mayor's criticisms to be off-base. Permit me to emphasize that the official name of the control board is the Financial Responsibility and Management Assistance Authority for good reason. The failure of management in the District played a major role leading to creation of the control board in 1995. And it is the continuing failure of management which led to the management reforms



enacted this year. As noted by the Office of Management and Budget just 2 days ago, on a per capita basis, the District spends more on law enforcement and schools than other cities of similar size and gets far too little for those investments. That is a management issue pure and simple.

With patience and perseverance the control board is having its intended effect. It has begun to instill much-needed fiscal discipline into the City's budget process. The City's return to the private financial markets and the spectacular arrival of the new MCI Arena is solid evidence that significant progress has been made.

I thank each and every member of the control board and its staff for working with Congress and for helping to achieve so many positive results under such difficult circumstances. Though I am not always satisfied with the pace of action and results we cannot afford to overlook the progress that is being made.

I fully recognize that without the control board we would not have been in a position to move to the next level, which we did this year with passage of the D.C. Revitalization Act and related measures.

The result was a basic restructuring of the relationship between the Federal government and the District of Columbia.

Key elements of the Revitalization Act included federal assumption of certain functions performed by state governments, and incentives for economic development and private sector jobs. Authorization of any funds was conditioned on specific budget and management reforms.

Thus the District's financial and managerial tasks were reduced through cost-avoidance of the fastest growing parts of its budget, such as Medicaid and its criminal justice system. The federal government is making significant investments in these and other areas. Tax incentives were included as well in the equally historic Tax reform Act of 1997.

The management reform section of the Revitalization Act reflects concern that the District has suffered from exceptionally poor management practices. This section was not motivated by a desire to confer or remove specific power from existing governmental entities. Rather it springs from a strong desire to provide direction to the control board and the City. I feel very strongly that management issues are the long term keys to good government and prosperity for the District of Columbia.

Many of the issues addressed in the Revitalization Act were particularly urgent and time-sensitive. Passage of a consistent budget for the District of Columbia for Fiscal Year 1998 was thus essential to keep our many reforms on track. This was done.

However, there is concern that progress and prospects in certain areas has not been as expeditious as called for under the circumstances. Today we will not only review the progress that has been made but assess the timetable for implementation of the management reforms mandated in the Revitalization Act. This will include issues regarding personnel, and procurement reform. The status of Medicaid, the Strategic Plan, and the Financial Management Systems contract will also be reviewed.

In addition, we are seeking information on efforts to achieve an accurate census of the public school population in the District.

A certain amount of anxiety has been expressed by various parties about the process being followed with the consultant reports and the decision-making apparatus for implementing the recommendations. Those specific details are not the subject of this hearing, but they are of interest to this Subcommittee and are fully appropriate issues for us to address. Therefore, I am announcing that next month it is my intention to hold an additional hearing to review the management reforms in greater detail than is possible at this time. That hearing will include appropriate stakeholders.

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There has been a lot of attention and public comment regarding the Booz-Allen mission and its relation to ongoing efforts to detect and root out alleged corruption within the MPD. I trust that Chief Proctor and the control board witnesses will shed some light on these matters and clear up any misunderstandings which they feel may be overshadowing positive developments about crime reduction and the MPD reforms.

1997 has been a year marked by historic accomplishments. But I am fully cognizant that momentum must be maintained and that serious issues remain. I look forward to working with the control board and others next year to build on the progress we have made.

Ms. NORTON. Thank you very much, Mr. Chairman. I want to welcome today's witnesses, and I want to thank Chairman Davis for calling this oversight hearing and for his continuing collegial and bipartisan support or approach.

May I say something first, Mr. Chairman, regarding the scurrilous article in a certain Capitol Hill newspaper, following our coupling as hosts for a TV viewing of the President's Akron, OH, race event, followed by a dialog here in the House?

Mr. Chairman, I might consider dating a younger man, as you are. I might even consider dating a white man, as I believe you are. But, Mr. Chairman, I would never consider dating a Republican, as I am sure you are.

I want to especially thank all five members of the Authority and particularly to thank Dr. Andrew Brimmer and Mr. Steve Harlan, who are here today all for their selfless volunteer service to the District of Columbia under very challenging circumstances, and to thank Chief Sonya Proctor for taking on her challenging post at a most critical time.

May I just simply say Ms. Proctor, as the Chair of the Women's Caucus in the Congress, what an important breakthrough and milestone it is to have the first woman appointed Chief of Police in 200 years of D.C. history, and as all appear to agree, a more meritorious appointment there could not have been.

Ms. PROCTOR. Thank you, Ms. Norton.

Ms. NORTON. I want briefly to lay on the record some thoughts about the Authority's work. I want to begin by complimenting and commending the Authority for its refreshing unwillingness to engage in apologies concerning its accomplishments. The Authority has accomplished a good deal, but in its 1977 annual report and the public—and their public statements, the members have never used the denial so common in politicians. The Authority opens its annual report by forthrightly acknowledging that the government is still, "in considerable disrepair," and that the Authority has not yet substantially met its congressional mandate. This attitude inspires confidence rather than criticism because it signals the willingness to do what needs to be done until expectations are met and sets an example for the District itself as the city comes out of the culture of denial. As long as we deny the problems, there is no reason to move forward to fix what we claim is already doing well enough. Whatever criticism the Authority has received, and I have offered some myself, does not detract from the integrity and quality of service the members have rendered.

In its annual report, the Authority attributes much of the D.C. government's sluggish progress to unexpected problems that were worse than expected. It indicates that it is not surprising that more progress has not been made. Actually, most Washingtonians expected the worst to be found, and I am surprised that progress has not been more rapid. The progress cannot be attributed to the Authority's lack of power, intelligence or diligence. Rather, I believe it is because no consistent set of goals have been set and rigorously tracked to assure achievement. It is because the intention to look for "low-hanging fruit" to show early progress was lost. It is because finances and management were approached separately when they are inextricably woven together. It is because a working rela-

tionship with elected officials was only episodically productive, a problem that by no means rests entirely with the Authority. It is because too few areas of substantial visibility have been targeted so as to build confidence in fleeing taxpayers that progress was possible and indeed was being made.

At the same time, the Authority often has not gotten credit for the important contributions it has made. The overspending is mostly gone. Vendors don't call my office every day looking for their money. The District's standing on Wall Street is improving. The Authority and the city have come together on a consensus budget on more than one occasion. And the Authority and the city met the requirement necessary to obtain the President's rescue package by coming into balance 1 year ahead of schedule. These important milestones by no means exhaust the Authority's achievements most of which appear in the annual report. Yet, overwhelmed with the District's problems and lacking a rigorous plan of action, the Authority is often engaged in crisis management from the recent hurried attempt to get out in front of allegations of corruptions in the Police Department to the strike now threatened by school employees after years of seeking enforcement of an arbitrator's order and 7 years of no raises. When budget shortfalls have occurred, the Authority and the Chief Financial Officer often have caught them by making rapid cuts unrelated to management reform, and this in turn sometimes has actually exacerbated the crisis in operations and service delivery.

My greatest disappointment, of course, has been the situation that produced a fair clause provision that took down substantial amounts of home rule. Whatever the condition of the District, this was an unconscionable violation of the most elementary notions of democracy. At the same time, it was a catastrophe waiting to happen. Without even rudimentary reform begun in most agencies, the temptation for Congress to step in was there for months. Calls for management restructuring fell on deaf ears.

In a democracy, elected officials must bear the responsibility, but in the District, elected officials also had a Control Board in part because they had failed at management. The statutory management mandate of the Authority was just as strong as the financial mandate. Yet systematic, citywide management reform did not occur until the Congress acted. The Authority therefore shares the responsibility as well for recent home rule losses.

Instead of giving technical assistance in management to the District, the Authority engaged in studies that made recommendations to a government no one in the District expected to reform itself. In the middle of the difficult negotiations on the rescue package, the Washington Post published a sizzling two-page, two-part series documenting hundreds of millions of dollars of waste, relying almost entirely on unimplemented Authority studies.

Contrary to some conspiracy theories, the Authority did not seek the additional power from Senator Faircloth that was ultimately incorporated in the Revitalization Act. The Senator turned to the only entity in place. However, the Authority itself has sometimes needlessly overrun home rule on its own. The Authority rejected an alternative to the take-down of the school board, which would have accomplished the same purposes. The option that included bringing

on General Becton and an additional oversight body was rejected, even though this compromise was acceptable to the school board. The Authority attempted to overturn Council legislation regarding the lottery board without consulting with Congress as required under section 207 of the Authority's statute and ignored letters and calls from the Council simply requesting a meeting. And the Authority went beyond the Faircloth provisions by ordering department heads to report directly to the Authority, "with respect to all duties of their office," instead of only with regard to the management and reform plans, as the Faircloth provision provided.

Despite this criticism, I continue to have the highest regard for all five members of the Authority for the job they have done. As always, my criticism reflects the oversight that is my obligation to exercise. That oversight is all the more important if I am to do what I can to keep the Congress out of the District's business.

In calling Chief Proctor today, Chairman Davis and I are not interested in a congressional investigation of the Police Department. The way to keep Members of Congress where we are is to adopt a modus operandi that assures residents and all concerned that the appropriate parties are performing the roles and functions expected of them in a tripartite system of government. The Authority and the city deserve credit for responding to allegations of corruption, but in their haste, they attempted to build a mechanism at war with our form of government. In a separation-of-powers government, no one actor can meld or supplant or assume leadership and subordinate the functions of the other actors. Just as Chairman Davis and I, as members of the Government Reform and Oversight Committee, are investigating campaign finance abuses, so too is Attorney General Reno. The framers so intended, even though there will be occasions of overlap when all must adjust to one another accordingly.

Thus, the Council must be allowed, even encouraged, to engage in rigorous oversight of the Police Department, including allegations of corruption. The Inspector General must root out operational waste, fraud and abuse, and not only in the Police Department, but in the entire government, as the Authority statute directs. And the U.S. Attorney must conduct criminal prosecutions and investigations as only the U.S. Attorney is empowered to do. Our checks-and-balances government has never been neat, but we don't have a parliamentary or unitary government in this country. The job must be done, recognizing that the branches have overlapping responsibilities. They must sort them out and coordinate as they go along.

I want to thank Chairman Davis once again for calling this hearing in keeping with the subcommittee's goal to hold regular oversight hearings on the Authority's work in progress. I also want to thank the chairman for agreeing to hold a hearing during the third week of January to concentrate on the consultants' report. It will be important at that time to hear from elected officials and union

representatives as well as from the Authority.

Once again, I welcome the members of the Authority and Chief Proctor.

[The prepared statement of Hon. Eleanor Holmes Norton follows:]

ELEANOR HOLMES NORTON  
DISTRICT OF COLUMBIA

COMMITTEE ON  
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**Congress of the United States**  
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CO-CHAIR  
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WOMEN'S ISSUES

**STATEMENT OF CONGRESSWOMAN ELEANOR HOLMES NORTON AT  
A D.C. SUBCOMMITTEE OVERSIGHT HEARING ON THE FINANCIAL  
AUTHORITY AND POLICE MATTERS**

December 19, 1997

I want to thank Chairman Tom Davis for calling this oversight hearing and for his continuing collegial and bipartisan approach. May I say something first, Mr. Chairman, regarding the scurrilous article in a certain Capitol Hill newspaper following our coupling as hosts for a T.V. viewing of the President's Akron, Ohio race event followed by a dialogue here in the House. Mr. Chairman, I might consider dating a younger man as you are, I might even consider dating a white man as I believe you are, but, Mr. Chairman, I would never consider dating a Republican, as I am sure you are.

I want especially to thank all five members of the Authority for their dedicated and selfless volunteer service to the District of Columbia under very challenging circumstances and to thank Chief Sonya Proctor for taking on her challenging new post at a most critical time.

I want briefly to lay on the record some thoughts about the Authority's work. I want to begin by complimenting and commending the Authority for its refreshing unwillingness to engage in apologies concerning its accomplishments. The Authority has accomplished a good deal, but in its 1997 Annual Report and their public statements, the members have never used the denial so common in politicians. The Authority opens its Annual Report by forthrightly acknowledging that the government is still "in considerable disrepair" and that the Authority has not yet substantially met its congressional mandate. This attitude inspires confidence rather than criticism because it signals the willingness to do what needs to be done until expectations are met and sets an example for the District itself as the city comes out of the culture of denial. As long as we deny the problems, there is no reason to move forward to fix what we claim is already doing well enough. Whatever criticism the Authority has received (and I have offered some myself), does not detract from the integrity and quality of service the Members have rendered.

In its Annual Report, the Authority attributes much of the D.C. government's sluggish progress to unexpected problems that were worse than expected and indicates that it is not surprising that more progress has not been made. Actually, most Washingtonians expected the worst to be found and are surprised that progress has not been more rapid. The progress cannot be attributed to the Authority's lack of power, intelligence or diligence. Rather, I believe it is because no consistent set of goals have been set and rigorously tracked to assure achievement. It

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is because the intention to look for "low hanging fruit" to show early progress was lost. It is because finances and management were approached separately when they are inextricably woven together. It is because a working relationship with elected officials was only episodically productive -- a problem that by no means rests entirely with the Authority. It is because too few areas of substantial visibility have been targeted so as to build confidence in fleeing taxpayers that progress was possible and indeed was being made.

At the same time, the Authority often has not gotten credit for the important contribution it has made. The overspending is mostly gone. Vendors don't call my office everyday looking for their money. The District's standing on Wall Street is improving. The Authority and the city have come together on a consensus budget on more than one occasion. And the Authority and the city met the requirement necessary to obtain the President's rescue package by coming into balance one year ahead of schedule. These important milestones by no means exhaust the Authority's achievements, most of which appear in the Annual Report.

Yet, overwhelmed with the District's problems and lacking a rigorous plan of action, the Authority has often engaged in crisis management -- from the recent, hurried attempt to get out in front of allegations of corruption in the Police Department, to the strike now threatened by school employees after years of seeking enforcement of an arbitrator's order and seven years of no raises. When budget shortfalls have occurred, the Authority and the Chief Financial Officer often have caught them by making rapid cuts unrelated to management reform, and this in turn sometimes has actually exacerbated the crisis in operations and service delivery.

My greatest disappointment, of course, has been the situation that produced the Faircloth provision that took down substantial amounts of home rule. Whatever the condition of the District, this was an unconscionable violation of the most elemental notion of democracy. At the same time, it was a catastrophe waiting to happen. With even rudimentary reform not begun in most agencies, the temptation for Congress to step in was there for many months. Calls for management restructuring fell on deaf ears. In a democracy, elected officials must bear the responsibility, but in the District, elected officials also had a control board in part because they had failed at management. The statutory management mandate of the Authority was just as strong as the financial mandate. Yet systematic, citywide management reform did not occur until the Congress acted. The Authority therefore shares the responsibility as well for recent home rule losses. Instead of giving technical assistance in management to the District, the Authority engaged in studies that made recommendations to a government no one in the District expected to reform itself. In the middle of the difficult negotiations on the rescue package, the Washington Post published a sizzling two-part series documenting hundreds of millions of dollars of waste, relying almost entirely on unimplemented Authority studies.

Contrary to some conspiracy theories, the Authority did not seek the additional power from Senator Faircloth that was ultimately incorporated in the Revitalization Act. The Senator turned to the only entity in place. However, the Authority itself has sometimes needlessly overrun home rule on its own. The Authority rejected an alternative to the take-down of the



school board which would have accomplished the same purposes. The option that included bringing on General Becton and an additional oversight body was rejected, even though this compromise was acceptable to the school board. The Authority attempted to overturn Council legislation regarding the lottery board without consulting with Congress as required under section 207 of the Authority's statute and ignored letters and calls from the Council simply requesting a meeting. And the Authority went beyond the Faircloth provisions by ordering department heads to report directly to the Authority "with respect to all the duties of their office," instead of only with regard to the management reform plans -- as the Faircloth provision provided.

Despite this criticism, I continue to have the highest regard for all five members of the Authority for the job they have done. As always, my criticism reflects the oversight that is my responsibility to exercise. That oversight is all the more important if I am to do what I can to keep the Congress out of the District's business.

In calling Chief Proctor today, Chairman Davis and I are not interested in a congressional investigation of the Police Department. The way to keep Members of Congress where we are is to adopt a *modus operandi* that assures residents and all concerned that the appropriate parties are performing the roles and functions expected of them in a tripartite system of government. The Authority and the city deserve credit for responding to allegations of corruption, but in their haste, they attempted to build a mechanism at war with our form of government. In a separation of powers government, no one actor can meld or supplant or assume leadership and subordinate the functions of other actors. Just as Chairman Davis and I, as members of the Government Reform and Oversight Committee, are investigating campaign finance abuses, so too is Attorney General Reno. The framers so intended, even though there will be occasions of overlap when all must adjust to one another accordingly. Thus, the Council must be allowed -- even encouraged -- to engage in rigorous oversight of the Police Department, including allegations of corruption. The Inspector General must root out operational waste, fraud and abuse and not only in the Police Department, but in the entire government, as the Authority statute directs. And the U.S. Attorney must conduct criminal prosecutions and investigations as only the U.S. Attorney is empowered to do. Our checks and balances government has never been neat, but we don't have a parliamentary or unitary government in this country. The job must be done recognizing that the branches have overlapping responsibility. They must sort it out and coordinate even as they go along.

I want to thank Chairman Davis once again for calling this hearing in keeping with the Subcommittee's goal to hold regular oversight hearings on the Authority's work and progress. I also want to thank the Chairman for agreeing to hold a hearing during the third week of January to concentrate on the consultants' reports. It will be important at that time to hear from elected officials and union representatives as well as the Authority.

Once again, I welcome the members of the Authority and Chief Proctor.

Mr. DAVIS. Thank you very much, Ms. Norton. I now recognize the vice chairman of the subcommittee, the gentlelady from Maryland, Mrs. Morella.

Mrs. MORELLA. In the interests of hearing from our witnesses, my statement will be mercifully brief. I appreciate your efforts to hold this hearing in order to get an update on the progress of the D.C. Control Board regarding management reform in the District and a status report on public safety by the Metropolitan Police Department.

The financial Control Board that this committee authorized has broad powers and vast authority over the D.C. government. This board has been given more power than any oversight board that has been set up in any other city in the United States; and as you know, I have been an advocate of a strong Control Board because I believe that bold actions need to be taken to address mismanagement which is rampant in the District of Columbia.

So I look forward to this update from the board on the measures that have been taken so far and the work that must be done and the plans for that work to be done in the future.

Because public safety is one of the top concerns of people living in and around the District of Columbia, I also look forward to hearing and getting an update on the status of this issue. When we last heard from the Metropolitan Police Department, we were discussing an overtime scam that was rampant within the department, and since that time Chief Larry Soulsby has resigned.

I am certainly pleased to welcome Acting Police Chief Sonya Proctor. We were just recently together at a press conference with regard to the community working together for bulletproof vests.

Again, I thank you, Mr. Chairman, for holding this important hearing. I am going to listen with very great interest and concern to the testimony from our expert witnesses.

Mr. DAVIS. Thank you very much, Mrs. Morella.

I will swear everybody in, and let me say we are going to hear from Dr. Brimmer first and then ask him questions.

Mr. Harlan and Chief Proctor, if you feel the need during his testimony to get up and get a drink or leave, you are free to do that; but I am going to swear you all in now, and at the conclusion of his remarks, we will center on the two of you. So, please all stand.

[Witnesses sworn.]

Mr. DAVIS. Let the record show the witnesses have responded in the affirmative.

Dr. Brimmer, please proceed.

**STATEMENT OF DR. ANDREW F. BRIMMER, CHAIRMAN, D.C. FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY, ACCOMPANIED BY DR. JOYCE LADNER, AUTHORITY MEMBER**

Mr. BRIMMER. Thank you very much, Mr. Chairman and members of the subcommittee.

Let me say at the outset, Mr. Chairman, Members, that I will be staying before this committee today as long as the committee desires. As I've mentioned to the Chair, I do have an invitation to accompany the President when he makes a presentation today that—

if at all possible, I would like to do that, but my first duty is to appear before this committee today, and I am here to do that.

Mr. DAVIS. Dr. Brimmer, we have your full statement, so you can summarize it and we can get right to the questions if you'd like to highlight it.

Mr. BRIMMER. Thank you very much.

Mr. Chairman, appearing with me today, as you've already indicated, is my colleague, Steve Harlan, the vice chair. The two of us are here to respond to your request that we appear before the committee today to testify on the progress we have made with respect to removing the obstacles that we face and restoring the financial viability and management capacity of the District.

In your request, you invited us to discuss the overall progress that has been made in improving the District, as well as requesting that we provide an update on a number of specific issues, including management reform, regulatory reform, education, public safety and financial management.

More than 2 years after the creation of the Authority and the appointment of its members, we must report unfortunately that the government in operation of the Nation's Capital remains in serious trouble. The Authority has accomplished some significant and frequently hard-won improvements that have helped to stabilize a number of aspects of the city's financial and management condition. However, today we have had only limited success in meeting the congressional mandate to improve the District fundamentally. On numerous occasions, members have testified before the Congress, including the subcommittee, about the worse-than-expected condition of the District that we have encountered.

The Authority in the District, with the help of all stakeholders, have made discernible progress in certain areas, particularly financial management. For instance, the District will achieve a balanced budget in fiscal 1998, a full year ahead of the mandated deadline. The city is also able to borrow funds again on its own. Nevertheless, we are still keenly aware that the list of problems still outstanding remains longer than the list of problems which have been fixed. One need only to review the findings and recommendations of the management consultants that have submitted reports to the Authority in compliance with the Revitalization Act.

The years of neglect have taken a drastic toll on the city's government, on its facilities, structure, operations and service delivery. Although there are no quick fixes for the District, there is hope. The effort now under way to reform the government practices and to improve service delivery provides the District with a unique opportunity to make permanent changes.

With respect to management reform plans, we have completed the first three phases of the mandated program. We have engaged consultants. They have made reviews and assessments of the nine departments and four citywide functions. They have made recommendations; we are now in the process of examining those recommendations. So far we have identified some 342 recommendations.

Now, we are not able to finance all 342 recommendations. They all have merit. However, we are faced with the need to ration the amount of money available to us, because it is limited to finance

the recommendations. So we are now in the process of looking more carefully at 170 of those recommendations. Today and all this week we have been engaged with the members of the management reform team in a process whereby we examine all 342 recommendations, and we are making a decision as to which one we can go forward with. That will be concluded later this week or early next week. We will then sit down with the members of the management reform team to go through those 170 and decide precisely which ones we can examine. And for that purpose we will have to weigh not only the cost savings that can result, but the improvements that will take place.

We can say at the outset that there are several areas where considerable improvement will be needed. All of the management reform reports highlight the extreme shortage of computers and other calculating equipment. They've all emphasized the paucity of training of District employees. So we will be examining these reform measures—proposals in the light of what we can do to balance off those competing objectives as well as shortage of finance.

I would say that, thanks to the Congress and the way it allowed the Authority to use the one-time surplus, that will be achieved in 1998. We told the Congress that if the surplus were appropriated to us, we would use some of it to make some reduction in the accumulated deficit, but we will also use some to finance management reform, investments in productivity and improvements in the capital structure of the District. We propose to do that.

Mr. Chairman, I would now like to address briefly some of the other issues that you mentioned. One of these is in the area of personnel reform. The Authority's worked closely with the Council of the District and the Office of Personnel to craft amendments to the Comprehensive Merit Personnel Act. This will mark the first time in almost 20 years that the District government has embarked upon a wholesale reform of its personnel mores. The legislation, which was marked up on December 15, represents a substantial, much-needed departure from the existing personnel system.

What is truly promising about this new legislation is that it was developed in cooperation with several of the District's labor unions. I describe the reform in personnel quite fully in my statement, Mr. Chairman, and I would simply call the committee's attention to that.

In the same way, the District's disability compensation program is another area where reform efforts are under way. The District has now moved to a managed care system which requires injured employees to obtain treatment from health care providers under contract with the District. This approach controls the cost of Medicare while ensuring that employees are receiving care from physicians who are expert in the field of on-the-job injury.

With respect to procurement, we have indicated—and many times in our reports and in testimony before this committee—that the District's procurement operations are ineffective. On January 31, 1997, the Authority released its first report on the District procurement operations. Those reports detail—those reports set out in great detail the problems and the procedures we have now engaged in in trying to improve the personnel system of the District; and they are documented in my testimony as well.

With respect to pension Reform, of course, the most vital part of the solution of this problem was the Federal Government's assumption of the unfunded \$5 billion of unfunded pension liability, and that is a major accomplishment. And because the Federal Government has taken that responsibility, it was necessary to have a replacement program for at least five teachers and so on. Now that act, which was passed early this year, will become effective in late January.

To achieve the goals of the legislation, the temporary act established the replacement retirement program and plan for pension benefits accrued after June 30, 1997. It established the requirements for full funding and management on an actuarially sound basis, and there are some other features of the plan. But it is a plan designed to accomplish the goal of providing security and at the same time minimizing costs to the District.

With respect to regulatory reform, we have had several programs under way. First, as part of the overall management reform program, we have under way a number of reviews, particularly of the Department of Consumer and Regulatory Affairs, and a number of recommendations have come out of those as well.

The Congress mandated that the Authority undertake a separate, thorough review of regulations in the District; and if we were to find after—we have 6 months to do that—that there are regulations which serve to impede and have a negative impact on business and economic development in the District that we should take steps to replace—to change those.

We have established a task force to undertake that, we have engaged the assistance of an outside law firm that is an expert in the area and which served as a counsel for the Business and Regulatory Reform Commission. They are helping us with this review, which I refer to as the "mandated review," and in the process, we are also reviewing, as we were required by law to do, the recommendations of the Business and Regulatory Reform Commission. That work is going forward and we expect to have—we will meet our deadline of providing a report to the Congress within the 6-month period. And we will also comment on the recommendations of the Business and Regulatory Reform Commission.

Now, at the same time, a review of regulation is going forward in the City Council. The Chair of the appropriate committee in the Council has drafted legislation. It is now being debated in the Council, and we are—have been cooperating with the drafters of that legislation. We have had a number of meetings, and we will make certain that we do not trip over each other as we seek to reduce the unnecessary burden of regulation in the District. Those efforts are under way, and as I said, we will meet our deadline.

Mr. Chairman, the committee also asked about managed care contracts. This is a very complicated matter. The city set out to reform Medicaid and the availability of Medicaid to recipients. Basically what the city has done is to adopt a managed care approach as opposed to individual fee-for-service that is now going on.

In carrying out that program, the city did let a contract—competitive contract which ended up selecting four providers of the service on a managed basis. There were seven bidders who were in the final round. The city decided that four had put forward the

most promising program and was proceeding to make contracts with those four. The decision was challenged.

The matter then went before the Contract Review Board which found that the procedures, the bidding approach, had been flawed and the—an effort is now under way to negotiate an arrangement whereby the three could participate as well. That is under way; we are hopeful that the matter can be resolved very soon.

Mr. Chairman, you also asked about the enrollment in the District's schools. As you know, the schools recently completed a count and made a report, and the new count found some 77,000 students in the system—enrolled in the system. Under the statute, we at the Authority are mandated to have an independent audit of that count. We have drafted an RFP. I was told this morning that it is ready to be put out quickly, and we will conduct that audit as required by the Congress.

In the meantime, the report published by the school system a few days ago shows a number. We have not examined it in any detail, so we don't have any comments to make on it. We will be engaging outside auditors to perform an audit and we will have our assessment at that time.

Mr. Chairman, there is a question—you also asked about the disposition of surplus school properties. The way that is working, this is the responsibility of the Board of Trustees and the CEO of the school system. They have gone through a long and comprehensive process to identify properties which are surplus and which are available for disposition. To date, the school system has successfully completed the sale of one school, the Dent School on Capitol Hill, for \$410,000 in cash.

The Trustees have also approved a sale of several other schools. These include Hardy School and Wormley School to Georgetown University; Webster School to the Culinary Arts Group; Fillmore School to Corcoran Museum of Art; Buchanan School to the National Graduate University; Gage School to Peoples Investment Corp.; Keene School to Promise International; and Edmonds School to the Public School Federal Credit Union, for a combined total of \$10.6 million.

Upon closing, the \$10.6 million will be held at the Authority for the schools' capital repairs. The process is going forward in an orderly manner, and the decisions as to which schools to offer for sale have been made by the Board of Trustees. The Authority must review and approve those, and we certainly will review and decide whether we will approve or not and that—when those come to us, we will make those decisions and we will do so on the basis of the extent to which the process has been open and systematic and the degree to which it conforms to the adopted procedures.

There has been a great deal of discussion, particularly, about one school, Hardy School, the matter when it comes to us we will make a decision on that.

Finally, Mr. Chairman, you asked about the financial management system. As you know, this has been one of our major objectives of improving that. It is now under way. The legislation that was adopted this year, especially the budget, made it possible for us to proceed, and that is going forward; and the early results are very, very promising, and we are highly confident that that system

will be in place very soon and it will make a substantial difference in the operation of the District financial system.

Thank you, Mr. Chairman. Those are the highlights of my report, and as I said, I would like it all to be put into the record plus several attachments, all right, which I mentioned in my report.

Mr. DAVIS. Then, without objection, your total statement and attachments will be put in the record for the committee.

[The prepared statement of Mr. Brimmer follows:]

## STATEMENT OF THE CHAIRMAN

### DR. ANDREW F. BRIMMER

Mr. Chairman and Members of the Subcommittee:

Good morning. My name is Andrew F. Brimmer, and I am Chairman of the District of Columbia Financial Responsibility and Management Assistance Authority (Authority). Appearing with me is Mr. Stephen Harlan, Vice Chair of the Authority.

The Authority appreciates this opportunity to testify before the Subcommittee and to discuss with Members the progress we have achieved, and the obstacles which remain, in restoring the financial viability and management capacity of the District Government.

#### Introduction

Mr. Chairman, you requested in your invitation for this morning's hearing that the Authority discuss the overall progress that has been made in improving the District. You also requested that we provide an update on a number of specific issues, including management reform, regulatory reform, education, public safety, and financial management.

More than two years after the creation of the Authority, and the appointment of its Members, in June, 1995, we must report to you that the government and operations of the Nation's Capital remain in serious trouble.

The Authority has accomplished some significant and, frequently, hard-won, improvements that have helped to stabilize aspects of the City's financial and management condition. However, to date, we have had only limited success in meeting the Congressional mandate to improve the District fundamentally.

On numerous occasions, Authority Members have testified before the Congress -- including this Subcommittee -- about the worse-than-expected condition of the District that we have encountered. The Authority and the District, with the help of all stakeholders, have made discernible progress in certain areas, particularly financial management. For instance, the District will achieve a balanced budget in FY 1998 -- a full year ahead of the mandated deadline. The City is also able to borrow funds again on its own. Nevertheless, we are still keenly aware that the list of problems still outstanding remains longer than the list of problems which have been fixed. One need only to review the findings and recommendations of the



management consultants, which have submitted reports to the Authority in compliance with the National Capital Revitalization and Self-Government Improvement Act (Revitalization Act), to identify the serious problems confronting the District.

Years of neglect have taken a drastic toll on the City's government - on its facilities, structure, operations, and service delivery. Although there are no quick fixes for the District, there is hope. The effort now underway to reform management practices, and to improve service delivery, provides the District with a unique opportunity to make permanent changes.

#### Management Reform Plans

Mr. Chairman, the Revitalization Act, which was signed by the President on August 5, 1997, required that the Authority engage consultants to develop and to implement management reform plans to improve public services for the following departments and government-wide functions: Administrative Services; Consumer and Regulatory Affairs; Corrections; Employment Services; Fire and Emergency Services; Housing and Community Development; Human Services; Public Health; Public Works; Asset Management; Information Resources Management; Personnel Management; and Procurement.

Since the passage of the Revitalization Act, the Authority has moved aggressively to implement the first phase of management reform—the development of the management reform plans. We are pleased to report that this work has largely been completed. The consultants have identified the most significant deficiencies hampering effective public service provision in the District government. Furthermore, at our direction, they have documented the current state of agencies and their capacity to undertake needed reforms.

As required under the Act, management reform teams have been created and charged with the implementation of reform plans recommended by the consultants and approved by the Authority. The management reform teams consist of the Chairman of the Authority, the Mayor, the Chairman of the Council of the District of Columbia, and the head of the affected department. To ensure that the management reform teams are knowledgeable about the plans and projects prior to their implementation, and to facilitate the participation of the elected leadership in the development of the plans, teams were convened early in the reform process.

The legislation required the Authority to obtain consultants within 30 days, or at its option within 60 days, of enactment. On August 20, 1997, the Authority issued a solicitation requesting proposals for assessing, developing, and implementing management reform plans. One hundred and

thirty-three solicitations were distributed and 71 proposals were received and evaluated. By September 4, 1997, within the 30 day requirement, contracts were awarded to management and program experts. The total cost was \$6.5 million.

As the first step in the development of the management reform plans, the consultants conducted an assessment of the management and program operations of the eight agencies and four District wide functions.<sup>1</sup> The assessment entailed the review of strategic plans, organizational structures, service delivery systems and processes, and the actual delivery of services to citizens. The assessments documented serious deficiencies in how the agencies were delivering services and their effect on District residents and visitors. The findings ranged from the lack of capable staff with the requisite skills to do their jobs; the presence of outdated and, in some instances, obsolete technology to support service delivery; inadequate business practices; and an absence of effective cost reduction methods. Among the consultants' cited examples of management failures were the following:

- The Department of Employment Services has no clear goals, nor any effective mechanisms for strategic planning or direction-setting. The functions of major divisions within the Department are rarely coordinated.
- The Department of Housing and Community Development's loan underwriting processes unnecessarily duplicate many steps performed by the private lending participants.
- The District has a fire death rate averaging more than 60 percent above the national average and has one of the highest per capita fire death rates among American cities.
- In the Department of Health, at a time of scarce resources, an average of 25 percent of grant funds were not expended in fiscal years 1991 through 1997.
- The Office of Personnel has lost experienced managers and specialists, and the institutional memory and expertise they represented have not been replaced. There is an immediate need for training to restore this expertise so that the District can more effectively manage its public sector workforce.
- The procurement system is working badly. A lack of planning and the confusion over the responsibilities of all the participants have hindered the procurement of vital services.
- The average age of the Public Works fleet of sanitation trucks and plows is 7.8 years, twice as old as the industry standard. Less than one-fifth of vehicle repairs are completed within 48 hours, the industry standard.

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<sup>1</sup> No contract was let to examine the Department of Administrative Services because much of its activity was covered by the review of District-wide functions.

The second step in developing the management reform plans consisted of the identification of management improvement projects that could address the many deficiencies cited by the contractors during the assessment phase. On October 25, 1997, the consultants submitted recommended improvement projects. Then, on November 25, 1997, the consultants, within 90 days of being hired, submitted the final management reform plans.

The Authority has begun to review proposed projects. A data base has been assembled to assist in the review, and final decisions are to be made shortly. The Authority has exercised the option to submit the management reform plans within the 120 days provided by law. The extension allows for a concerted review of the plans, as well as an opportunity to reconvene the management reform teams to select improvement projects. Staff has developed decision criteria to aid in the process. Among them are revenue generation, cost reductions, customer impact, and the likelihood of successful implementation. Using these criteria, 170 projects have been selected for initial consideration.

Mr. Chairman, the Authority has always envisioned that the process of reform would not wait until the adoption of the plans, but would commence upon the identification of opportunities to address management and performance problems that have plagued public service delivery. We see immediate opportunities to address performance problems, to obtain gains in productivity, to yield increased revenues, and to improve service delivery. The Authority has assembled a list of immediate improvement opportunities, and we have shared those projects with other members of the management reform teams. None of the projects will require additional budgetary resources. Once all team members have provided comment, the Authority will accept those projects for immediate implementation.

As mentioned, the Authority is poised to implement the reform plans. Through a collaborative process with the members of the management reform teams, the Authority will select the other projects and ensure that necessary funding is available to support their implementation. The Authority will then instruct the department heads to begin implementation of the plans, which we will monitor. To assist the Authority in this effort, we have created the position of Chief Management Officer, who will be charged with overseeing the implementation of the plans and working on a daily basis with agency directors. We are actively engaged in selecting such a person, and we expect to make an announcement soon. As the Authority stated in its Management Charge upon the assumption of its responsibilities for these agencies, we expect that (through the leadership of its directors) agencies will produce swift and sustained improvements to the quality of life of

District residents and visitors -- positive change that our citizens can measure—and support—on their own.

### Personnel Reform

Mr. Chairman, I would like now to address some of the other issues mentioned in your invitation. One of those areas is personnel reform. The Authority has worked closely with the Council of the District of Columbia and the Office of Personnel to craft the amendments to the Comprehensive Merit Personnel Act. This will mark the first time in almost twenty years that the District government has embarked upon a wholesale reform of its personnel laws. The legislation, which was marked-up on December 15, 1997, represents a substantial, and much-needed, departure from the existing personnel system. What is truly promising about this new legislation is that it was developed in cooperation with several of the District's larger labor unions.

Among other things, the proposed law will create a new managerial and supervisory service that requires that personnel obtain training prior to entering the managerial service and to continue receiving training on an annual basis once they have joined the service. Failure to obtain this annual training will result in dismissal from the service. This will ensure that the District has a cadre of trained management personnel to oversee its operations. In addition, members of this new service will serve at the pleasure of their respective agency heads. In the past, agency heads have complained that they could not implement policies or improve operations because of ineffective managers who could not be removed. Under the new law, managers and supervisors will not have job tenure and, therefore, can be more effectively held accountable for their performance.

The new law will also simplify the adverse action procedures. It will replace the twenty-two (22) causes outlined in the Merit Personnel Act with three all-encompassing grounds for adverse action. It will also expedite the rather cumbersome, internal agency review process and restrict the scope of review by the Office of Employee Appeals. There will be a new leave program which should reduce the District's financial liability for annual and sick leave pay outs, while improving productivity.

The Office of Personnel is also undergoing a transformation. One effort in this regard is to identify high-skilled personnel to serve as advisors to agency heads to ensure the continuous access to personnel expertise. The Office is also attempting to improve its ability to recruit personnel at all levels so that the District can reduce its reliance upon private search firms. One important aspect of the recruitment reform effort will be to reduce the time that it now takes to hire new employees. Excessive delay in recruiting and appointing new employees has been a constant criticism of the Office of

**Personnel.** The reform of the hiring process is an effort to address that criticism. Furthermore, as part of the implementation of the CAPPS system, the Office of Personnel has undertaken a review of employee personnel records to assure that all of the information that is entered into the new system is correct.

As part of the reform effort, the Office of Personal will oversee the reclassification of positions within the District government. There are a number of employees in single job titles or who occupy positions that have little to do with their job duties. Reclassification efforts will seek to streamline job classifications and bring skills and abilities into line with job responsibilities and agency needs. In this same vein, the Office will work to rationalize the District's compensation policies in order to attract highly skilled employees on a competitive basis.

#### Disability Compensation

The District's Disability Compensation program is another area where reform efforts are under way. The District has now moved to a managed care system, which requires injured employees to obtain treatment from health care providers under contract with the District government. This approach controls the cost of medical care while ensuring that employees are receiving care from physicians who are expert in the field of on-the-job injury. Currently, the Department of Employment Services is attempting to out source the administration of its disability system. This should also serve to reduce costs and improve the quality of service to injured employees.

#### Procurement Reform

The Authority has indicated for some time now that the District's procurement operations are ineffective. On January 31, 1997, the Authority released its first report on the District's procurement operations. The report, entitled "District of Columbia Procurement System", opened with the statement "The District's procurement system is in crisis." The Authority's subsequent report "A Crisis in Management" (March 6, 1997), as well as continuing work by the management reform consultants, confirmed that assessment. There remain no District-wide standards, rules, policies, procedures, quality assurance guidelines, performance measures, or accountability with respect to the District's procurement operations. We are pleased, therefore, that the projects recommended for the procurement portion of the Management Reform Plan are designed to repair this badly broken system.

The major problems that the Authority and the procurement consultants have found include the following:

- **Contracts are developed in the agencies without benefit of a District-wide Procurement Policy and Procedure Manual, or of any common quality assurance standards.**
- **Performance based Statements of Work, objective comparison of bids, and effective contract management are the exception, not the rule. The lack of standards makes it time consuming and expensive to do business with the District, and risks supplier protests.**
- **Weak planning and poor management exist throughout the procurement service delivery process. Poor planning results in poor quality procurements. Poor Statements of Work handicap quality procurements. Lack of firm, pre-obligated funds further wastes supplier and District time and jeopardizes quality contracts.**
- **District procurement is not organized to deliver effective or efficient service. Compared to benchmark municipalities, the District pays too much for its goods and services, employs far too many people to do it, and takes too long.**
- **In the past, vendors were not paid, or paid after long delays. Many good vendors now refuse to do business with the District. Agencies note fewer and fewer good quality responses to bid offers.**
- **The majority of Procurement staff in the District report not to the Chief Procurement Officer, but to the agency heads. The Officer currently re-delegates certain contracting authority to agency personnel who are not in fact warranted or accountable for the professional execution of the District's contracts.**

The Management Reform Plan for the procurement function will address these problems and position the departments to deliver services into the next century. Improvement in the cost, quality or timing of procurement translates into a better use of taxpayer dollars and more effectiveness in the delivery of public goods and services. For example, centralization of responsibility for the procurement of goods and services used across the District by multiple agencies (i.e. non-unique requirements such as office supplies, security guards, janitorial services, etc.), not only allows each agency to focus efforts on unique requirements, but provides the District with greater negotiating leverage inherent in large, block purchases. Negotiating a very conservative price reduction of 2%, versus current levels, could result in more than \$5 million in annual savings.

The effect of implementing these reforms will be the restoration of the District's procurement integrity and effectiveness. It will help agencies to focus on their core mission: the specification and delivery of goods and services to the District's constituents. The Authority looks forward to working with the Management Reform Team in the months ahead to make meaningful improvement in this critical area.

### Pension Reform

Under the District of Columbia Retirement Protection Act of 1997, a subsection of the Revitalization Act, the District was relieved of the responsibility for the unfunded pension liabilities transferred to it by the Federal government at the beginning of Home Rule.

One of the provisions of the Act required that the District of Columbia government establish replacement plans for the current retirement plans for teachers, and police and firefighters. On September 30, 1997, the Authority approved the Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan Emergency Act of 1997, which was enacted to implement the Federal mandate. On November 3, 1997, the Authority approved the temporary version of the legislation, which will go into effect at the end of January, 1998. To achieve the goals of the legislation, the temporary act:

- Establishes a replacement retirement plan for pension benefits accrued after June 30, 1997 (the freeze date established in the Federal statute for Federal government responsibility) for teachers, police, and firefighters;
- Establishes the requirements for full funding and management on an actuarially sound basis of all retirement funds entrusted to the District government for the benefit of teachers, members and officers of the Metropolitan Police Department, and employees of the D.C. Fire and Emergency Medical Services Department;
- Requires the D.C. Retirement Board to make disbursements to the District government, as directed by the Secretary of the Treasury, for the Federal Benefit Payment, effective October 1, 1997;
- Establishes a requirement for an annual audit;
- Establishes a single annual cost of living adjustment for retirement programs for teachers, police, and fire fighters.

The replacement plan covers all District employees under the D.C. Retirement Programs for Teachers, Police and Fire Fighters for the period after June 30, 1997. The District's pension cost, as estimated by Milliman and Robertson, Inc., is \$57.4 million -- comprised of \$49.1 million to cover the normal cost for the wrap around plan and \$8.3 million for new hires.

As required in the Federal legislation, the District will be the Plan's interim administrator, and will assume responsibility for making the Federal benefit payment on behalf of the Federal government, until notified otherwise by the Secretary of the Treasury. The District will also establish a replacement plan for current retirement plans for teachers and police and fire fighters as of June 30, 1997. The District government, the D.C. Retirement Board, the Authority, the U.S. Treasury, and other Pension MOU partners continue to meet on a regular basis in order to allow for a smooth transition.

### Regulatory Reform

Let me now turn to regulatory reform. The Revitalization Act requires the Authority to complete a review of all current regulations as well as the District's permit and applications processes. The Act also requires that both reviews take into account the work and recommendations of the Business and Regulatory Reform Commission, and to respond to those recommendations.

The goal of the regulatory reform project is to improve significantly the District's economic environment for businesses and residents, and to remove impediments to the economic development of the District through the reduction in time or other obstacles required to obtain permits, and through the elimination of unnecessary regulations. The Authority is authorized to take steps it considers appropriate to repeal or revise the regulations and permit and application processes in accordance with Section 207 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995. The Authority has contracted with a team consisting of the law firm of Holland & Knight, the economic consulting firm of Nathan Associates, Inc., and the Center for Public Financial Management of the George Washington University, to conduct a thorough review of regulations and permit and application processes.

With regard to regulations, the consultants are providing support to the Authority in:

- selecting priorities for regulatory reform,
- assessing the recommendations of the Business and Regulatory Reform Commission,
- identifying alternatives to the existing regulations,
- estimating the fiscal and/or regulatory impacts of the recommended alternatives,
- and developing an implementation plan.

The regulatory review also includes an assessment of the legislative package of the District Council.

The findings and recommendations of the other management reform initiatives are an integral part of this review. Although the Act gives the Authority up to six months to report back the results of its review, the Authority is examining opportunities to make immediate reform in those areas that will yield the maximum impact for the District, the business community, and its citizens.



The consultants have completed the first requirement, an inventory of the municipal regulations and permit and application processes. Based on a number of criteria, the consultants are now in the process of identifying the most important regulations for further review and reform. To date, more than 350 different regulatory issues and recommendations have been identified. The top three regulatory issues that are targeted for intensive review are building permits and site plan review, zoning variances and special exceptions processes, and occupational and professional licenses.

The District's building permit processes and its site plan review processes significantly increase the cost of doing business in the District. The long and uncertain time required to complete the processes, as well as organizational and operational problems in the Department of Consumer and Regulatory Affairs, often dissuade developers and other entrepreneurs from starting or expanding businesses in the District. These inefficient processes impose significant financial and other costs on developers, architects, engineers, owners, and contractors who seek to do business in the City.

The site plan review process imposes even more time delays and uncertainties. Individuals and businesses seeking to obtain site plan approval must interact with a multitude of different offices, boards, and commissions to obtain approvals and resolve such issues as zoning, historic preservation, street and alley closings, large tract review, environmental matters, and the use of public rights of way. The extended processes in the District cause many developers to look instead to opportunities in adjacent locations.

The District must address the substantial time delays and uncertainties associated with the District's zoning processes in order to encourage the construction of new buildings and the expansion, reconfiguration, and rehabilitation of existing structures. In a number of instances, the development of a property for a given use is not feasible unless the property can be re-zoned or a variance or special exception can be granted.

By expediting and simplifying the administration of occupational and professional licenses, the District can significantly increase the number of qualified professionals and trades workers who do business, and pay taxes and fees, in the District. We believe this reform can be conducted without jeopardizing public health and safety.

Finally, the Authority, with the help of its consultants, is also reviewing the recommendations of the Business and Regulatory Reform Commission, as well as the legislation of the District Council regarding regulatory reform. The Authority is reviewing the legislative proposal, as well as other recommendations for regulatory reform, in light of their impact in reducing or eliminating regulations that are duplicative, inconsistent, unenforceable, or no longer serve public objectives. The result will be an improved business climate and new opportunities for economic development.

#### Mandatory Managed Care

With respect to health care issues, the District is shifting its Medicaid program from a fee-for-service model to a mandatory managed care program for non-disabled Medicaid recipients. Based upon experiences in several other states, enrollment of Medicaid recipients into health maintenance organizations creates opportunities for improved service delivery for recipients and reduced cost to the government. Additionally, experiences in other states indicate that the transition is often fraught with difficulties and delays. To mitigate the difficulties that may be encountered, and to ensure access and continuity of care for Medicaid recipients, the District undertook a multi-year transition from fee-for-service to mandatory managed care enrollment.

The first phase of the transition was initiated in 1994. The District moved from a strict fee-for-service model to a program with two coverage options for recipients: 1) a primary care case manager (PCCM) or 2) a health maintenance organization. A PCCM serves as a recipient's primary care physician and is tasked with coordinating the care of the recipient. Since 1994, Medicaid recipients have been offered a choice of choosing either a PCCM that is under contract with the District or a health maintenance organization that is under contract with the District. If the recipient did not proactively choose one of the options, the recipient was assigned to a health maintenance organization by the District.

In 1996, the District began the process of moving from an optional managed care program to a mandatory managed care program for non-disabled Medicaid recipients. The District's ability to implement a mandatory managed care program required approval from the federal Health Care Financing Administration through a section 1115(b) waiver. As part of this transition, the District decided to modify its mechanism for contracting with health maintenance organizations (HMO). Rather than continue with an "any-willing-provider" approach (i.e., the District sets minimum quality standards, sets the price to be paid to participating HMOs, and permits any HMOs to contract with the District that meet the quality standards and agree to the price), the District's Commission on Health Care Finance proposed to contract with a number of HMOs on a competitive basis. After

predetermining the number of HMOs with which to contract, the District was to select only the most highly rated HMOs, using quality and price factors as determinants.

The District is currently in the process of contracting with health plans under a competitive procurement. However, the District of Columbia Contract Appeals Board has found the District's procurement process to be deficient in the selection of four HMOs. As a result, the Contract Appeals Board directed the District to extend contracts to each of the offerors in this procurement. The D.C. Superior Court has preliminarily enjoined implementation of the four contracts originally awarded by the District, pending determination of the merits of the controversy. The District is presently negotiating with the offerors in an attempt to resolve the outstanding contract issues. If a resolution cannot be reached, other options will have to be considered, including the "any-willing-provider" approach outlined above. While this is occurring, the District is working to ensure continuity of care for Medicaid recipients as well as compliance with the court order in the Salazar case.

#### Status of DCPS' Enrollment Count and Audit

Let me turn briefly to several issues related to the D.C. Public Schools. One of the most important pieces of information a school system can obtain is the number of students who attend its schools. Unlike the District of Columbia Public Schools, all other school districts in the U.S. must have an accurate count of students to obtain state funding. This process requires that states define guidelines and monitor their school district's process. DCPS has not had this type of oversight over the last two decades. Until this year, DCPS was not forced to change a frequently suspect process for conducting a student count. However, with the implementation of school-based budgeting and management, it is critical that DCPS have an accurate count to provide assistance in making administrative and resource decisions. Also, DCPS will begin implementing activity-based costing and performance measurement analyses, which are dependent on accurate counts of staff and students.

In November, 1996, the Authority released "Children in Crisis: A Report on the Failure of the District of Columbia Public Schools," detailing the deplorable management and outcomes of the District schools. A component of the report focused on a lack of credible data that were necessary for effective decision making. In August, 1997, the United States General Accounting Office issued a report entitled "District of Columbia Public Schools: Student Enrollment Count Remains Vulnerable to Errors." Recommendations made by the GAO were the foundation for reforming the student count process of years past. The GAO identified a number of major weaknesses, including:

- inadequate use of automation (the count was done manually because the database included inaccurate information);
- students could be counted more than once due to duplicate records;
- students could be counted that were not actively enrolled;
- school records were not properly maintained or monitored by the central office so that the count could not be audited; and
- residency verification was often not done.

In response to GAO findings, DCPS has implemented new procedures this academic year to count its official enrollment. The new procedures will produce an accurate enrollment count that can be audited. They include:

- using the automated Student Information System for the official count;
- performing weekly counts during October to update and clean the Student Information System;
- requiring that principals and teachers sign homeroom lists and principals sign school-wide counts;
- including a new field in the Student Information System to record schools' receipt of residency verification forms; and
- performing automated and manual checks on the accuracy of the school reports to eliminate duplicates and students not actively enrolled.

The official count was delivered to schools' officials on December 15, 1997. DCPS central staff audited the information provided by schools and which was shown in the Student Information System. The result is a new number "cleaned" of duplicates and inactive students. In addition, DCPS has prepared a proposed rule that will require proof of residency as a condition for admission, and which will also permit for the exclusion of currently enrolled students who fail to provide valid residency information.

The new count is as follows:

- elementary schools	48,978
- middle schools	4,623
- junior high schools	6,916
- senior high schools	14,416
- alternative schools	345
- citywide special ed schools	757
- tuition grants	<u>1,076</u>
TOTAL COUNT	77,111

Another GAO recommendation highlighted the Authority's role with respect to the audit. Next week, the Authority will issue a request for proposals to procure an independent contractor to audit DCPS' 1997-1998 student enrollment count, as required by the District of Columbia School Reform Act of 1995. Since DCPS principals, teachers, and students will be

on holiday leave from December 23, 1997 - January 2, 1998, the audit will not begin until after DCPS' Christmas break. We expect the final report to be submitted in mid-February, 1998. This audit will be provided to the Congress upon its release by the Auditor. It is important to note that, with respect to last year's audit, the Authority determined that contracting for an independent auditor to review a known flawed count would be counterproductive, and wasteful of tax dollars. In summary, we are pleased that the schools have taken important steps toward an accurate count of students. A more reliable enrollment count will aid greatly in the effective management of the public schools.

#### Surplus Schools Disposition

A related topic is the disposition of surplus school properties. The Omnibus Consolidation Appropriations Act of 1997 mandated that the Authority dispose of schools' facilities or other property deemed surplus. The law also stated that preference to acquire disposed schools should be given to eligible applicants interested in establishing public charter schools. The Authority, at its April 2, 1997, public meeting, found, in accordance with the Act's requirements, that the Mayor had failed to make significant progress in the disposal of surplus properties previously transferred to him by the Board of Education. The Authority then issued an order transferring jurisdiction over all surplus schools held by the Mayor to the Authority. The order also delegated to the schools' Board of Trustees the responsibility for implementing and managing the disposition of these properties. The Trustees subsequently submitted a surplus property disposition plan, which the Authority approved.

The disposition strategy centers on ensuring a maximum amount of investment return, and that the private sector be utilized to perform the dispositions in an efficient and cost effective manner. The plan employs several methodologies to dispose of properties, including public/private partnerships, sale or lease through brokerage or development firms, and sole source direct negotiations. DCPS assesses each property to determine its best disposition methodology based on a property's individual circumstances. This assessment includes determining the building's market value, its physical and environmental condition, and any zoning or historic designation restrictions. Private sector developers and brokers also advise and assist the facility management team, and provide potential sale or lease development bids.

DCPS has also selected four commercial brokerage firms (Smithy Braedon/Oncor, Jones Lang Wootton USA, Carey Winston/Barreuta, and the Staubach Company) to provide assistance in all aspects of the disposal of the surplus properties. The brokers also partner with members of the private

sector development community to stimulate development interest in the surplus properties.

The plan outlines the disposition preferences to be given to charter schools. These include designating one or more facilities as a charter school hub; making excess space available in existing public schools, and offering charter schools a 15% discount in evaluating the potential revenue derived from the disposal of properties. Additionally, charter schools can match the highest bid or the appraised value on a particular property, less their 15% discount on properties over \$1 million and 25% on properties under \$1 million.

To date, DCPS has successfully completed the sale of one school, the Dent School, to Capitol Hill Day School for \$410,000 in cash. The Trustees have also approved the sale of:

- Hardy School and Wormley School to Georgetown University;
- Webster School to the Culinary Arts Group;
- Fillmore School to Corcoran Museum of Art;
- Buchanan School to the National Graduate University;
- Gage School to Peoples Investment Corporation;
- Keene School to Promise International;
- and Edmonds School to DCPS Federal Credit Union, for a combined total of \$10.6 million.

Upon closing, the \$10.6 million will be held at the Authority for schools' capital repairs. In accordance with statute, the Buchanan and Edmonds schools have been submitted to the Authority and the Appropriations Committees of Congress for review prior to approval. The Edmonds School has been cleared, and the Buchanan School is currently under review.

#### Financial Management System

Mr. Chairman, let me now turn to the Financial Management System (FMS). One of the biggest obstacles faced by the District today is its inability to obtain accurate and timely information on finances and programs, and to use that information effectively in managing the delivery of public services. The lack of an adequate financial management system has been widely acknowledged as a major contributing factor to the District's long-standing fiscal crisis. Over the years, the lack of an adequate system has been detrimental to the District's attempts effectively and efficiently to manage its limited resources.

On December 9, 1996, the Authority reported to the Congress on the "Capabilities Assessment of the Financial Management System". The report concluded that "replacing FMS presents the most practical and economical alternative of the District for alleviating its financial systems problems. The Authority concluded that substantial costs can be avoided and opportunities for increased productivity can be obtained through the investment in a new system." A staff oversight group to evaluate options was formed that included representatives from the Office of Management and Budget, the Congress, the District's Chief Financial Officer, the Authority, the Inspector General, and the General Accounting Office. Ultimately, the group developed a time line for considering solutions for the FMS, including upgrading the existing system, outsourcing the financial operations, and acquiring a new system.

To ensure that the District obtained a new FMS, the Authority, at the request of the Chief Financial Officer, issued a request for proposals in June, 1997. Proposals were received in August, 1997, and an independent panel of public and private sector expert advisors evaluated the proposals. The panel selected a system that meets a series of strict criteria. The new FMS will not only eliminate the principal problems that exist with the current system, and ensure that all guidelines are adhered to, it also will allow the District to access and leverage timely, accurate information. A new FMS will also position the District to take advantage of financial and program management opportunities which have been unavailable to it in the past. These include the development of relational databases which, for the first time, would permit the District to cross-reference such information as rent income, tax receipts, and comparative cash balances. The FMS now under development will also allow the District, for the first time, to measure the performance of public services through predetermined indicators. The latter benefit, particularly, is critical to the success of District efforts to revitalize government services, and to hold managers accountable for effective service delivery. This, of course, is the very essence of the management reform initiative.

The contract for the new FMS was awarded in September, 1997, and commits to an aggressive implementation schedule. The schedule anticipates pilots in five agencies beginning in February, 1998, with District-wide implementation scheduled by February, 1999. Throughout this phase of implementation, the contractor will be working with District program, financial, and system managers in several important areas:

- Requirements confirmation: The contractor has completed a thorough requirements review throughout the District, at all management levels, and has confirmed the requirements sought in the new system. The contractor is currently completing work developing the appropriate

account code structure (the way data are identified for entry and retrieval) and is modifying the system as necessary.

- **Business process reengineering:** The contractor is assessing the business processes, functions, and structures to determine changes necessary to take advantage of the new system's capabilities, as well as developing new ways of doing business to improve efficiency and customer service. These assessments will be made for the pilot agencies, and then for the remainder of the District, prior to implementation.
- **Infrastructure Analysis:** The contractor is also assessing the hardware, software, and communications infrastructure in place to support the new system.
- **Implementation:** The next steps will include coding and testing software modifications, implementing the system, and providing support to users.
- **Interface development:** The contractor will also be developing linkages to integrate the system with related applications, such as payroll and procurement systems.
- **Data conversion:** The agencies and the contractor will be converting financial data from the existing system to the new system.
- **Training:** Several training courses will be provided throughout the period for system users, to ensure that effective utilization of the system occurs concurrent with implementation.

The new system will enable managers more effectively and efficiently to monitor and control financial resources. The new system will produce timely, accurate, and reliable information, thus providing decision-makers the basic financial information needed to make more informed decisions.

#### Strategic Plan

Finally, Mr. Chairman, I will briefly turn to the Authority's Strategic Plan. In December, 1996, the Authority issued a Strategic Plan that committed us to a broad and aggressive approach to resolving many of the District's intractable problems. The Authority issued reports, recommendations, and (in some cases) orders, to ensure that the District complied with efforts to enact financial and management improvements in the Nation's Capital.

In June, 1997, the Authority issued a progress report on the accomplishments of our Strategic Plan. A copy of that report may be found in the appendix to this testimony. Briefly, the report indicated that the Authority had met the specific objectives outlined in the Strategic Plan with



respect to findings and recommendations for public service improvements in District agencies. Our success in meeting the initial objectives of the Plan by no means meant that the District's problems were solved. Rather, the Strategic Plan provided a context by which the Authority and District agencies could together constructively work toward specific targeted improvements in District services and in management systems.

The Revitalization Act, enacted in August, 1997, altered the framework by which the Authority pursued its work to reform the financial and management practices of the District government. Although the principal objectives are quite similar, at times even identical, the Revitalization Act essentially superseded the Authority's Strategic Plan as the guide to our reform efforts.

On October 30, 1997, the Authority issued its Annual Report to Congress. This report, a copy of which may found in the appendix to this testimony, details the efforts of the Authority to restore the District's fiscal and management integrity and operations during the last year. This report includes the Authority's accomplishments within the context of its Strategic Plan, as well as our initial compliance with the Revitalization Act.

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Mr. Chairman, that completes my testimony. I would be happy to respond to any questions that you have regarding our efforts on behalf of the District of Columbia.

Mr. DAVIS. I am going to start the questioning with the vice chairman of the committee, Mrs. Morella. We are going to have 10-minute blocs; and Mrs. Morella, I am going to start the questions with—

Mrs. MORELLA. Thanks, Mr. Chairman. I appreciate it. I guess I just want to make a brief comment.

First of all, Dr. Brimmer, thank you for being here. We appreciate it very much. I just want to comment briefly on the Authority's implementation of the requirements for adverse and corrective personnel actions that was established under the D.C. Management Reform Act. I am very concerned, as this subcommittee is, that the Authority has read section 111(d)(5)(B) as affecting existing labor management contracts. Our Chairman Davis was actually a coauthor of that provision, and he has assured me, and I've seen in the letter that he has written, that nothing in the statute was intended to abrogate existing collective bargaining agreements.

The reforms established were intended to streamline a cumbersome 14-step administrative process. Arbitration under existing collective bargaining agreements has always been a cheaper and quicker means of resolving disputed personnel actions, so I would like to join with this subcommittee in urging the Authority, as was stated in the letter that Chairman Davis sent commenting on the proposed regulations, that it is important to clarify that employees may elect either the new streamlined process of binding arbitration to resolve contested adverse and corrective personnel actions; and I just wondered if you would like to comment on that, Dr. Brimmer.

But I wanted to get that on the record so you understand where we are coming from.

Mr. BRIMMER. Thank you very much, Mrs. Morella. And I would comment, we did respond to the chairman's letter, and the response was that we have no intention of doing that.

I don't know where the rumor got started that we were planning to abrogate those. The answer is no. As it said in the letter, there was no intention, we have taken no action to suggest that we, in fact, are behaving in that way.

Mrs. MORELLA. Mr. Chairman, I yield to you for a moment if you would like to comment.

Mr. DAVIS. I will wait to comment, but I think that is very important. We have a lot of stakeholders, and we will be hearing more in the next month to see how this is ultimately implemented, but I think we made clear in writing that section what was intended at this point. We have had some difficulties in getting it clarified and implemented appropriately by the Control Board.

Ms. Norton.

Ms. NORTON. I would simply like to join both my colleagues here on this issue. The chairman's staff and my staff met endlessly on this issue when it first came up in a slightly different context with the CFO. Now, for the larger group of workers who, let's face it, have in this crisis been buffeted from one end of the city to the other, to now face loss of rights that are considered critical in a democracy would be of great concern to us; and on that matter, we stand bipartisan, 100 percent on this committee.

I yield back.

Mrs. MORELLA. Thank you. I also commend you on the concept of picking up the 170 recommendations you mentioned in your testimony from the 342 that had been offered in terms of prioritizing.

I'd like to ask you, Dr. Brimmer, about whether or not you will be ready to report to Congress in January once final decisions have been made; and will you keep or will the Control Board keep the subcommittee informed of its progress and any changes—in other words, what your timetable is? Will you be ready in January, and how do you plan to keep us informed in Congress on the progress?

Mr. BRIMMER. Yes. First, we will be ready. As I said in my statement, we are right down to the wire in making the decisions about which ones that can be implemented. We will proceed promptly to do so. In fact, we have a list of recommendations which can be put into effect very quickly with little or no cost. We will report to the Congress by the deadline required.

In that report we will be able to identify each of the projects that we have decided can be implemented. We will provide in that report our estimate of what the costs would be to implement those and what benefits are expected. We will be able to quantify those with reasonable precision. We will then report to the Congress periodically, most likely on a quarterly basis.

We are already reporting to the Congress, as you know, under the statute periodically; but we will accelerate that and make certain that we provide to the Congress a quarterly report on the implementation, and we will do that systematically, and we will—in addition to presenting the report, we will be prepared to come before this committee to testify in person.

Mrs. MORELLA. Dr. Brimmer, let me ask you another question that pertains to, I guess, a springboard from the article about listing those police officers who take home city—take home cars. I've had a number of calls in my office from some police officers who work in the District of Columbia, but live in Montgomery County. They're concerned about the new rules about taking home their official government vehicle.

One of the police officers who works at National Airport has a canine car. He said it is a real hardship for him to go back to D.C. and then go home in his own vehicle after work. Now, I realize that these new rules have been initiated by Congress, but there will be some exemptions; and I wondered if you would indicate to me what are some of the exemptions that will be considered.

Mr. BRIMMER. First, as you know, that provision was included in the budget bill late in the process. We had not looked at the implications of it before we saw it, before it became law, so we are now charged with implementing it.

We have taken the view that the law is the law. The law says that there shall be no use of—personnel use of government cars except for police who live in the District. That is what it says. We are interpreting that to mean that we should look at the spirit of what is required.

We are not looking at that as to say—we don't think it was the intent of Congress to hamstring the operation of the government. So our approach is this: That, first—and this is the guide that has been given to the department heads and to our staff in preparation of what will be formal guidance—that there shall be no exemptions,

but each department head is free and has been encouraged to make a recommendation to us for an exemption. We have said that recommendation should be based on the requirements of the job and not on status, and if the job—if efficient performance of the job requires that official or employee to have possession of that government car and to drive it back and forth, that is the basis for granting such an exemption.

And there are examples. One is clear, that there are a number of employees that have vehicles which have special equipment in them. We are not focused on the fact that canine is such an example, but—I have not; my colleague said he had—that that is a specific example of what we had in mind.

I thought of another one where, for example, there are employees who work in snow removal. The employee has to get to the site to supervise, and if there is no point, if the employee can't get from home to the job, then that is necessary. That is one.

Then there are police officers who do not live in the city, but who have duties which require them, for example, to have—we know that there are certain types of equipment that officers keep in their cars, special weapons and so on, and these can't be taken out, put into a civilian car and then quickly brought back.

So we will be looking at exactly those kinds of things.

Mrs. MORELLA. So good implementation requires following the law, but allowing for whatever exemptions appear to be appropriate for efficient performance of the job. So you're going to be including all of those elements—

Ms. NORTON. The gentlelady—

Mr. BRIMMER. That is the view we are taking.

Ms. NORTON. Yes, I appreciate that the gentlelady's example, although I want to examine it, appears to involve an extreme situation. I would urge the Authority not to get itself in trouble, and it seems not to be wanting to do that by taking a broad view of that mandate—I would not say "efficient"—to efficiently do the job, because I think it probably would be more efficient for the worker if he has a car available, at his disposal; but it wouldn't be more efficient for the residents of the District of Columbia.

We are real suckers. Two-thirds of these folks live in Maryland and Virginia, get paychecks from us free of commuter tax, and then they say, guess what else we are going to do? We are going to ride home on your gas money in your car. Well, I don't know how much we are supposed to take, but I think it should be an extreme need. A cop isn't good enough; almost all of them live out there. How would they get to work if they didn't have a city car? Other workers sometimes have to have two cars. The District of Columbia has a special Metro—has special Metro financing that the rest of the country—

Mrs. MORELLA. This isn't on my time?

Ms. NORTON. I just want to make it clear, this is not efficiency; and this is where bipartisanship may break down, Mr. Chairman.

Mr. BRIMMER. Well, it is not my intent to pick a fight, but I put this stress on very, very few—narrow interpretation. And we will draft this proposal; it will come back to the Congress, our staff will bring it back. We will consult, and we will tell the Congress, this is our interpretation, this is our draft of the narrow exceptions; and

Congress will have an opportunity to tell us whether our interpretation and proposed implication is right or wrong. And let me assure you, whatever Congress tells us, we will do precisely that.

Mrs. MORELLA. And you will use common sense, Dr. Brimmer, knowing that what we all hear about, whether we are in Maryland, Virginia or the District of Columbia, is the luster and strength of the District of Columbia; and safety is a critical, critical factor. So we care about the safety of the people that are being served; and it means that as you look at a law that is well intentioned, that you have a little latitude to use common sense to reach that objective.

OK, on another question—thank you.

Mr. DAVIS. This will be your last question.

Mrs. MORELLA. Right, indeed.

The status of the Control Board's appointment of the Chief Management Officer as called for in the Revitalization Act, I wonder, Dr. Brimmer, when the CMO will be named and what the facts—that as you look for the CMO, that you will look for significant operational experience in municipal government.

Mr. BRIMMER. Yes. The search has been on. We have said all along our intent was to fill that position before the end of the year. As you know, we have had recommendations from the headhunter, and we are in the process of interviewing. So the process is coming to an end very soon. We fully intend to fill that position before the end of the year, and the criteria which we set out in the prospectus for the job do include substantial municipal management experience.

Mrs. MORELLA. So this person will be selected within a week-and-a-half or so then?

Mr. BRIMMER. Our intent is to do it before the end of the year.

Mrs. MORELLA. Thank you, Dr. Brimmer.

Thank you, Mr. Chairman.

Mr. DAVIS. Thank you.

The ranking member from the District of Columbia, Mrs. Norton is recognized for 10 minutes.

Mrs. MORELLA. Mr. Chairman, let me just mention I very much appreciate and value serving with Delegate Congresswoman Norton. She and I work very well together on these issues for the District.

Ms. NORTON. That is absolutely true. I mean, if I find an issue that I disagree with Connie Morella on, I always check myself.

Dr. Brimmer, I like to know the status of this threatened strike by the school employees. I have been made familiar with their attempts, which seem to me to be Herculean. They have an arbitrator's—they won an arbitrator's decision. The union heads called me; I asked for forbearance. They have gone everywhere but to Jesus. And at this point no self-respecting union I think has any alternative, and I'd like to know whether we are headed for another crisis here with nonteaching employees essentially closing the schools, because we have waited so long to try to find a resolution to this problem.

Mr. BRIMMER. Ms. Norton, at this moment, I am highly confident that we won't have a strike. As to the status, first, we were all surprised and disappointed that the matter got to the stage where a

strike was threatened. Quite some time ago we reviewed the status of that award, the arbitrator's award. We met with the head of the union, his associates.

The validity of the award was unquestioned. The school system was told that the task for them should be finding a way to make the payment and to do it promptly. Our staff worked with the school staff and the administrators at the school and suggested a plan which would involve paying the award over 3 years, three payments with a substantial up-front payment during 1997. It was also, they would encourage and they were expected to make that payment before Christmas. They were also told that the funds would be found, and the Chief Financial Officer was instructed to look at the schools' budget and to look for ways to, if necessary, re-program to make certain the funds were unavailable.

The Chief Financial Officer did that. We fully expected that the award would be made and the payment made to members well before Christmas. So it became a big surprise, a shocking surprise, a week ago, when we discovered that was not the case.

We looked into it. What happened? Apparently, somebody had simply dropped the ball at the staff level, did not carry forward. General Becton was stunned, because he, too, understood that the procedure I described was in place and it was unfunded. So it was simply a matter of dropping the ball. It has now been picked up, and I understand that every effort is being made now to implement that and to make the payment.

And so the word that has gone from us to the school system is that mission list, now if they missed the Christmas, it has to be paid before the end of the year. And so we are saying going beyond that is unacceptable. So this is one case where we are highly confident that the ball would not be dropped again. That is the status.

Ms. NORTON. That's reassuring, Dr. Brimmer. I note in the audience that I believe the new member of the Council Mr. David Catonia is here. I want to welcome you to these proceedings and congratulate you on your new position.

Mr. DAVIS. Congratulations, David.

Ms. NORTON. Of course he does. But I really do, sincerely.

This morning, I want to ask you, Dr. Brimmer, about a report in this morning's Washington Post. The bone I have to pick here, I concede, is with the U.S. Attorney's office; but at least I will say for the new U.S. Attorney, who is not in place, that she has reached from not being in place to clear out the unit that has been responsible apparently for not proceeding when cases are referred. The new U.S. Attorney, Wilma Lewis, apparently is not going to be there until January.

I want to ask you about this notion of the Inspector General. We would, of course, wake up every morning and wonder why couldn't we get the Inspector General from doing some police work on to doing what the Congress asked for the Inspector General to do—to do work for the entire government—if, in fact, the plan that was announced last week had been in place. In fact, this is the kind of matter that classically an Inspector General ferrets out and sends over to the U.S. Attorney himself. It looks like it got to the U.S. Attorney in other ways, and that the U.S. Attorney's office took no action.

But no one who lives in the District believes that anything but that these kinds of problems exist throughout the government. I cannot tell you how disappointed I was, even though I recognized and frankly can only commend the Authority and the city for trying to get ahold of this issue. But the whole notion that there would be somebody called an acting Inspector General, who would work on police work in a most unusual arrangement that it seemed to me could not possibly work, was very disappointing.

Of course, I don't blame, frankly, the Authority. I really do not. I mean, Dr. Brimmer is not a lawyer. There is no member of the Authority who is a lawyer. But the U.S. Attorney is a lawyer and didn't act like a lawyer when she sat in a room and let people believe that that kind of jerry-built situation could obtain. I simply put the blame on her because I think what the Authority was doing, and she did not call the new U.S. Attorney to say, is this something that you would go along with. I put the blame on her.

I want to know where this is now, especially when I wake up and read things like this in the morning and recognize that this is probably not a one-of-a-kind incident in the D.C. government. I would like to know the status of the independent—of the Inspector General search and the status of the corruption search from your point of view in the police department.

Mr. BRIMMER. Thank you. I will address the question of the status of the Inspector General search with respect to the role of the Inspector General in the context of the ongoing investigation into the charges of corruption in police. I will ask my colleague to comment on that as well, because he is a member in the MOU group, he chairs that group, and this discussion, the second part of this issue is in the context of what is trying to be done there.

First, with respect to the status of the Inspector General search, there was an acting Inspector General, an interim Inspector General whose nomination was not confirmed.

Ms. NORTON. Is he still in place?

Mr. BRIMMER. It is my understanding that he would be leaving that office very soon. I haven't checked today to find out whether he is still there or not. Earlier this week, he was still there. But the understanding was he would be leaving. The Mayor committed himself to find and to give to the Authority a nomination within 45 days of the time when we did not confirm the interim Inspector General. The Mayor has been searching. He has asked us for names. He told me yesterday he does have several résumés, and they are being considered. So independently of the question about the investigation into the police, that is going forward. In the meantime, the office is there, it is functioning, it has some 30 or more people. It has an investigation staff that is there. The Director of Investigation is a person—

Ms. NORTON. Of course we haven't heard a thing from them in all the time that I guess Angela Avant has left. Have they done any investigations that have been reported to you?

Mr. BRIMMER. Yes. They are going forward. They have reported to us. The head is a person with substantial experience in investigation, with a background in the FBI, is in place, and they are working.

In the context of the investigation vis-a-vis charges of police corruption, yesterday the head of the investigation was asked by me, through our Council, to make certain that they focus attention on this particular issue.

Ms. NORTON. I yield to the chairman.

Mr. DAVIS. One of the most frustrating aspects on the whole Inspector General has been the inability of the Control Board to be able to agree first with Mrs. Avant, then with the gentleman who the Mayor nominated. This part of the whole Control Board legislation has really not worked out very well. I feel that for the last 2½ years, we have had what could have been a key position doing investigations, and instead the newspapers have been doing most of the investigation. That is just my perception. Ms. Norton, I don't know whether you agree with that or not.

Ms. NORTON. I agree.

Mr. DAVIS. I don't know what we do to get everybody on track. You need to get in the same room and focus on who it is going to be, what the expectations are, and deliver. This is a critical oversight role for you to have in the city. It is a frustration that for the last 2 years it has just not operated the way we have wanted it to. You don't shoulder the blame, but it hasn't worked out the way we envisioned the legislation.

Mr. BRIMMER. I would like to comment with you on that. This is a matter of great concern to us as well. As you know, I have had some discussion with you about the appointment process. I believe the way the appointment process is set forth in the legislation under our present circumstances is deficient. Specifically, the Mayor makes the nomination. There is no time limit during which he must make such a nomination. Then we approve that person. We then have authority to remove the person.

The history has been disappointing. As you know, it took a very long time to get a nomination for the first round. As you reflect on the confirmation process, you might remember that we were faced with a very hard choice. We wanted to respond to the Mayor, so we put in place sort of a resolution specifying a number of concerns we had, the emphasis on investigation.

Mr. DAVIS. Dr. Brimmer, I'm not trying to cast any stones. I'm just saying this hasn't worked out well. You are in a position now where you and the Mayor and the Council can sit down and try to come up with something. I think this is one of the very strong pinacles, lower linchpins of trying to get this city moving again.

Ms. NORTON. Could I reclaim my time, because I agree with the chairman. I want to say that I think the Control Board—here is an instance where the Control Board tried very hard to respect home rule and to give the Mayor every opportunity to do what he has to do. They came on their own and said look, it's not happening, you ought to give us the authority to do it. And the chairman, in observance of home rule, decided at my request that we shouldn't go back and amend the statute.

This is one of these instances where the city gives back power and it has given back power to the Control Board. The Control Board has never come up here and said, make us all powerful. But things have floated into the appropriation because of that.



Let me make a suggestion in light of what I think I hear the chairman saying. What Dr. Brimmer has said is by the letter of the statute. The Mayor is looking, he knows he is looking, he knows he has some names. Then, of course, the Control Board is going to get involved.

In light of the importance of this post, and as the chairman and I try to keep home rule—what is left of it—here, I would suggest that the search now be an absolutely joint search; that we not, in fact, have the Mayor go forward and then sequentially have you go forward, even though that is the letter of the law, that can be waived, we can get together and do it. I wish you would let him know that even his own Congresswoman believes that if he doesn't do it that way, what he is doing is courting problems that neither the chairman nor I can deal with. For example, we are not on the Appropriations subcommittees.

Mr. DAVIS. There can be further erosion of the power.

Ms. NORTON. There have been suggestions, that I of course regard as totally unacceptable, that maybe there ought to be a Federal IG. So the city needs to get its act together and join with the Control Board so that we have the people who know best, looking quickly for an IG.

Mr. BRIMMER. Ms. Norton, very quickly, the appointment procedures in the Management Reform Act, the Mayor has 30 days. If the Mayor does not put forward a candidate that can be confirmed, then we have the authority to do it. That is the model in my opinion we ought to be following.

Ms. NORTON. The collegial model it seems to me, given this point in the city's history and where we are, with everybody sitting at the table, it seems to me might work just as well or even more quickly.

Mr. HARLAN. Ms. Norton, the MOU which includes the Mayor, the chair of the City Council, the chair of the Judicial Committee, the chief judge of the superior court, the police chief, the corporation counsel, the Control Board, on December 10 made a unanimous recommendation—we adopted a unanimous thought process that you alluded to earlier that the Inspector General should have the lead role in this police investigation.

After that, it became quite clear to us that the U.S. Attorney has the sole historic statutory responsibility to proceed with all criminal investigations. Also, the Council decided to conduct its own investigations in this matter. We have been meeting daily on this issue, almost every day. We released last evening a statement of this MOU group, which is attached to my testimony, which sets forth the various roles of each of these parties regarding this matter.

Now, the identification of a very strong, very reputable person with great instant recognition for integrity and leadership and experience in managing investigations is exactly who we are looking for. We have been meeting with candidates. We have been meeting almost daily as a group with the thought that we would come up with a recommendation to the Mayor. And the Mayor is a part of this process, so we would hope that that recommendation would be well received by him and by the Control Board, because we have three members of the Control Board who are active in this process:

Dr. Brimmer, Constance Newman and myself. There is nothing more important for us to do right now than find exactly that kind of person to be——

Ms. NORTON. Mr. Harlan, is this IG for the entire government?

Mr. HARLAN. Yes.

Ms. NORTON. It is not an acting IG. He will root out corruption and fraud, waste and abuse wherever it is in the government and not be devoted solely to the police department?

Mr. HARLAN. What our thought is, it would not be an acting or interim IG but a person who is an IG under the statute, with strong deputies. This person would lead the effort from the IG's perspective on police, but would make certain that the other kinds of ferreting out and the other responsibilities of the Inspector General's office would be carried out through a strong deputy or deputies. In other words, this person would be a significant leader in this area.

Ms. NORTON. I'm not asking that this person not participate in police—I am asking whether or not this IG is going to direct her energy to citywide or whether this IG remains a person devoted largely or solely to the police department. That is my question.

Mr. HARLAN. This person would be the person to be responsible for the IG's office. I would suspect, because right now we have a huge credibility problem in the police department, they would spent a great deal of his or her time focusing on alleged police corruption.

Let me make another comment about today's paper, if I may.

Ms. NORTON. A great deal of time focusing on the police department but in interviewing candidates, you are making it clear that their responsibility is to go governmentwide at fraud, waste and abuse. I am asking a very direct question.

Mr. HARLAN. Yes; as a responsibility for the office, not just a piece of the office, but with the high focus on police.

Ms. NORTON. That is understandable.

Mr. HARLAN. So as not to get diluted.

As far as this morning's paper, the Internal Affairs Department of the Metropolitan Police Department are the folks that were on this. We must remember that the Internal Affairs Department of the metropolitan police have a responsibility not only for ferreting out problems within the police department but for ferreting out problems within the government. They did that in this case. They were doing exactly what they were charged with doing and it apparently has played out the way it is——

Ms. NORTON. No, the focus of this piece is from the U.S. Attorney's office.

Mr. HARLAN. I won't comment on that.

Ms. NORTON. I've commented on it. You don't need to.

Mr. DAVIS. The gentelady's time has expired. Let me ask a few followup questions. The IG has a smorgasbord of opportunity, not just in the police department but from all across the city, from my reading of the paper. That is why this job is so important.

I think one of the things that we have tried to do is be instructive to what democracy means for the city in terms of being ahead of the curve on this, letting this city, the IG, the Council and the Mayor start taking initiative on this and not having to react to re-

ports in the press. The IG can be proactive in this regard. Without that arm for the Control Board or the Mayor or the Council or for anybody else, it is just not as likely to happen. You are going to continue to be in a reactive state to what we read. I think we have all emphasized and agree on that. You are just one part of the puzzle.

I think we hear your commitment, that you are moving ahead as quickly as you can. But for the last couple of years, we have just not had this critical component of the structure, working at least congruently with you and the Mayor and Council. The sooner we get that, I think the faster we will achieve.

What is the status of the Chief Management Officer at this point? Do you have an estimated time date when you think that person might be on board?

Mr. BRIMMER. Yes. You were absent when I answered that earlier, Mr. Davis.

The process—we are at the end of the process. We are down to interviewing just a handful of candidates. We fully expect to make a decision within a week or 10 days, before the end of the year, and to have that person in place and certainly selected. The reporting time might be a week or so later, but we will make that decision. We will select that person within the next week or 10 days.

Mr. DAVIS. I am interested in the recommendations made by the Business Regulatory Reform Commission, Dr. Brimmer. Are you familiar with those?

Mr. BRIMMER. Yes.

Mr. DAVIS. The Control Board was directed by Congress, for example, to study rent control in the District in view of the fact that phasing out rent control is one of the recommendations of the Business Regulatory Reform Commission. Have you made any decision on how you are going to proceed on that at this point, or is this still under consideration?

Mr. BRIMMER. No, we have made a decision. We have a task force—this is one we took on directly and I am the one with the operation and responsibility for this one. We established the task force. Our general counsel is the staff person who is doing this for me. He made a canvass and established a committee that selected a firm, a law firm that was the counsel for the Business Regulatory Commission, the outstanding firm in the Nation on regulatory reform and questions of regulation. They are in the midst of reviewing these. I had a report a few days ago which indicated that they have made a first cut.

We are required to have a report by the middle of January. We will have it. And we will proceed to implement along the way. We are reviewing the recommendation of the Business Regulatory Commission as the Congress required we do, and we will have comments on those as well, including comments on rent control.

Mr. DAVIS. There is also report language in the appropriations bill. Originally there was language in the version that passed the House, in the bill itself. It ended up as report language which I think is more appropriate. It noted that the District is one of the few jurisdictions in the country that has not enacted medical malpractice reform. The Authority was directed in consultation with the District government to evaluate this issue and report to Con-

gress by March 1, 1998, with recommendations. Is the Authority going to comply with this and are they on schedule on this?

Mr. BRIMMER. We will comply with the schedule.

Mr. DAVIS. Do you know what the status is of the Medicaid contracts and the lawsuit? Is there an active negotiation which could lead to a settlement and HCFA approval, and can services be increased and costs reduced at the same time, do you think?

Mr. BRIMMER. Yes. The status—discussions are going forward. The Appeals Board recommended, and I believe an appeals court found that the process was flawed. So the question now is what should be the status of the three contractors who were not selected initially. They are negotiating to try to work out a way where they can resolve that. My expectation is that in the short run, they would do something to include those three along with the four, in the resolution, so we can go forward with the provision of the service.

Mr. DAVIS. We have not called General Becton before this committee yet since his appointment. We will be doing that. We are trying to give him time before we send him over our expectations at this point, recognizing that schools started late again this year because of the court order, which was not anticipated more than anything else.

I understand that on December 16, the D.C. school officials estimated there may be 1,500 fewer students in the system than previously believed. Don't you agree with me that getting an accurate school census is fundamental to most key issues impacting the D.C. school system? Will the Authority hire an auditor to help provide an accurate count? And why did the Control Board fail to audit the school census last year as the law required?

Mr. BRIMMER. First let me say that the report that came out just a few days ago will be audited. We will—we are in the process of engaging an auditor to review those and that will be under way promptly.

With respect to last year, we concluded that the estimate was so flawed that the results were so at variance with a priori evidence that it wasn't worth doing so, and it was late, so we didn't do it. Our focus now is on making an audit in a timely fashion of this year's count.

Mr. DAVIS. I will note that we are in discussions with the GAO about following up on their report to see what recommendations were adopted, whether this year's count is any more credible than last year's. We will also ask the GAO to review your audit. I yield to Ms. Norton.

Ms. NORTON. I thank the chairman for yielding. I don't for a second believe that there are 1,500 fewer students. And I don't for a second believe that with the District's loss of population, we lost 10 percent of the population in 1990 alone, that the one part of the District that remains stable was the schools. The poor people are moving out. Yet this figure remains the same. It is a source of huge lack of credibility for the school system and a source of real frustration.

George Greer apparently has said that the latest notion that there are 1,500 fewer than they thought didn't even take into account teen dropouts. I don't even understand—I get that from the

paper—I don't understand how you can do it—and that it overestimated the number of private school students.

What I want to know is why are we doing these yearly audits that still bring us back to essentially where we were? We really have the same number of students that we have had for 10 years. It never changes. Why don't we instead of trying—knowing that this hasn't worked year after year—why don't we talk to Chicago, LA, New York, other large cities, Indianapolis, say, "Look, tell us how you count folks." Simply copy the way they do it, rather than the endless reinvention of the wheel that apparently never works.

I won't even ask them to copy what Tom does and what Connie do because I recognize they have more stable populations. But there must be medium-sized cities with large numbers of poor people who are transient somewhere in the United States who have learned how to do this. If you just get what they do, copy it, we might be able to do it, instead of having poor GAO—this must be, since I have been in Congress, there has been a GAO report on I think almost every year. I am asking now that we go outside that process, look for best practices elsewhere in the United States, find out who has learned how to do it, and simply adopt that here in the District of Columbia.

Mr. DAVIS. Dr. Brimmer, let me just say GAO has made the recommendations, it looks like to me. They just haven't been adopted yet over here. Go ahead.

Mr. BRIMMER. I would simply say what I had said earlier, Mr. Chairman and Ms. Norton, we have just received these counts just as you have seen them. Under the statute, we are required to engage an auditor to perform an audit of those. As I said earlier, the RFP is going out next week and we will have that done. We are not prepared at this time to make comments on the quality of the audit. We have just gotten it and we haven't been able to—

Ms. NORTON. Would you ask your staff to at least find out what is done in other cities? This might short-circuit the whole notion of reinventing a new process here. I think it must be very difficult here for other reasons, and I think it is probably all bollixed up in whatever else is wrong with the government. If we could pull this out, get this done correctly by imitating what other cities do, it would begin the process of restoring some confidence in the school system. All I am asking is that your staff find out what is done in other cities to see if it is useful here. Maybe it is not.

Mr. BRIMMER. We will do that.

Ms. NORTON. Thank you.

Mr. DAVIS. I just want to go through a couple of more questions, several more. On December 8, the emergency school trustees transferred control of 31 closed schools to the Control Board. What is the status of any sale, lease or other disposition of these properties? Are there any title issues that could impede disposition? Has this been thoroughly researched? Do you look for any guidance from Congress on this?

Mr. BRIMMER. In my testimony, I describe the list of schools, where they are now. The review process is underway. I do not anticipate any difficulties.

Mr. DAVIS. Keep us informed—I guess you can do it by memorandum—if you can keep this committee informed on that. This is one

of the changes the closure of some schools that General Becton has brought that was badly needed. Then the disposition is where the money can come in for the city.

Mr. BRIMMER. We will do that, since it is a part of our established procedures that we will followup and keep you informed.

Mr. DAVIS. A recent news story quoted an official of the school system as saying that more than half of our teachers probably get paid the wrong amounts of money. This was attributed to poorly kept files and an inadequate computer system. Is the Control Board working with the emergency Board of Trustees to identify and correct such problems?

Mr. BRIMMER. Yes. Recently a person went from our staff to the school system to be Chief Financial Officer there. Our staff has continued to work closely with him in this area.

Mr. DAVIS. Dr. Brimmer, maybe Mr. Harlan can answer this later. The selection process for appointing a new chief of police—I am not sure exactly where that is. If you would like to yield to Mr. Harlan, we can wait until his testimony.

Mr. BRIMMER. I would yield to Mr. Harlan.

Mr. DAVIS. We can hear from Mr. Harlan later so we can get Dr. Brimmer moving. The District's financial management system, you described that you want to have this operating citywide by February 1999. The pieces of that will be implemented as soon as this February. Is anyone impeding the effort to implement a new FMS?

Mr. BRIMMER. Not at this juncture. We had some delays earlier but those have been overcome, the process is underway and they are making great progress.

Mr. DAVIS. Is the money available to you without further congressional action of this kind at any point?

Mr. BRIMMER. The money is available.

Mr. DAVIS. I think that is very critical. We have been part of the problem, not the Members here but Congress as an institution, I think has been part of the problem in getting that implemented. This, I think, will be critical for the city's success over the long term.

Those are my questions at this point. I ask if any other panel members have questions.

Ms. NORTON. I do.

Mr. DAVIS. I will yield to Ms. Norton.

Ms. NORTON. Dr. Brimmer, I am not as concerned as some members of the Council and some members of the public are about the awarding of contracts by the Authority. The Authority does not have a track record of abuse of contracts. The Authority is not the District of Columbia. The Authority does not have a dime in that dollar. The Authority I think has been basically wanting to get the job done. The contracting part isn't something where I take my stand. You are under great pressure to try to get these things done.

Occasionally something does jump out at me, however. And I want to ask you about one sole source contract that I don't understand. It happens to be one that was awarded to a very accomplished person, if I may say for the record, a friend of mine with whom I have worked, Carol Clarican. But it would seem to be redundant of what your staff, which consists mostly of auditors and finance people, do in the first place. It is a fairly large, sole source

contract for \$44,300, or at least not to exceed that, to assist the Authority in its analysis of the District's fiscal year 1998 budget and financial plan. You don't have many management experts on your staff, but you certainly have a lot of financial experts. I don't understand why you would need a consultant to do what looks like a routine task of your own staff.

Mr. BRIMMER. Actually we don't have anyone on the staff with the kind of skills required, and that is why we hired her. Remember, she had come out of a major study brought up by Brookings on revenue and the expenditure in the District. That gave her exactly the kind of expertise that we needed. There was no one in our staff with that kind of skill. So there is a gap. That is why we hired her.

She came on at my initiative, because as I looked at the kind of issues that were there, we didn't have anyone. Actually our staff is very, very thin from the point of view of analysis. She was not coming in simply as an accountant. Her job is analysis in the context of economics and overall budget planning. She had done that job in New York City long before she came to do the Brookings study. So yes, that was a contract that filled a major hole.

Ms. NORTON. I accept your answer, Dr. Brimmer, but I tell you, if there is—as anybody who is better at analyzing the District's budget and financial planning than John Hill, you will really have to convince me of that. If she was brought in to do a specialized task, I can understand that, but to analyze at this rate \$44,000, to analyze the fiscal year 1998 budget and financial plan, that sounds redundant to me. I just wanted you to know it.

Let me ask another question at this time, if I might. There has been great concern about the University of the District of Columbia. Here I am not talking about the law school. You commissioned a report—meanwhile the University of the District of Columbia, the first thing I have to ask you is, have they seen that report?

Mr. BRIMMER. No. Some pieces of the draft have been discussed. But the report itself is still at the board. Our staff is incorporating the comments of board members on it. We have looked at it. That will be finalized within days, simply because board members have been preoccupied with all the other things we have been talking about here today, police and so on.

Ms. NORTON. Dr. Brimmer, this report was due, according to your procedure plan, February 1, 1997. Meanwhile, the University of the District of Columbia has gone on to get, and I believe has succeeded in getting reaccredited, apparently without having access to this piece of paper. It has been terribly painful. They have lost students. It does seem to me that when the Authority—I mean, the Authority's reports—report is legendary. The real difference that the subcommittee has is with implementation of reports.

I am not aware that the University of the District of Columbia, in going through the restructuring that it has undertaken, has had a piece of paper to help it that included your report. When in fact these reports are commissioned and there is no implementation strategy in the report—indeed those like UDC who may need the report don't even have the report and certainly the Congress doesn't have the report—then one is left to believe that in a real sense, the reports are seen as an end unto themselves, as opposed

to the management mandate of the Authority to in fact revise the management.

Here was an institution that was on its knees and in need of crisis help. It almost went down the drain. I need to know where this report is and what kind of help the University of the District of Columbia is getting from the Control Board.

Mr. BRIMMER. First, with respect to the action vis-a-vis accreditation, the university did not lose its accreditation.

Ms. NORTON. No, it was put on probation and got it back. I'm asking, did it get it back using your report at all?

Mr. BRIMMER. The warning was lifted. The principal reason cited by the accreditation body in lifting that warning was because of the cost-cutting and the strengthening of its financial position which reassured the accrediting body, the middle States' accrediting body. The efforts by the university to cut costs, to strengthen its financial position, that effort was undertaken in collaboration and guidance from the Authority. Our staff not only shared the information gained in our study with the university, and they had it in substantial detail, but they also worked alongside of them.

Ms. NORTON. This is my question. Why shouldn't they have the report? You do a report, these people need more than financial help, they need to restructure the whole university. I am sure the report must in fact be useful or else you would not have paid for the report. Why not give them the report, as they are in the midst of trying to get their accreditation back?

Mr. BRIMMER. Ms. Norton, the university has received components, pieces, sections—

Ms. NORTON. Why not the report, Dr. Brimmer?

Mr. BRIMMER. Because these were being generated simultaneously.

Ms. NORTON. Didn't you have a consultant doing the report? Didn't they finish it? We were told the report was finished. But it has not been made available to these people who are in the midst of a deep, dark crisis.

All I am asking is, if these reports are going to be paid for, are going to be commissioned and paid for, that they be implemented. I regard the UDC matter as a stark example, because they apparently went through this without having a piece of paper that might have helped them and that you had commissioned and gotten that went beyond, I hope, financing. They need the whole thing restructured.

Mr. BRIMMER. Mrs. Norton, the consultants produced a number of reports. Those were building blocks, raw material. These were shared, these pieces, many of these components, were shared with the university immediately when they were produced. The university administration has been aware of the contents of those, and when I mentioned the report that is what I thought you were talking about.

Ms. NORTON. I was talking about the written report. Did they have the written report, Dr. Brimmer?

Mr. BRIMMER. The written report they didn't have because it has not been written completely. Draft—

Ms. NORTON. We were told there was a report.



Mr. BRIMMER. I am not speaking to what you were told. I am talking to you—I am addressing what is.

Ms. NORTON. Is there a written report? We were told there was a draft written report and this report has not been made available in writing to the UDC.

Mr. BRIMMER. The draft report has been made available to the Authority. Our staff has given it to the Authority members. Authority members have read it. They have made further comments. They are back in our staff's hands. Our staff has incorporated those reports by the Authority. That will be completed very soon. At that time it will be made available. That is the status of the matter at this time.

Ms. NORTON. Then my point is made. That is almost a year late. They have already gone through their crisis. I am not sure what the report can do for them at this time. I am simply asking that if reports like that are going to be commissioned, that they be made quickly available so that implementation can take place.

What is the amount of the accumulated deficit at this point, please?

Mr. BRIMMER. Let me find out. I will find out quickly. I am told it is close to \$500, not an exact number, but close to \$500 million.

Ms. NORTON. What plans does the Authority have for implementing the part of the revitalization plan that allows for borrowing?

Mr. BRIMMER. Excuse me, let me amplify my earlier comment.

The results from 1997, which we don't have as yet, but we will be getting soon, are expected to be better than anticipated. You might recall that there was an expectation of a deficit of about \$74 million for 1997. The revenue has come in more strongly than was anticipated, so we would expect that the accumulated deficit would be less than the \$74. I asked last night whether it would be closer to zero or closer to \$74, and I was told that it would be somewhere in between. But they are still refining those.

Your next question was what, Ms. Norton?

Ms. NORTON. I had asked about a borrowing. I wanted to know what plans—plan does the Authority have for implementation of the borrowing authority that was a part of the revitalization package.

Mr. BRIMMER. Yes. We have not pinned it down.

There are two elements of borrowing which we have focused on. The capital borrowing is \$150 million for the city. We said that if we got the Authority to do so, we would borrow another \$50 million for capital purposes. That is \$200. We plan to do that.

The question of borrowing an additional amount, maybe enough to make a sizable dent in the accumulated deficit beyond what we anticipate, will depend upon the cash-flow problem. I had a session with the staff last night on this. The way the revenue is flowing so far, it looks as though we will be able to minimize that borrowing, but we don't know as yet.

Ms. NORTON. Mr. Chairman, I think the committee needs—if this is going to be a huge borrowing, there will be money that would be helpful in other ways as well. I believe that a plan for this borrowing needs to—you need to begin to think about a plan. If you do, when do you think a plan—whether this year or next, this is all in your expertise—but when do you think a plan for doing a

borrowing and for relief from the accumulated deficit could be accomplished?

Mr. BRIMMER. First, Mr. Hill has been working with the Chief Financial Officer already to get a projection of the cash-flow—not just the budget, but the actual cash-flow. The Chief Financial Officer is working to do that. I have asked that they give us an estimate soon. I didn't say weeks or month, but I was thinking very early next year.

It is on the basis of that forecast that we can then plan the borrowing, not only the borrowing to reduce the deficit, but flow of capital and so on. My own hope is that we borrow in increments through the year rather than one lump sum, pay the interest, then have idle funds.

That is the initial approach we are taking. I am still hopeful that we can do that.

Mr. DAVIS. The gentlelady's time has expired.

Mrs. Morella.

Mrs. MORELLA. Thank you. I certainly feel badly that we kept you all waiting so long, Dr. Brimmer and Mr. Harlan and Chief Proctor.

I am just going to wrap in one question some of my major concerns, Dr. Brimmer. I have written to you and I am sure the others have, too, about Medicaid, the Medicaid contract. I am concerned that the provisions of the D.C. revitalization bill won't go forward unless this issue is resolved.

I know you talked about negotiating. I wondered, what do you foresee as the timetable on a settlement so that the poorest and the most vulnerable citizens of the District of Columbia can be served?

The second part of my question has to do with contracting. I am curious about, how bold is this oversight? There are so many delays. We have someone who was awarded a contract for—a 911 contract like a year ago and nothing more has happened. What measures are there to prevent what happened with Medicaid from happening again and to move ahead some of these contracts that are just not moving forward?

Mr. BRIMMER. As I mentioned earlier, it is the city that is administering these. We are not administering those contracts. It is my understanding that the city has engaged extensively in trying to negotiate this matter, including the direct negotiation with the three who were not included, as well as the four.

Excuse me just a minute.

Mrs. MORELLA. That was good news, wasn't it?

Mr. BRIMMER. I can now respond with greater precision.

First, the negotiations are going forward. The negotiations are complex because it is not only a negotiation to satisfy the three who were not included, but the four who were, who got the contracts, and, therefore, they have rights. And so it is truly a negotiation to resolve all of those.

I am told they are very close to concluding those negotiations and reaching a settlement. On the other hand, and I have just been handed a note to say that if a settlement is not reached by early next week, they will have to seek alternative ways of dealing with the matter.

Mrs. MORELLA. Next week, you said?

Mr. BRIMMER. Early next week.

Mrs. MORELLA. Just know that I think the others on this subcommittee feel the way I do. You have great opportunities for some really bold measures for oversight. Do it. Use them, again to prevent also delays of contract. Thank you.

Thank you, Mr. Chairman.

Mr. DAVIS. Ms. Norton.

Ms. NORTON. Dr. Brimmer, I would like to be assured that the problem that occurred around the lottery board will not occur again. Section 207 was negotiated with a great deal of difficulty. It was the last thing I was able to negotiate in the Financial Management Plan because it seemed to me to be unthinkable that unelected officials could overturn law. Yet we received letters—first of all, there was no attempt made to consult with Congress, and that is what 207 says.

First, I want an assurance that that will occur. Second, I want an assurance that before any law is overturned, that Council members won't be put in the position of writing, requesting a meeting and not be able to get a meeting before a law is overturned. Third, I want to know, what is the status of the lottery board? Because so far as I know, the law remains on the books, and the thing was kind of left hanging.

Mr. BRIMMER. Yes, you have assurance. We will consult with Congress. We thought we had, but in the meeting I had in your office with you—

Ms. NORTON. There was no meeting with me until after we complained about 207. The Council apparently wrote and said, could we have a meeting, which probably could have straightened the whole thing out; and never got a meeting. Ultimately, I am told that staff met with them, but after we complained. 207 was in there because the notion of overturning a law by an unelected body is just unheard of almost anywhere in the world. We can't allow that to slip by.

Mr. BRIMMER. Ms. Norton, until I had the meeting with you, I thought we had consulted. You assured me in that meeting that you considered that insufficient. I accept that. That has not happened. I assure you it will happen, such consultation.

Ms. NORTON. I want to correct the record. You never consulted with me on the matter. A letter was sent here—I guess to the chairman—and I think your staff or your lawyers told you, if you just send a letter, that's consultation. Your lawyers need to check the statute. Consultation means consultation. It means, talk with people, have some back and forth. It doesn't mean, tell us what you're going to do and then go do it.

Mr. BRIMMER. Ms. Norton, it is clear not only today but earlier that the steps which were taken at the time, I was advised, constituted consultation. You shared that was not the case, so I accept that. I will assure you that in the future the consultation will take place in precisely the way you have described it should. That will happen.

With respect to the status of the lottery board, at this juncture the lottery board—the lottery is reporting to the Chief Financial Officer for oversight and direction. There has been no further ac-

tion with respect to the draft order we proposed to issue. There it stands. We have not looked at it recently.

Ms. NORTON. I am not urging you to, if you are able to work with it as it is; I just want to make sure that you have an opportunity to work with the Council on matters like this so as to form a good working relationship with them.

Mr. BRIMMER. The order of September 1996 that would put the CFO in charge is still in force. That is what I meant when I said the CFO has oversight and direction of that.

The recommendation from the lottery board staff, which would take a more permanent form, no further action has been taken on that.

Ms. NORTON. This is not anything, and if it is not bothering anybody, I am going to leave it alone. But the lottery board statute is on the books. He is in charge. With some getting together with the Council, it all could have been worked out. But I am going to leave it alone so long as nobody is concerned about this at the moment, just so that, from now on in, the consultation takes place.

The reason for the consultation, the reason we came to that solution is because we believe if the chairman and I got to talking with whoever was in disagreement about a D.C. law, a compromise could be worked out and that you could get the Council and the Control Board to agree. That is the whole reason for section 207 in the first place; it is to reach an accommodation.

I think what would have happened is that the Council probably would have come part of the way, the board would have come part of the way, and it probably could have been worked out if we had been given that opportunity.

You talked about a plan for spending \$100 million to implement the reports. First of all, I want to encourage you to move in that direction. You got these reports. I am very pleased with what you have said today about moving ahead toward implementation, about being on time with the reports. We certainly didn't give you a lot of time, and you have had to take really extraordinary measures to do that.

What is your plan for implementation and where is the \$100 million likely to come from?

Mr. BRIMMER. First, with respect to the plans, we will make a judgment—as I said, we have to do it by the middle of January because that's when we were asked to report to Congress. On which projects will be implemented, we will be making those decisions within the next couple of weeks. The mechanism is that once we do that, then the implementation for the department reports must be in the hands of the department heads with oversight and direction from the management reform team. They are primed and ready to go when we give them the word. We will do that early in January.

With respect to the funding, the amount of money that would be available would come from the following sources: First, the Congress appropriated \$8 million in the budget. Those funds are in our account. We have those funds already. Another source of funding will be from the borrowing. We have said that we will use part of the surplus, we expect to use about \$3.5 million to pay the debt costs of borrowing \$50 million. That is for capital. We have said we

will use some of that \$50 million to provide some funding for street improvement, some for school construction, and some to pay for management reform, particularly capital expenditure requirements of management reform.

We have not decided on exactly how to divide that \$50 million of proceeds from borrowing, but the expectation is, a sizable fraction will go for the capital component. We have also said we will use up to \$30 million to pay for management reform and productivity improvements coming out of the surplus. That will accrue as we go through the year.

You add up those components, and you come close to \$80 million. Already—in the 1998 budget, there are some planned expenditures already as a part of the budget that will go to implement management reform. We think that amount, and the first cut suggests, might be \$15 to \$20 million. Those components come to the \$100 million.

Ms. NORTON. You don't believe you will have to reprogram money or cut programs in order to implement the reports?

Mr. BRIMMER. We don't know. The first round—and this is on the basis of the staff's analysis; it has not been examined and confirmed by the board as a whole, but in the first estimates the staff made with respect to the 170 projects, because they involve some savings, as well as some expenditures in the first year.

The first year, we would anticipate that some \$125 million of expenditures might be needed if we decided to implement all of the 170 as they stood a couple of weeks ago. But I repeat, that was the first estimate; we may have to reprogram. We may, but we don't know that. We haven't come to it yet. My expectation is that, especially since we now have the opportunity to use part of the surplus, as I have just described, that we will be able to fund something in that neighborhood during the first year.

Ms. NORTON. I would hope that out of the consultants' reports would come savings from consolidations and an end of some of the redundancy that might make reprogramming or cuts unnecessary.

Mr. BRIMMER. We do expect to get some—from the—

Ms. NORTON. I don't have a lot more. If I can just complete this.

The consultant records—since Dr. Brimmer says that he expects implementation to proceed the next few weeks, I want to ask him about his relationship with the Council. The Council has—that sits and hears testimony, which gives him the deepest knowledge of the day-to-day operations of the D.C. government except for people who might be in a particular department.

We have a letter that was signed by some members of the Council, and I'd like to know about your involvement with members of the Council. If I were in your position and I got these reports, one of the first things I would do would be to give them to the department chairman, the Council chairman and say, do a critique of this. You know, we may end up doing something different. Do a critique of this. Tell me what your priorities are in order to get as much information as possible so wouldn't be blindsided because there is deep knowledge there.

But, instead, we have a letter that says, in part, in the December 6, 1997, Washington Post you are quoted as saying that the management reform teams will discuss the consultant recommenda-

tions in two of our meetings and that the Authority will then decide which reform projects to pursue. This is a clear violation of the both the letter and the spirit of the National Capital Revitalization Act, which requires collaboration and teamwork among the members of the team.

All I want to know is, isn't it in your best interest to sit down with these people who, as you can see by looking at Channel 16 yourself, get buried and drowned with details about the D.C. government which just might be useful to consultants and to the Control Board? And why in the world do we have to deal with letters like this when we all are supposed to be working as a team?

Mr. BRIMMER. First, let me describe what the situation is.

The Chair of the Council is a member by statute of the management reform team. The Mayor is a member and the Chair the authority members. From the very outset, we proceeded to organize our staffs in a way to deal with not just the implementation of the reforms which the statute said these teams must focus on but on the conduct and analysis and assessment of the reports of the consultants as they come along.

This is what I did. I called a meeting in which the Mayor and the Chair of the Council and I met and agreed as follows: that each of us would name principal alternates. The Council Chair named as her principal alternate the Chair of each of the appropriate Council committees. The Mayor named as his principal alternate his senior staff. I asked my colleagues on the Control Board to be my principle alternate in exactly those areas where they have oversight.

So the teams then—and the head of the department, appropriate department, was already assigned by statute as a member of a team. So the typical team consisted of the Council Chair and the Council alternate. I'm a member of every team and the board member.

So we then proceeded. As each of these reports came in, they were handed to the Chair of the Council within days of our receiving them—not weeks, within days of our receiving them. The consultant reported to the Authority as the statute required.

Then we called a meeting of the team with all of the alternates participating, and we went over each of those reports, and the first two lines, because of the nature of the consent, we had—allowed 1 hour. And, remember, we are talking about 12 reports, 12 separate reports, 8 for the departments and 4 for the citywide issues; and we participated in every 1 of them.

As we looked down the road to get the reports for the recommendations, the final recommendation we are talking about, the Chair of the Council said to me that she would like and that her members would like more time. So we agreed that we would provide not 1 hour but 2 hours. So we're now talking about a total of 24 hours of detailed meetings. And the members participated, they got the reports ahead of time, and the—you know opportunity was there for them to study them in advance and to come.

And let me repeat, although the statute said that the team should participate on implementation, I took just the opposite and involved the teams from the first stage, right, all the way through; and they have been involved.

So with respect to how to make a final decision about which one, as I said, in the end, we will have to ration funds. We will have a session where the Council—the members of these teams will look at that last round of 170 projects and say yes or no.

That's the intent, and I look for that as thorough and comprehensive extensive participation.

Ms. NORTON. The letter and complaints from the Council may reveal simply poor communication. I urge the Authority to bear in mind the need to take advantage of the expertise of the Council and to establish better relationships with the Council. The reports themselves are uneven and necessarily so, so it seems to me you can only be helped by getting their written response and however else you can involve them.

Let me ask you essentially only one more question.

I do want to indicate a concern that in the Congress we will put in money for police to get raises, and we did, but the firefighters have not gotten a raise. And I am beginning to worry a lot about invidious comparisons between the high-profile folks and the rest of the workers, and I'm not sure how we're going to get our workers to perform at the level you want them to perform unless we are able to convince them that these—that while there might have been an emergency—and there was in the police department—that other vital workers—other workers are vital as well.

The firefighters occur to me as an example, but I would like to indicate that the—there needs to be greater evenness in the approach to the entire work force so that you don't have to be visible and wear a uniform—and a specific uniform at that—in order to attract attention because the Congress will get in—and I've been in it with the police to give them a raise, so I speak knowing how easy it is for us to focus on public safety, which is, of course, the top priority.

So I just want to leave that for you all to consider. I don't require an answer because I understand the difficulty you have been put in on that issue.

I also want to express concern about the pace at which you are going or the school board—the Chief Academic Officer is going at her work. Again, it's very refreshing to see someone with her nonsense approach coming in and saying, hey, we're going to do this; these kids do not have to be at the very bottom.

I look at other States and see that even when schools didn't close for 3 weeks most States have understood that it would take a period of phasing in the most rigorous standards such as leaving people back or the rest of it in order to get to where you want them to be.

And I mean in the back of my head, frankly, I have another whole thing in mind. We are already losing much of our middle income black population to the suburbs, especially to Prince George's County. Now if people think that their kids going to be held back, even those schools open 3 weeks late and it's all going to happen in 1 year, I got a cost-benefit problem. We may make some progress with those kids that remain, but we are likely to have an unintended effect of people saying, well, I need more time, I think I can't bear this, and that we lose some more people. So I would just urge—

The last thing I want to do is slow down this drive for standards, but it does seem to me that one would want to look at other States to see what even with less disadvantaged populations they did to make sure this was phased in so as not to have an unintended effect.

My last question really has to do with whether the Authority has begun to draw the necessary transition plans for turning back the government to the elected officials of the District of Columbia.

Mr. BRIMMER. Miss Norton, in a formal way we have not focused on that. Our attention and efforts have been trying to do what we can to improve it while we're here.

As you know, the statute says that the life of the Authority is related to the achievement of a balanced budget. With the achievement of a balanced budget fiscal 1998 that means 1 year closer, means 4 years from 98 rather than 5 years from 98; and so we are working very hard to accomplish as much as we can to meet these mandates during this period.

My own view—and I said we, as a board, have not talked about this. My own view is that the—to the extent that we can build in a capacity to cope with the issues that got us here in the first place then the transition after us would be much smoother, and from my point of view the sooner this transition and this transfer can take place the better.

So if there were a way so that we could achieve and the need to demonstrate capacity to govern and so on there and this could be shortened and I get out of the way, I would enjoy that immensely. I don't want—

Ms. NORTON. The reason I ask the question is because I believe that if the transition is not planned that it would—it will probably be difficult to achieve. That if, in fact, in year 1 through 4 the Authority and the city don't have in mind certain matters that simply must be done by the time we get to year 4 we may well find that the transition is not complete. And I do believe that one has to think out very quickly—very thoroughly, not quickly—very thoroughly how one plans for that transition rather than assuming it will take place or wait until the last year to do so.

Thank you very much.

Mr. DAVIS. Dr. Brimmer, thank you very much. You can be excused.

Mr. BRIMMER. Mr. Chairman, I sent my assistant to send regrets. So I'm not leaving. I'll be here.

Mr. DAVIS. OK, thank you very much.

Mr. DAVIS. Let's hear from Chief Proctor, and then we'll go to Mr. Harlan.

Chief, thank you very much for your patience.

#### **STATEMENT OF SONYA PROCTOR, ACTING CHIEF, METROPOLITAN POLICE DEPARTMENT**

Ms. PROCTOR. Good morning, Representatives Davis and members of the subcommittee. I'm Interim Chief of Police Sonya Proctor, and I'm proud to appear before you this morning to discuss improvements that have been made to the operations and organization of the Metropolitan Police Department.



Mr. Chairman, if I may, I would like to ask with your consent if we can place these charts on easels to—

Mr. DAVIS. That will be fine. I think you have an important story to tell here, and we want to see them, and without objection both you and Mr. Harlan's complete statements will be placed in the record. They have been read by the members so you can summarize and particularly on your charts take a few minutes to go through them.

Ms. PROCTOR. Thank you.

I will open with the best news that the city has experienced in many years. Crime in the District of Columbia is down 19 percent this year when compared to 1996.

The preliminary crime report for the past November indicates the number of part I crimes occurring that month is the lowest monthly total that the District has had in nearly 4 years. This is not simply good news for our community. It reflects the dedicated efforts of all of the fine, hard-working men and women of this department.

I take a great deal of pride in reporting that the significant reduction in homicides achieved earlier this year is continuing to hold through the remainder of the calendar year. So far this year we have sustained a 23 percent reduction in homicides throughout the spring, summer and fall months. This means that there are over 88 more citizens alive today who might not have been otherwise. Hopefully, our continued good work will allow us to end the year below the 300 homicide level for the first time since 1987, 10 years ago.

In addition to the reduction in homicide, we've also achieved a reduction in other categories of crime when compared to last year. These are—the charts over here will reflect some of our progress: 27 percent reduction in robbery; an 8 percent reduction in assaults with a dangerous weapon; specifically a 23 percent reduction in firearm assaults; 28 percent reduction in burglary; a 14 percent reduction in thefts; and a 23 percent reduction in stolen autos.

The crime statistics that I'm reporting are approaching the levels of 1986, a time when the Metropolitan Police Department was known for its crime-fighting efforts. But this is not enough. I am challenging each of my seven district commanders to reduce crime in 1998 by at least another 15 percent. Our community deserves nothing less.

One of the most important issues for the citizens of the District of Columbia is the department's conversion from scout car beats to patrolled service areas. As has been previously reported to the subcommittee, in July of this year we eliminated our obsolete scout car beats and implemented 83 new patrol service areas. At the same time, the number of uniformed members working on patrol in the seven districts increased from 1,171 to 1,424.

The overall crime picture in the new PSAs is extremely positive. Crime is down in 74 of the 83 PSAs, in some PSAs by substantial margins, as much as 51 percent. Crime has increased for the year to date in only nine of those PSAs. In those PSAs where we have had increases we have specific action plans to deal with the particular crime problem.

One example of the success of our new PSA operating model is the willingness of citizen patrol groups to work many hours patrolling their own neighborhoods to act as eyes and ears for the police. Next year, in January, the department will conduct an appreciation ceremony for the Orange Hat and other citizen patrol groups in order to recognize them for their outstanding contribution to reducing crime and violence in the District of Columbia.

As I said before, the number of sworn personnel assigned to uniformed patrol in our PSAs has increased when compared to the old scout car beat structure. Despite our efforts, however, we have struggled to maintain the targeted level of staffing. Let me say that I am not satisfied with the PSA staffing levels that were established in July. We can and must increase the number of uniformed personnel working in the PSAs. At the same time, it has become obvious that the department must address several other key issues before we can achieve the kind of PSA staffing levels that are expected by the community.

We have also learned that there is no single improvement which will result in a substantial increase in PSA personnel. A series of improvements will have to be made before a significant number of additional personnel can be permanently redeployed to the PSAs. We know that addressing these issues will not be easy and, most likely, will often require painful choices by this department.

To move ahead we're changing many of our old and traditional ways of doing things, and the interests of the community is taking precedence over our own organizational or personal interests. We are learning to think differently about how we go about managing the department's resources and pledge ourselves to the highest standards of professional conduct, ethics and behavior. I am sure that the citizens of the District of Columbia will accept nothing less from us.

I'm not saying that improvements have not been made over the past few months. There have been many. But I am saying that the past months are only a beginning and that there is still a long and difficult road ahead.

I also want to reassure the subcommittee that we are not waiting for the implementation of long-term improvements before increasing PSA staffing. I am taking immediate steps to increase the number of uniformed members who will be working in the PSAs. Some of these steps include:

Sworn members of the department who are currently in administrative or other support positions are being assigned to work at least 1 day a week in those PSAs experiencing crime increases.

Our members of our Police Reserve Corps are being assigned to specific PSAs, the same as our District patrol personnel.

Members of the Special Operations Division are assigned to targeted PSAs, in particular PSAs that have a specific crime problem.

District commanders are ensuring continued adherence to the PSA minimum staffing policy, and PSA staffing is given the highest priority at the seven patrol districts.

To provide the PSAs with additional support to address crimes involving the use of firearms, I've consolidated the department's Gun Recovery Unit in the Criminal Investigations Division. This unit will work in coordination with individual PSA teams to target

problem areas citywide. This specialized unit will not be staffed by removing officers from the PSAs.

The department, through the PSA structure, continues its policy of zero tolerance against public nuisances such as public drinking, loitering and illegal panhandling. The number of part II arrests, which reflect enforcement of these kinds of activities, has increased by 28 percent when compared to last year.

And while crime is one of the traditional measures of success for a municipal law enforcement agency, there are other issues that are confronting the Metropolitan Police Department as it works to transform itself into a community-oriented, modern police agency; and I would like to address a couple of those issues and initiatives.

With regard to integrity and ethics, in recent weeks there have been several reports in the media that bring into question the department's organizational ethics and integrity. Let me state emphatically that I will not tolerate misconduct or unlawful behavior of any kind. Members of this department who engage in misconduct or unlawful behavior will be dealt with swiftly and surely. Any citizen or member of this department, sworn or civilian, who has knowledge of police misconduct of any nature can report it by calling a confidential hotline within the Office of Internal Affairs.

This past Monday, I published a Code of Ethics that clearly communicates to the department's employees the standards that I believe the community has a right to expect from public servants. This Code of Ethics is intended to reinforce just that fact: Police officers are public servants, and we must be responsive to and earn the trust and confidence of the community that we serve. I can assure you that I take this Code of Ethics seriously, and I fully expect every man and woman employed by the Metropolitan Police Department, whether sworn or civilian, irrespective of their rank, grade or position, to fully share these values.

At the same time, I provided more resources, both in personnel and material resources, to the Office of Internal Affairs. I have directed them to aggressively pursue criminal and serious administrative misconduct investigations and to include the imposition of administrative sanctions and/or referrals for criminal prosecution.

I have also initiated a change in the leadership of the Office of Internal Affairs. I pledge the full cooperation of the Metropolitan Police Department in the investigations that are being conducted to address the community's concerns about police misconduct. I will do everything in my power to ensure their success.

It's important to note that almost immediately after being placed in this position I reached out to both the U.S. Attorneys Office and to the FBI to request their assistance in dealing with the allegations of misconduct within the Metropolitan Police Department. This department will continue to cooperate with other Federal and local agencies in our efforts to combat crime and to improve the quality of life for citizens living, working and visiting in our great city.

I'm also sure that members of the subcommittee have heard or read about the problems of the Homicide Branch and the management actions that were taken this past September. These and other actions to improve the operations of the Homicide Branch have led

to an improvement in the homicide case closure rate from 48 to 66 percent.

Concurrent with the immediate improvements, a Homicide Investigation Working Group is developing long-term solutions and enhancements for the homicide investigative process. These improvements, once established in the Homicide Branch, will be adapted for other investigative units throughout the department.

With regard to our citizen complaint process, last week I initiated an in-depth review of the department's internal citizen complaint process with the objective of making it more responsive to the community. This review will examine the department's response to all citizens' complaints, whether for serious police misconduct or general service complaints. My goal is to have a process that is responsive to a citizen's concerns, a process that treats citizens honestly and fairly, and a system that gives citizens a timely and personal response, and a system that the community perceives to be fair and effective. The review will be completed and improvements implemented no later than 60 days from the date this was assigned last week.

With regard to the Mayor's security detail, on December 7, 1997, the Executive Protection Unit was reduced from 20 to 15 members, as required by the fiscal year 1998 appropriations act.

With regard to overtime monitoring, the department's Chief Financial Officer now prepares a weekly detailed report describing the department's use of overtime. In addition, I've authorized—I have instructed the executive staff to prepare activity reports for all currently authorized overtime to evaluate its effectiveness. All future requests for overtime must describe in detail the reasons the objective cannot be achieved during regular working hours, how the overtime hours will be targeted and the indicators that will be used to measure effectiveness. All future overtime use will be thoroughly documented, with multiple review and approval levels.

With regard to civilianization, civilianization of positions within the department continues to be an integral part of our transformation efforts. With the delegation of greater powers to the Chief of Police, we're reviewing our work force to determine the best methods for reengineering administrative functions to achieve maximum benefit from civilianization.

We intend to accomplish our civilianization goals in three ways: First, to review all civilian positions to determine which positions require upgrades in salary, technological resources and program responsibility to more adequately meet the needs of the units involved. Next, to review upper management program and supervisory positions currently being performed by sworn members to determine whether these positions can be filled by civilian professionals. And, finally, to identify and remove any legal and policy impediments to civilianization.

As a result of our initial review, we have undertaken several steps toward civilianization. These include:

Actions to upgrade civilian positions in the Communications, Central Cellblock and the Testing and Standards Division.

Converting several formerly sworn senior and mid-management level positions to civilian positions. Civilian vacancy announcements have been released for the positions of Technical Services

Officer—which was formerly an Assistant Chief of Police—the Director of Information Services—formerly an inspector—Homicide Branch commander—formerly a captain—the personnel director—formerly a sworn captain—and the public information officer—which has been either a sergeant, lieutenant or captain. It is expected that the persons filling these positions will bring not only position-specific skills, knowledge and credentials but a fresh management perspective as well.

I also expect to submit to the Mayor for transmission to the City Council within the next 30 days proposed legislation to facilitate the civilianization of specialized sworn positions.

The actions outlined above represent only the beginning of our civilianization process. In addition to initiating recruit actions and upgrading positions, we're also reviewing office procedures to determine how communication and automation enhancements can augment efficiency. To this end, it's possible that automation may result in some positions being eliminated as sworn members are re-deployed.

With regard to the \$15 million congressional appropriation, in 1996, Congress provided \$15 million in additional funding for the purchase of badly needed equipment and technology. Of this \$15 million, the department has obligated \$10.7 million. The balance of \$4.3 million has been committed for procurement activity.

With senior police officers, we currently employ 64 senior police officers, 29 of whom were hired this year. Of the 64 senior officers, 21 are assigned to the patrol districts, 24 are assigned to investigative units, and 19 are assigned to other specialized functions where the department can take advantage of their knowledge and experience gained from the many years of their service with this department.

On domestic violence, the department initiated a survey in late August of all sworn members and those civilian employees having access to firearms during the course of their duties to determine whether any were convicted of a domestic violence offense. No new convictions for domestic violence were found.

The survey did find that six members of the department had received probation before judgment in regard to their involvement in domestic violence incidents. Even though probation before judgment is not covered under Federal law, steps are being taken to remove these six individuals from the force. This action is being taken because I believe that not only should the department be in compliance with the letter of the law but also in compliance with the spirit of the law.

With regard to attrition and recruitment, in fiscal year 1997 the department lost an average of 20.5 officers per month; and it's expected that in fiscal year 1998 the attrition rate will be essentially the same. Also, during fiscal year 1998, a total of 563 sworn members will become eligible for retirement. Since January 1, 1997, the department has hired 256 new police recruits and as of November 24 the department had 148 sworn vacancies.

The department recently received two certificates of achievement for the Herman Goldstein Award for Excellence in Problem-Oriented Policing, and that is a highlight of the annual Problem-Oriented Policing Conference sponsored by the Police Executive Re-

search Forum in San Diego, CA. The awards were for the Second District's Homeless Outreach Team, known as the Hot Wheels team, and the Fifth District's Levis Street Problem-Solving Initiative. This national recognition for two of the department's programs was well-earned praise.

As I close, I would like to say that the vast majority of the men and women of the Metropolitan Police Department are dedicated to serving the citizens of the District of Columbia. They are aware of the critical and direct connection between personal integrity and effective performance. They know that the effectiveness of any police agency is directly related to the level of trust and confidence it receives from the community.

Unfortunately, there are those individuals who abuse this trust and besmirch the integrity of the department and the badge they wear. This is painful not only for the citizens who observe these lapses but also for the members of the department who are then often judged to be guilty if only by association. It is wrong for anyone to assume that our members do not feel deeply the pain of every transgression committed by one of their fellow employees.

Anyone who has had personal contact with me or who knows my reputation can have no doubt as to my integrity. I can assure you that the department's command staff, together with our sworn and civilian members, are uncompromising in our dedication to public service and that by working together we will again take our rightful place as the leading municipal law enforcement agency in the Nation. We realize that serving our fellow citizens as public servants is the greatest honor that can be bestowed upon any person in the United States of America.

Thank you, Mr. Chairman, for the opportunity to address the subcommittee. I will be happy to answer any questions the subcommittee may have.

Mr. DAVIS. Chief, thank you very much for that very complete statement. The entirety is in the record.

[The prepared statement of Ms. Proctor follows:]

Good morning Representative Davis and members of the Subcommittee. I am Interim Chief of Police Sonya T. Proctor and I am proud to appear before you this morning to discuss the improvements that have been made to the operations and organization of the Metropolitan Police Department.

## **PART I CRIMES**

I will open with the best crime news that the city has experienced in many years. Crime in the District of Columbia is down 19% this year when compared to 1996. The preliminary crime report for the past month of November indicates that the number of Part I crimes occurring that month is the lowest monthly total that the District has had in nearly four years. This is not simply good news for our community; it reflects the dedicated efforts of all the fine, hardworking men and women of this department.

I take a great deal of pride in reporting that the significant reduction in homicides achieved earlier this year is continuing to hold through the remainder of this calendar year. So far this year we have sustained a 23% reduction in homicides throughout the spring, summer, and fall months. This means that there are over 88 more citizens alive today who might not have been otherwise. Hopefully, through our continued good work we will end the year below the 300 homicide level for the first time since 1987.

In addition to the reduction in homicide, we have also achieved a reduction in other categories of crime when compared to last year. These are:

- 27% reduction in robbery;
- 8% reduction in all assaults with a dangerous weapon;
- 23% reduction in firearm assaults;
- 28% reduction in burglary;

14% reduction in thefts, and a  
23% reduction in stolen autos.

The crime statistics that I am reporting are approaching the levels of 1986, a time when the Metropolitan Police Department was known for its crime-fighting efforts. But this is not enough. I am challenging each of my seven patrol district commanders to reduce crime by at least 15% in 1998. Our community deserves nothing less.

## **PATROL SERVICE AREAS**

One of the most important issues for the citizens of the District of Columbia is the department's conversion from scout car beats to Patrol Service Areas. As has been previously reported to the Subcommittee, in July of this year we eliminated our obsolete scout car beats and implemented 83 new Patrol Service Areas. At the same time, the number of uniformed members working in patrol in the seven patrol districts increased from 1,171 to 1,424.

The overall crime picture in the new PSAs is extremely positive. Crime is down in 74 of the 83 PSAs, in some PSAs by substantial margins. *Crime has increased for the year to date in only 9 of the PSAs.* One example of the success of our new PSA operating model is the willingness of citizen patrol groups to work with the police in reducing crime and violence. Citizens throughout this city spend many hours patrolling their own neighborhoods to act as eyes and ears for the police. In January, 1998, the department will conduct an appreciation ceremony for the Orange Hat and other citizen patrol groups in order to recognize them for their outstanding contribution to reducing crime and violence in the District of Columbia.



As I said before, the number of sworn personnel assigned to uniform patrol in our PSA's has been increased when compared to the old scout car beat structure. Despite our efforts, however, we have struggled to maintain the targeted level of staffing. Let me say that *I am not satisfied with the PSA staffing levels* that were established in July. I believe that we can and must increase the number of uniformed personnel working in the PSA's. At the same time, it has become obvious that the department must address several other key issues before we can achieve the kind of PSA staffing levels that are expected by the community and that there is no *single* improvement which will result in a substantial increase in PSA personnel. A series of improvements will have to be made before a significant number of additional personnel can be permanently redeployed to the PSA's. We know that addressing these issues will not be easy and, most likely, will often require painful choices by the department.

To move ahead we are changing many of our old and traditional ways of doing things and the interests of the community is taking precedence over our own organizational or personal interests. We are learning to think differently about how we go about managing the department's resources and pledge ourselves to the highest standards of professional conduct, ethics, and behavior. I am sure that the citizens of the District of Columbia will accept nothing less from us.

I am not saying that improvements have not been made over the past few months; there have been many improvements. What I am saying is that the past months are only a beginning, and that there is still a long and difficult road ahead.

I also want to reassure this Subcommittee that we are not waiting for the implementation of long-term improvements before increasing the PSA staffing. I am taking immediate steps to increase the number of uniformed members who will be working in the PSA's. These include:

- ▶ **Sworn members of the department in administrative and other support positions will be assigned to work at least one day a week in those PSA's experiencing crime problems.**
- ▶ **Members of the Police Reserve Corps are being assigned to specific PSA's, the same as our district patrol personnel.**
- ▶ **Members of the Special Operations Division are assigned to targeted PSA's, in particular PSA's that are experiencing a specific crime problem.**
- ▶ **District commanders are ensuring continued adherence to the PSA minimum staffing policy and that PSA staffing is given the highest priority at the seven patrol districts.**

**To provide the PSA's with additional support to address crimes involving the use of firearms, I am consolidating the department's Gun Recovery Unit in the Criminal Investigations Division. The unit will work in coordination with individual PSA teams to target problem areas citywide. This specialized unit will NOT be staffed by removing officers from the PSA's.**

**The department, through the PSA structure, continues its policy of zero tolerance against public nuisances such as public drinking, loitering and illegal panhandling. The number of Part II arrests, which reflect enforcement of these kinds of activities, has increased by 28 percent when compared to last year.**

## **GENERAL INFORMATION**

While crime is one of the traditional measures of success for a municipal law enforcement agency, there are many other issues confronting the Metropolitan Police Department as it works to transform itself into a community-oriented, modern police agency. Let's look for a moment at several other issues and initiatives.

- **INTEGRITY AND ETHICS**

In recent weeks there have been several reports in the media that bring into question the department's organizational ethics and integrity. Let me state emphatically that I will not tolerate misconduct or unlawful behavior of any kind. Members of this department who engage in misconduct or unlawful behavior will be dealt with quickly and severely. Any citizen or member of the department, sworn or civilian, who has knowledge of police misconduct of any nature can report it by calling our Office of Internal Affairs confidential hotline.

This past Monday I published a Code of Ethics that clearly communicates to the department's employees the standards that I believe the community has a right to expect from public servants. This Code of Ethics is intended to reinforce just that fact: police officers are public servants and must be responsive to and earn the trust and confidence of the community they serve. I can assure you that I take this code of Ethics seriously and that I fully expect every man and woman employed by the Metropolitan Police Department, whether sworn or civilian, irrespective of rank, grade or position, to fully share those values.

At the same time, I am also providing more resources, both personnel and material, to our Office of Internal Affairs and have directed them to aggressively pursue criminal and serious administrative misconduct investigations and to include the imposition of administrative sanctions and/or referrals for criminal prosecution.

I pledge the full cooperation of the Metropolitan Police Department in the investigations that are being conducted to address the community's concerns about police misconduct and will do everything in my power to ensure their success. The department will also continue to cooperate with other federal and local agencies in our efforts to combat crime and to improve the quality of life for citizens living in, working in, and visiting our great city.

I am also sure that the members of this Subcommittee have heard or read about the problems of the Homicide Branch and the management actions that were taken this past September. These and other actions to improve the operations of the Homicide Branch have led to an improvement in the homicide case closure rate from 48 percent to 66 percent. Concurrent with the immediate improvements, a Homicide Investigation Working Group is developing long-term solutions and enhancements for the homicide investigative process. These improvements, once established in the Homicide Branch, will be adapted for other investigative units throughout the department.

- **CITIZEN COMPLAINT PROCESS**

Last week I initiated an in-depth review of the department's internal citizen complaint process with the objective of making it more responsive to the community. This review will examine the department's response to all

citizen's complaints, whether for serious police misconduct or general service complaints. My goal is to have a process that is responsive to citizen's concerns; a process that treats citizens honestly and fairly; a system that gives citizens a timely and personal response; and a system that the community perceives to be fair and effective. The review will be completed and improvements implemented no later than 60 days from today.

- **MAYOR'S SECURITY DETAIL**

On December 7, 1997, the Executive Protection Unit was reduced from 20 to 15 members, as required by the Fiscal Year 1998 appropriations act.

- **OVERTIME MONITORING**

The department's Chief Financial Officer is preparing a weekly detailed report describing the department's use of overtime. In addition, I have instructed the executive staff to prepare activity reports for all currently authorized overtime to evaluate its effectiveness. All future requests for overtime must describe, in detail, the reason for the request, the specific objectives to be achieved, the reason(s) the objective cannot be achieved during regular working hours, how the overtime hours will be targeted, and the indicators that will be used to measure effectiveness. All future overtime use will be thoroughly documented, with multiple review and approval levels.

- **CIVILIANIZATION**

Civilianization of positions within the department continues to be an integral part of our transformation efforts. With the delegation of greater powers to the Chief of Police, we have begun to review our workforce to

**determine the best methods for achieving the optimum level of civilians to perform the administrative functions of the department. We intend to accomplish our civilianization goals in three ways.**

**First, to review all civilian positions to determine which positions, if any, require upgrades in salary, technological resources, and program responsibility to more adequately meet the needs of the units involved. Next, to review upper management program and supervisory positions currently being performed by sworn members to determine whether these positions can be filled by civilian professionals. And finally, to identify and remove any legal and policy impediments to civilianization.**

**As a result of our initial review, we have undertaken several steps towards civilianization. These include**

- Actions to upgrade civilian positions in the Communications, Central Cellblock and the Testing and Standards Divisions.**
- Converting several formerly sworn senior and mid-management level positions to civilian positions. Civilian vacancy announcements have been or are about to be released for the positions of Technical Services Officer (formerly a sworn Assistant Chief of Police), Director of Information Services (formerly a sworn Inspector), Homicide Branch commander (formerly a sworn Captain), personnel director (formerly a sworn Captain), and public information officer (formerly either a sworn**

Captain, Lieutenant or Sergeant). It is expected that the persons filling these positions will bring not only position-specific skills, knowledge and credentials, but also a fresh management perspective.

I also expect to submit to the Mayor for transmission to the City Council within the next 30 days, proposed legislation to facilitate the civilianization of specialized sworn positions.

The actions outlined above represent only the beginning of the our civilianization process. In addition to initiating recruit actions and upgrading positions, we are also reviewing office procedures to determine how communication and automation enhancements can augment efficiency. To this end, it is possible that automation may result in some positions being eliminated as sworn members are redeployed.

- **◆15 MILLION CONGRESSIONAL APPROPRIATION**

In 1996, Congress provided \$15 million in additional funding for the purchase of badly needed equipment and technology. Of this \$15 million, the department has obligated \$10.7 million. The balance of \$4.3 million has been committed for procurement activity.

- **SENIOR POLICE OFFICERS**

The department currently employs 64 senior police officers, 29 of whom were hired this past year. Of the 64 senior officers, 21 are assigned to the patrol districts, 24 are assigned to investigative units, and 19 are

assigned to other specialized functions whereby the department can take advantage of their knowledge and expertise gained from many years of service with the MPD.

- **DOMESTIC VIOLENCE**

The department conducted a survey in late August of all sworn members and those civilian employees having access to firearms during the course of their duties to determine whether any were convicted of a domestic violence offense. No new convictions for domestic violence were found. The survey did find that six members of the department had received probation before judgement in regards to their involvement in domestic violence incidents. Even though probation before judgement is not covered under federal law, steps are being taken to remove these six individuals from the force. This action is being taken because I believe that not only should the department be in compliance with the letter of the law, but should also be in compliance with the spirit of the law.

- **ATTRITION AND RECRUITMENT**

In Fiscal Year 1997, the department lost an average of 20.5 officers per month and it is expected that the FY 1998 attrition rate will be essentially the same. Also, during Fiscal Year 1998, a total of 563 sworn members of the force will become eligible for retirement. Since January 1, 1997, the department has hired 256 new police recruits and as of November 24, 1997, the department had 148 sworn vacancies.

- **HERMAN GOLDSTEIN AWARDS**

The department recently received two Certificates of Achievement for the Herman Goldstein Award for Excellence in Problem-Oriented Policing, a highlight of the annual Problem-Oriented Policing Conference sponsored by



the Police Executive Research Forum in San Diego, California. The awards were for the Second District's *Homeless Outreach Team* ("Hot Wheels") and the Fifth District's *Levis Street Problem-Solving Initiative*. This national recognition for two of the department's programs was well-earned praise.

As I close, I would like to say that the vast majority of the men and women of the Metropolitan Police Department are dedicated to serving the citizens of the District of Columbia. They are aware of the critical and direct connection between personal integrity and effective performance. They know that the effectiveness of any police agency is directly related to the level of trust and confidence it receives from the community.

Unfortunately, there are those individuals who abuse this trust and besmirch the integrity of the department and the badge they wear. This is painful not only for citizens who observe these lapses, but also for the members of the department who are then often judged to be guilty only by association. It is wrong for anyone to assume that our members do not feel deeply the pain of every transgression committed by one of their fellow employees.

Anyone who has had any personal contact with me or who knows my reputation can have no doubt as to my integrity. I can assure you that the department's command staff, together with our sworn and civilian members, are uncompromising in our dedication to public service and that by working together, we will again take our rightful place as the leading municipal law enforcement agency in the nation. We realize that serving our fellow citizens as public servants is the greatest honor that can be bestowed upon any person in the United States of America.

Thank you, Mr. Chairman, for the opportunity to address the Subcommittee. I will be happy to answer questions that the Subcommittee's may have.

Mr. DAVIS. Mr. Harlan, you can proceed now; and, as I just said, your entire statement is in the record. If you would like to summarize, we can get right to questions.

Mr. HARLAN. Thank you, Mr. Chairman.

Mr. DAVIS. If you get what I mean.

**STATEMENT OF STEPHEN HARLAN, AUTHORITY MEMBER, D.C.  
FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY**

Mr. HARLAN. Mr. Chairman, previous testimony before you successfully failed to do that, but I will do so today.

Thank you very much for the opportunity. My name is Steven D. Harlan. I'm vice chairman of the District Financial Authority and chairman of the MOU Partners. Described those partners and the membership of that partnership earlier today, and let me say that was formed about a year ago, and the first thing we did was to pull together this Memorandum of Understanding.

We said we would do two things: One, we would hire consultants; and, two, we would do what the consultants said; and we did that. We hired Booz-Allen, and they have done a very, very good job during the last year. They started right after the first of the calendar year and about the third week in February we received the report.

They said immediately do three things: One, take the politics out of the police department; two, put more police officers in high crime areas; and, three, begin to develop a new policing model primarily for patrol. Now all three of those were done.

On the fourth of July weekend, a new policing model was implemented; and you've heard the chief describe the change between beats to PSAs and the patrol aspects.

As soon as that implementation was up and rolling, the consultants moved into homicide. They brought in a team of homicide experts from around the country, including town site leaders, coroner, medical examiner, and concluded after about 2 weeks on the job that we had to make major changes. The Chief has talked about the changes that were made and the success that's taken place of great improvement in homicide closure rates.

But they also said to do the same kind of a strategy that we did in patrol, which was to look at the fundamental aspects of it and make fundamental changes. The Chief has alluded to the changes that are being prepared right now, a draft was prepared last Friday, and hopefully agreement can be made on the change and that homicide approach to policing by the end of the year.

But not enough has been done in several of these areas. We do not have enough police officers on the street to do the job.

The Chief has talked about how to civilianize and look for additional police officers, but we need to look at the laws as well. We have laws that are very unique to our city and are not found in other major cities. For instance, police officers must appear in court for misdemeanor charges. New York, Los Angeles, Atlanta, Chicago and other city's officers do not have to do that. It takes a lot of time.

We have been working through the consultants, been working on infrastructure. We have looked at the property department and

fleet management, information technology; and some of those points were touched on by the Chief but all very, very important.

The main thing, the main thrust that was—is being worked on and the whole reason for this was to implement a new missions statement, the mission statement of reducing and eliminating crime, the fear of crime and general disorder, at the same time restoring trust and respect within the community.

Today I'd like to give you a report card on that implementation. It's kind of a progress reporting, if you will, and it's only from me, it's not from anyone else. I didn't run this through the MOU, but I'm taking the opportunity to do this.

As far as the reduction of crime, I'd like to give a B plus to an A minus. You have heard the terrific results on crime reduction and displayed on these charts. Any other city in the United States would be celebrating this reduction. Here we're not ready to do that yet.

As far as reducing fear of crime, I'd say we're at the C to C minus level; and it's uneven is the reason I say that. In many areas, it's very, very good. People are respecting and understand that the city is a much safer place. But if you live near or work near an open air drug market you don't have that same comfort level.

And reduced general disorder. It follows the same type of thing that the reduce of fear does, that we have a long way to go. We have got to work on these open air drug markets.

Then the second part of the mission statement of establishing trust and respect in the community. I think it's uneven. At the PSA level, the sergeants and the lieutenants and the captains have done an excellent job in most PSAs in establishing that trust and in gaining the respect of the citizens and working together through the Orange Hats and other activities. But, citywide, I'd give us an F. We have much to do in establishing trust and respect for the whole police department. We have gone through a few weeks of just awful press, and we have got a lot to do.

One of the main things that the MOU group focused on in selecting and asking Chief Proctor to be the leader in an interim basis is the fact of integrity and her dedication to integrity and her experience in ferreting out problems. But we have much to do.

We have got to continue the focus on the reduction of crime. We can't lose sight that that's the main reason we're here, the police are here. We have got to install standards and measurement against those standards. We have got to add police to the PSAs. We need to improve case processing. We need to—the Chief has said replace uniform officers with civilians where possible. We need to implement the new homicide model. We need to select a permanent Police Chief. We need to implement an effective citizen complaint process. We have got a lot to do.

It's—probably nothing more important than—in this city, than to add to the comfort level, to take back the streets, the porches, the parks so that people can enjoy this city without fear of crime. It's an economic development strategy, it's a quality of life strategy, and I personally believe that we shouldn't compromise in any way.

We have talked about the alleged corruption and you've—we've talked earlier about the IG, selection of the IG, but I'd like to close

with this. In 1974, 1975, in that area and for many years before, the Metropolitan Police Department was judged to be the finest Metropolitan Police Department in the United States. People came here to study how policing was done. People came here to study how the homicides were done.

For 20 years we have fallen into disrepair. You point fingers. Doesn't do any good. What we need to do is restore this national image that the Chief has alluded to. We need to build effective teamwork at all levels and working together with the U.S. Attorney and the courts and the whole MOU group I believe that we can do this. We have got a great opportunity, and we have got to work hard to do it, and I believe we can make the changes that are necessary to accomplish this goal.

Thank you very much.

Mr. DAVIS. Thank you very much.

[The prepared statement of Mr. Harlan follows:]

## STATEMENT OF THE VICE CHAIRMAN

STEPHEN D. HARLAN

Mr. Chairman and Members of the Subcommittee:

Good morning. My name is Stephen Harlan. I am the Vice Chairman of the D.C. Financial Responsibility and Management Assistance Authority (Authority) and the Chairman of the Memorandum of Understanding (MOU) Partners. The MOU partners are members of the law enforcement oversight committee. The MOU partners include the Chair of the Council of the District of Columbia, the Chair of the Council's Judiciary Committee, the Mayor, the Chief Judge of the Superior Court, the Corporation Council, the U.S. Attorney and the Chief of Police. I appreciate the opportunity to testify before the Subcommittee on the status of reform efforts in the Metropolitan Police Department (MPD).

As you know, after the resignation of former Police Chief Larry Soulsby on November 25, 1997, the MOU partners unanimously voted to appoint the Assistant Chief of Human Resources, Sonya Proctor, as the Acting Police Chief. The MOU partners are confident that Acting Chief Proctor possesses the integrity, drive and public confidence necessary to serve as Acting Chief during this interim period and should definitely be considered for the position of Chief of Police.

The selection of the next Police Chief is a very important decision for our City. That individual must be of the highest integrity and have a proven record of Police leadership. He or she should be experienced as a Chief and recognized as very successful. Norman Roberts and Associates, an executive search firm specializing in state and local government searches, has been retained to conduct the search. We are attempting to locate the best person from anywhere in the nation to fill this important position. We are working to do so as soon as possible, and certainly by the end of the first quarter of 1998.

Mr. Chairman, while reengineering efforts are occurring throughout the department, I wish to briefly address several key areas--police presence on the streets, homicide investigations, targeted crime fighting strategies, information technology, and grants management.

Police presence on the streets has increased dramatically since the beginning of this year. In January, there were 577 officers on the streets daily out of the 1,171 that were assigned to patrol duties. Current MPD policy mandates that 1,461 officers be assigned to patrol duties. A recent assessment done by Booz-

Allen & Hamilton--the consulting firm assisting the MPD with management reforms--found that this number equates to approximately 1,000 officers on the streets daily. The difference between the number assigned and the number on the streets can be attributed to patrol officers continuing to spend too much time in activities related to booking prisoners and making court appearances, as well as normal administrative reasons, such as annual and sick leave, disability leave, and administrative leave.

MPD is working with the consultant to increase the total number of officers assigned to patrol, to reduce the amount of time officers must spend away from their patrols, and to change the behavior of officers while on patrol. In order to achieve these results, reforms are occurring in the staffing of non-patrol functions, such as the investigative divisions, the processing of cases in the criminal justice system, and in the training of officers, both as recruits and throughout their careers.

In order to increase the number of officers on patrol, MPD, working with the consultant, is beginning an analysis of the non-patrol functions. The goal is to implement a model which will provide enhanced case investigations and improve case closure rates, while returning as many sworn members as possible to patrol. Similarly, MPD seeks to have other support service divisions, such as fleet, property, and identification and records, operate efficiently with as few sworn members as possible.

It is clear that more sworn members are needed on the streets. The department has made progress in reengineering non-patrol functions, but additional reforms are also being pursued. For instance, the civilianization of numerous positions will contribute to the department's ability to redeploy sworn members to the patrol service areas, commonly referred to as PSAs.

In the area of case processing, MPD has taken numerous steps to improve its internal procedures and operations to reduce the time that officers must spend away from their PSAs. For example, the MPD is working to equip all patrol cars with transport "cages" and has procured the technology to allow positive identifications to be made in the seven districts. Additionally, the department has made numerous improvements in central cell block operations and staffing, the result of which has been the redeployment of 22 sworn members to patrol operations.

MPD is now focusing on streamlining the booking procedures to enable officers to return to patrol as quickly as possible after an arrest, while ensuring that the necessary functions are performed with respect to the arrestee, property, evidence, and paperwork.

Recently, the department has begun working with other criminal justice agencies to identify process improvements that can be made in the charging of cases and related court activities. One notable effort is the joint effort of the MPD, Corporation Counsel, and the United States Attorney's Office to improve the quality and content of the paperwork generated for each arrest. The goal of this effort is the eventual elimination of the requirement that an officer appear in-person to charge all misdemeanors and selected felonies. In addition to reducing overtime, this could keep dozens of officers each day on their patrols instead of in the courthouse. This change also would bring the District's charging procedures in line with those of numerous other major metropolitan jurisdictions, including Boston, New York, Atlanta, Chicago, and Los Angeles.

In order to change the behavior of the officers on patrol, MPD has implemented several new training initiatives in the areas of homicide investigations, problem solving, and report writing. Further, MPD is now pursuing comprehensive reforms in response to the consultant's assessment of the department's policy, processes, and curriculum. MPD has committed to expanding the curriculum to better support the New Operating Model, improving planning and execution of both new recruit and in-service training, and fostering a learning environment that rewards education and executive leadership.

In response to the MOU partners and community members' concerns about the low homicide closure rate, MPD has made major changes in the Homicide Unit, beginning with changing the leadership of the unit. In October, 1997, MPD appointed an Acting Commander of the Homicide Unit, and for the first time in the department's history, is conducting a nation-wide search for a homicide commander. As of December 1<sup>st</sup>, the department concluded its search and began the evaluation process of the candidates.

One of the first actions taken by the Acting Homicide Commander was to establish a joint task force with the Drug Enforcement Administration and the Federal Bureau of Investigation. The results have been impressive. MPD's closure rate is now 66 percent, slightly above the national average. Additionally, the Acting Commander immediately implemented specific initiatives to improve the operations of the unit, including developing new policies and procedures, requiring homicide detectives to attend specialized training, providing necessary equipment, and increasing the use of the cold case squad.

A working group of homicide detectives, PSA Sergeants, a representative of the U.S. Attorney's Office, and the consultant are working diligently to develop a new investigative model that comprises all attributes of a best in class homicide unit. This new model defines specific initiatives for improving the closure rates,

preventing homicides, enhancing community involvement in case investigations, and reducing public fear of crime.

Specifically, the homicide working group is defining the roles and responsibilities of homicide detectives and PSA personnel and establishing lines of communications among the homicide units, District personnel, the United States Attorney's Office, and the community. Further, the working group is developing new case management protocols, crime analysis methodologies, and information sharing techniques.

Finally, this working group also is defining the management and administrative elements of the new model including career pathing, training, staffing, workload, and coverage. This new investigative model should be completed by the end of this year, with implementation beginning in January, 1998.

In addition to the specific reforms being undertaken in the Homicide Unit, the department is also focusing on the development of detailed operational strategies targeting the enablers of crime: guns, drugs, gangs, and disorder. This week, MPD, working with the consultant, began designing a strategy to address this city's numerous open air drug markets based on best practices nationwide.

Additionally, the department is working with the United States Attorney's Office to revive Operation Cease-Fire, a successful gun recovery strategy. The department is also planning to undertake a joint initiative with the D.C. Superior Court to implement a crime reduction strategy modeled after the very successful Operation Night-Light initiative in Boston, a partnership between the police and probation officers.

The key to the success of many of the department's investigations, case processing, civilianization, and other reforms, however, lies in the implementation of effective information technologies. Information technology is one of the department's highest priorities and the key to most operational improvements.

MPD has vigorously pursued several proven information technology initiatives, including mobile data computers for cars, investigative case management software, a records management system, an automated time and attendance system, and numerous infrastructure improvements. The consultant estimates that MPD would require approximately \$17.3 million to procure and implement all of the information technologies needed to enable the department to effectively execute its mission. MPD currently has only \$2.4 million to invest in information technologies. MPD is now prioritizing the information technology projects, and determining which projects can be implemented with available funds.



MPD also is willing to examine the possibility of phased outsourcing of the information technology functions.

MPD is pursuing several funding sources for the information technology initiatives, including realigning existing budgeted funds and aggressively pursuing FY98 grant funds. While the department is striving to find the funds to implement its own IT enhancements, it is also willing to take the lead in developing and implementing the technology infrastructure desperately needed by the entire public safety community. This infrastructure is critical to achieving integrated data sharing among the public safety agencies, and improving the quality of service that is provided to the citizens of the District.

MPD has made strides toward implementing the consultant's recommendations for improved grant identification and management. We are confident that these efforts, combined with recent improvements in the department's procurement operations, will better equip MPD to effectively manage and spend its grant funds.

Finally, Mr. Chairman, I would like to briefly mention the efforts being taken in response to recent allegations of widespread corruption in the MPD. We are all concerned about integrity and accountability issues in the MPD, and we are addressing potential misconduct in the department on three fronts. First, a special task force led by the U.S. Attorney's Office, and comprised of Federal Bureau of Investigation agents and MPD's Internal Affairs Division, will continue to investigate incidents of criminal misconduct.

Second, the Mayor, in consultation with the MOU partners, and the Control Board, will appoint a new Inspector General as soon as possible. This IG will be of the highest quality and will lead a broad based, comprehensive investigation, focusing on MPD's operations, with particular emphasis on those areas with a high potential for abuse or corruption.

Third, the Council, under the co-chairmanships of Jack Evans and Kathy Patterson, are leading their own investigation of MPD. It is clear that these three efforts must be carefully coordinated if they are to be effective and efficient. The MOU statement on this matter is attached.

I would be remiss if I did not mention that the Metropolitan Police Department has thousands of dedicated men and women who risk their lives every day. These officers perform a difficult job with a high standard of conduct, and have worked hard to reduce crime, work with the community, and make this city a safer place.

No one can deny that significant progress has been made in reducing crime in the Nation's Capital. Crime has decreased throughout this city in the past year. Between January 1, 1997 and November 30, 1997, part one crime declined 19 percent compared to the same period last year. Between July 1, 1997, which marks the inception of the new PSA model, and November 30, 1997, major crime has declined 23 percent when compared to the same period last year. Homicides have declined 28 percent during this period, and remain at the lowest level in the last decade.

While it is clear that much progress has been made, there is still a great deal of work to be done to restore the public's confidence in the MPD, and to reach our goal of a fully effective police department that citizens can be proud of, and which successfully reduces all types of crime and the fear of crime. The Authority is committed to ensuring that major reform in the police department takes place.

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Mr. Chairman, the Authority looks forward to working with you and other members of the Subcommittee as we seek to further our goals of making the Nation's Capital one of the safest cities in America. That concludes my testimony. I would be happy to respond to any questions that you might wish to ask me.

Mr. DAVIS. Thank you both.

Let me start with a question. I noticed there was a controversy in the newspaper the other day about part of the Mayor's security detail going to Newark, NJ; and the Mayor made a comment that neither the Mayor nor anyone on the Mayor's staff ordered the detail to Newark Airport. I know there's a lot of—who ordered it? Anybody know?

Ms. PROCTOR. Mr. Davis, we have conducted a very thorough investigation. We are just completing that investigation now. We do not have the final results. As a result of initiating the investigation, some other interviews became necessary. We will complete that investigation within the next 2 days.

Mr. DAVIS. Sixty-eight hours of overtime; doesn't that strike anybody as—

Mr. HARLAN. Ridiculous.

Mr. DAVIS [continuing]. Just criminal in terms of the resources here.

Ms. PROCTOR. Clearly, Mr. Davis, the use of officers in that capacity was inappropriate.

Mr. DAVIS. But overtime—

Ms. PROCTOR. And the use of overtime.

Mr. DAVIS. I mean, I hope we get to the bottom of this one and find out so that we can correct it without any more passing the buck or sloughing over it or ignoring it the next time around. Sixty-eight hours of overtime to send uniformed officers up to Newark Airport to assist the Mayor—and we thought when you had cut back the detail that we were at a more satisfactory level; but, evidently, we didn't do enough if this is what they have to do. This is the kind of thing that makes our job here in Congress during the appropriations period very, very difficult.

Mrs. Norton, do you agree with that?

For those of us who would like to help the city and advocate for it—this only obscures these wonderful things that are going on with reduction in crime. We ought to be sitting up and getting headlines in terms of the crime reduction in this city. Murder rate, the lowest since 1986. People should start feeling more comfortable bringing people here into the city. And yet we are obscured by some of these headlines on rampant corruption, and that's what this is when you take that kind of detail—

I'm sorry, Mr. Harlan.

Mr. HARLAN. Well, there are two things that happened with the passage of the 1998 appropriations bill by Congress—one, mandating a reduction to a level of 15 on the Mayor's staff; and, two, changing the accounting on this so that the detailees, in other words all detailees, would be accounted for by the agency. So it is the intention and I believe, Chief, to go back to October 1 and charge the Mayor with all of that cost.

Now that money had already been taken out of the police budget for 1998, I think some 700 or more thousand dollars. The budget has been reduced so that change could take place.

But one thing that I'd like to ask, as an oversight person in this case, it seems to me that using police officers for the Mayor's security detail is an inappropriate use of police officers in any event.

It doesn't follow the mission of reducing crime, reducing fear, general disorder or add to trust and respect in the community.

There are very good alternatives, to use special security forces, that the Mayor absolutely needs security. I'm not suggesting to remove that at all but to contract it out, to take people that are not charged with police duties but security duties, and I'm planning to ask the Chief to examine that and ask the Mayor to consider that.

Mr. DAVIS. Ms. Proctor, let me ask you if you have any comment.

Let me just say this. Considering the failure of the security detail to comply with the budget, the earning of overtime by the detailed members while the Mayor was out of the country, and the questionable actions undertaken by the detail, don't you think it's time to reconsider the per call protocol or guidelines governing the Mayor's security detail? I think that's what you're saying.

Mr. HARLAN. Absolutely right.

Mr. DAVIS. It seems to me that clear enforceable guidelines are very, very necessary just to maintain the credibility with the tax-paying population of the city and with the Congress. I would appreciate an agreement from both Acting Chief Proctor and the Control Board that this will be done and a written followup from both of you.

Ms. PROCTOR. Yes, sir, it will be done.

Mr. DAVIS. Please understand the difficulty this presents to those of us in Congress during the city's budget process in terms of getting the city any more resources.

Mr. HARLAN. Absolutely do.

Mr. DAVIS. OK. Recently, there have been very disturbing reports of misconduct and mismanagement. I'm aware of the Booz-Allen study and would very much appreciate your explanation of the relationship between the study and the new revelations and how do you intend to proceed on the corruption and reform issues? I think you kind of addressed that, but if you—Booz-Allen was really not there to cover corruption, right? They were there to study the department and its implementation of a plan.

Mr. HARLAN. Booz-Allen was charged with studying the department and determining how the department could better effectively reduce crime and the fear of crime. It was not an auditing firm. It did not go in to do an integrity monitoring of people. But it has—it has uncovered some things that have both been in the press and are in their draft reports on—for instance, inefficiencies in the property or the property department that were very, very noteworthy, the things of this nature that are not criminal in nature. They're just management changes that are required, improvement controls, to improve efficiencies.

But your general statement, Mr. Chairman, is exactly right. That was not their mission and—nor did we expect them to uncover—

Mr. DAVIS. Chief Proctor, how many recruits are in the police academy today? What's the quality of these recruits? What's the status of the academy? Are there any efforts under way to seek assistance or utilize the FBI academy or other local police academies?

Ms. PROCTOR. We currently have 158 recruits in four different classes in the training academy; and I do believe that the quality of the recruits, based on feedback that I've gotten from both members in the field and members of our community, has increased sig-

nificantly. We raised our standards; we have been conducting more thorough background checks; and, as a result, I think the recruits that we have in the academy now are certainly of a very high quality.

Mr. DAVIS. OK. Mr. Harlan, we talked before about the security detail failing to comply with the budget. What is going to be done about this? What's the responsibility line on this? Who ends up paying the deficit?

Mr. HARLAN. Well, in 1990—I mentioned before in the 1998 budget appropriations bill the charge for the police—all the charged overtime, salaries, expenses will be charged to the Mayor's office, so it will be charged to his office. If it goes beyond what's appropriated or budgeted, I think that's a problem for the Mayor.

Mr. DAVIS. There is no violation of the anti-deficiency act in those actions as far as you know, is there?

Mr. HARLAN. I have no knowledge of any violation.

Mr. DAVIS. I wonder if you could review that, the anti-deficiency act.

Mr. HARLAN. The reduction—OK.

Mr. BRIMMER. Excuse me, Mr. Chairman. The Mayor's office is a category in appropriation.

Mr. DAVIS. So you take a look at the total office expenditure, and if that rates it could be a violation.

Mr. BRIMMER. If it exceeds the total, but shifts within would probably be consistent. But the—not only the charges from the police but the Mayor had a number of—persons on detail from other departments, and they are all going back to his budget. If he wants to, he has to come out of his own budget.

Mr. DAVIS. OK. I always like to note that when I was the head of county government in Fairfax, where we have 900,000 people, we had no guards. Jack Harity one of my predecessors not only had police officers who weren't assigned to him, they were looking for him when he was driving through there. So it's just a different culture altogether, but we seemed to get along just fine.

Let me ask a couple other questions. Because I think it's important to highlight these reductions in crime. They are the most statistically significant reductions we have seen in a decade in this city. They are not accidental because they come as a result of some remanagement, reprogramming and reprioritization within the department.

From what I can tell—we have tried to look at what is happening to other cities around the country. Over the last year this is probably the greatest reduction in any city that we have been able to find. I don't know if you have checked that as well. Other cities maybe didn't have their crime quite as high as they did in terms of their management, and so we had more potential for recovery.

But, Chief, I was excited to hear that you want to go another 15 percent this next year. That's a very noble goal. If we can keep this going for 2 straight years that sends a message out to tourists and residents of the city that we're taking back the streets and that this is once again a jurisdiction where people can bring their families.

That's a very tall order at this point. We just want to make sure you have the tools to make those kinds of decisions, and getting

politics out of the department I think was one of the first major steps we could take.

I just go back to my Fairfax experience. We never interfered with the police department. It was just unheard of for an elected official at all. Sometimes you'd argue over where to get an additional officer, a selective speed trap on a road or something, but the kind of interference that has been part of the culture here in this city would never have been tolerated. As a result, we were able to attract, retain, and maintain a very quality corps of officers through time and professional management free from political interference.

So do you think this is one of the major reasons that crime has gone down, getting the politics out of the professionalism, back into the management?

Mr. HARLAN. Well, I don't think there is a simple answer to that, Mr. Chairman. I think the primary reason is having more police presence on the street paying attention to quality-of-life crimes, because that leads to confiscating drugs or weapons, police officers being more accountable.

The police department has instituted a performance measurement system, first time in years, having a more intensive strategy of we mean it, no excuses, we mean it attitude on the part of leadership. A lot of it goes—

One reason I'd like to see an outside organization take over the security of the Mayor is that it's probably the last vestige of any direct political kind of influence, and it does kind of muddy the waters, just even before we're absolutely perfect, that it still kind of muddies the waters. So I would encourage us to do that.

But there is a lot of change that's going on in this department since March 1, 1997. When you consider that's 9 months ago, I mean a lot of change, and the rate of change people can assume is—there is only so much we can deal with. And what the Chief is talking about, the leadership there, it's very, very important that it continue, that it not ebb.

I'm certain that there are police and other city leaders and other city employees who believe that this, too, shall pass, that the Control Board is not going to be here forever. We have got a chief that has the word interim in front of her title. This, too, shall pass. We may not have to do all this. We'll just outwait them. We can't let that happen. We have got to keep focused.

Mr. DAVIS. Many of the significant gains that we have had here in terms of crime fighting have been obscured in the press because of some of the management problems, the corruption and some very high-profile issues in the homicide department and everything else. As we get this under control we need to focus on the bottom line, and that continues to be improved, but there is a long way to go.

We have a lot of officers out there every day on the street putting their lives on the line for the public's safety, and I think we owe it to them to give them the best equipment, management and just fundamental police practices that we can, and they should not be the ones to suffer. So I know you agree with that.

Ms. PROCTOR. Yes, I do.

Mr. DAVIS. I know you have started to make some additional innovations in that way, but we're counting on you, the whole Nation

is watching you, and there is nothing that can turn this city around faster than showing that it's safe once again. Because that has made it the object of a lot of ridicule and fear in terms of people coming here, and that statistically is something that we're showing, so we need to continue on improving crime prevention. I think we need 2 good years in a row to put together a good plan.

We have made a very good start with improvements in these protocols. But every time you have some good statistics and then you read about one bad episode like the Newark Airport incident, or the chief's problems with his former roommate and so on, it just wipes out some of the significant things that are going on in this city.

Mr. HARLAN. Absolutely agree with you.

Mr. DAVIS. OK. I'm going to ask Mrs. Norton if she has any questions at this point.

Ms. NORTON. Thank you, Mr. Chairman.

First, I'd like to say to Mr. Harlan and to Chief Proctor that I associate myself with the chairman's remarks about how easy it is to obscure good news in this city, and if we don't stop doing that we're going to be part and parcel of chasing people out ourselves. And I think the fact that this crime has been brought down was the first priority of the average citizen in this town.

I think you deserve credit for that, and the reason I think you deserve credit for that is I think statistically attributable to your work. Crime in other cities has been going down for years. Crime in the District of Columbia had been going up absolutely counter to that trend for years. Crime began to go down for the first time after you brought in Booz-Allen and began to reorganize this police department. There is no getting away from it. You did something different that made a difference.

The reduction in crime is significant, and you can take it from one lady who is in almost every evening into the deep crime areas of this city. You know what I see now? If you go in, they will have the officer up there on the dais. The officer was in the back of the room before because he's an officer. They will bring him down to a place of honor. The officer, whether it's—and I don't know the rank—is spoken of with great honor.

And for everybody who wants to keep beating up on the police, and I'm going to be one of them until you get it right, you're going to also find me giving credit where it's due. And I want you to know that as bad as whatever corruption there is, nobody's come forward with anything that is specific on that yet, and we have got to find that out. As bad as that's been, you were right to concentrate where the people wanted you to concentrate, bring the crime down. And you will hear people say, I still don't see enough progress; and I have some questions about that, that it's still not down, but, very frankly, having no evidence never impresses me anyway.

Over time, those statistics are what count. You deserve credit for it. Anybody who tries to take away from that credit is helping to drive people out of this city. That is what people want.

My anecdotal evidence is as good as anybody's because I spend more of my time, far more of my time in the more affluent areas of the city. The people who have all those meetings who want to

see their Congresswoman are the people in the high crime areas of the city, and they get it.

What you have to do is to wipe away this other stuff so that we don't have all these conflicting messages that say to people that even in the face of the most significant change in the District since the Control Board was appointed, even in the face of that, people can't get the clear message that there is change. Because if they don't get that message, they aren't going to stay here.

I get the message. I am here to tell you, as somebody who plows these streets every day or every other day, that people get this message. I want to salute you for it.

I want to ask you some questions. You are going to hear, from me and a lot of other folks until this whole notion is cleared away, of how much the problems are and what have you done to make sure the problems disappear.

Let's take the question of these whistleblowers. Sometimes people blow whistles for good reasons and sometimes they blow whistles to protect themselves. I don't care why they blow them. We have to pay attention to them. What steps have you taken or are you taking to protect whistleblowers, indeed to encourage whistleblowers from within the department to come forward and to assure them there will be no retaliation if they do so?

Ms. PROCTOR. Last Monday, I issued the new—or, actually, I re-issued the Code of Ethics stressing the department's commitment to ethics and integrity and enforcing in our members the need for them to operate in compliance with this Code of Ethics because it is the very basis of our respect in this community.

I have encouraged people to come forward. We have this confidential hot line in the Office of Internal Affairs. You can report misconduct anonymously. It is confidential. We are requiring a post office box to allow those members, or anyone who would not wish to call, to simply write it and send it to a post office box.

As I mentioned in my testimony, before all of this furor I met with the U.S. Attorneys Office and with the FBI to coordinate our efforts so that we might address these allegations as they come in with all of the technology, the personnel and the material resources that these three units can bring together because I am committed to having a very aggressive assault on these allegations as they come in.

The City Council held a whistleblower hearing 2 weeks ago in which allegations were made, and those we are investigating—the Council is investigating. We are working in conjunction with the U.S. Attorneys Office and the FBI on those cases. We encourage whistleblowers to come forward.

There is no retaliation that has been shown to have occurred thus far. We are investigating those incidents that have been brought to our attention, and certainly in my command level discussions, as we have met throughout the department, I am enforcing that very issue. We need to encourage people to come forward. That is a part of our Code of Ethics as well.

Ms. NORTON. Those are some steps, Chief Proctor.

I would like your response to this editorial in Monday's Washington Post: It should be noted that Inspector Hoppert, who supervised now retired and alleged embezzler and extortionist Lieuten-



ant Jeffrey Stowe, recently was demoted and transferred by Chief Proctor. He, of course, is a person who reported matters to the committee.

What is the reason for his transfer?

Ms. PROCTOR. The reason for Inspector Hoppert's transfer from criminal investigations to labor was to allow the Criminal Investigations Division, which had been the focus of much attention over the last couple of weeks, to start to move forward. The focus on the personnel within the criminal investigations unit, I think, has caused the focus to be on the newspapers and on the media as opposed to what they have to do in that office in the way of investigating crime in this city. In order to move beyond that and to fill an existing vacancy in the labor office, I did transfer Inspector Hoppert to that position.

I think it is important to note, and it was not noted in the Washington Post editorial, that move had been made prior to any testimony, prior to any knowledge that Inspector Hoppert was going to testify before the City Council.

Ms. NORTON. That is very important to note.

Ms. PROCTOR. It is very important to note.

I have spoken with Mr. King from the Washington Post to bring that matter to his attention. He said, it is duly noted.

I was very concerned about the appearance that that action had been taken in what some might see as a retaliatory move. I can assure this committee and anyone else that it was not, that I had no knowledge until 9 o'clock on the morning of the hearing that Inspector Hoppert was due to appear before the hearing. That was when I was notified by the chairman of the Judiciary Committee that his appearance was requested.

Ms. NORTON. The last thing I would want to do is to discourage you from changing personnel within the department. I understand—my recollection is you have changed internal affairs.

Ms. PROCTOR. Yes, I have.

Ms. NORTON. When you change personnel of this kind, it does not necessarily imply that the person being transferred has done anything wrong. What it means is that confidence has to be restored and the person needs to be transferred so everybody can understand that the particular unit is under new supervision and that problem has been wiped away.

In the same way, Wilma Lewis, who is not even there yet, has put the four chiefs in the U.S. Attorneys Office in charge of the U.S. Attorneys' investigation which, again, that restores my confidence in whatever the U.S. Attorneys Office was doing before, the whole set of new actors. In fairness, if there are new actors, then we have got to assume that there is going to be new and improved action.

I want to ask you about arrests versus crime. Crime is down very substantially. You have your eye on the sparrow, that is where people are looking, and it will kind of trade after a while, but it looks like arrests, that the crooks who are already out there are still out there. Because the arrests, for example, on part I crimes, the most dangerous crimes, particularly compared with part II crimes, do not seem to be very great.

My question really has to do with the number of police still not on patrol. You have transferred a very substantial number of police to patrol, but there still are a very substantial number who are not on patrol. Would these arrest figures look better if more of these police were on patrol and why are more of them not on patrol at this time?

Ms. PROCTOR. Ms. Norton, we certainly intend to make those figures look better, as evidenced by our commitment to reduce crime 15 percent next year. So we do expect to see a decrease in the part I offenses and, hopefully, an increase in the part I arrests.

It stands to reason that there is a decrease in the part I arrests as part I crimes go down. The part II arrest statistics, though, reflect the focus on the zero tolerance for disorder crimes, the drinking in public, disorderly conducts and those types of order maintenance issues. That is where the focus has been. If we deal with it at that level, we hope to avoid having part I crimes in a lot of cases.

Ms. NORTON. I can understand. But the 3 percent reduction from 1996 to 1998, what conclusion should I draw from that? That there are lots of folks who committed serious crimes who have not yet been arrested?

Ms. PROCTOR. Not necessarily. Because, again, the part I crimes are down. The part I crimes last year were significantly higher, 19 percent. We have only a 3 percent decrease—

Ms. NORTON. Are they down so great that we would expect only 3 percent arrests?

Mr. HARLAN. That is not what that means.

Ms. PROCTOR. That is a 3 percent decrease.

Ms. NORTON. Only a 3 percent decrease in arrests?

Ms. PROCTOR. Those numbers are not necessarily out of order. We do intend to decrease the part I crimes next year. That is our goal. We want to do that by 15 percent. It would certainly be my goal to decrease the part I crimes first—

Ms. NORTON. Sure.

Ms. PROCTOR [continuing]. Rather than to increase the part I arrests.

Ms. NORTON. I understand that.

Let me ask, I am real dense on this overtime, because I don't understand why people are not simply—assuming that you need all these cops at all, even the 15, why are they not simply working shifts? Why should there be any overtime?

I want to go to Mr. Harlan's suggestion and I want a specific response from Mr. Harlan's suggestion, but why can't there be somebody who works the 8 to 4 shift and somebody who works the mid-night shift and somebody who works the early morning shift, and they might be paid more for those shifts, but it wouldn't be overtime?

Ms. PROCTOR. Ms. Norton, there is, as you well know, a long history associated with the Mayor's detail. There have been two separate reductions in the numbers allotted to the Mayor's detail this year, with the most recent reduction bringing the detail into compliance with the fiscal year 1998 budget, brings the detail down to the lowest number it has ever had. The Mayor's schedule and the

current requirement that the security detail remain with him has often required the officers to exceed their tour of duty.

Ms. NORTON. Why can't somebody just come and pick up where he left off at midnight? I don't understand why there would be any overtime whatsoever, especially in light of the city's crisis.

Ms. PROCTOR. Clearly in light of the reduction, we have to revise all of the protocols associated with staffing the Mayor's detail. We have started that process. We expect to finalize that within the next couple of days. The procedures for the Mayor's detail were based on a higher number with a reduction. There are certain procedures that we need to ensure are in place to ensure that there is no overtime associated with the detail and that the detail does not, in fact, exceed the congressionally mandated limit.

Ms. NORTON. Is it the case that most officers in the police department work shifts?

Ms. PROCTOR. Yes, most officers do work shifts.

Ms. NORTON. I yield to the chairman.

Mr. DAVIS. My question is, what do these people do? What do you need 15 people assigned to you for? Why could you possibly need that many people?

Ms. PROCTOR. Some of the officers are assigned to the house detail, where they stay at the house at a guard booth there at the house providing 24-hour protection. Others remain—

Mr. DAVIS. That is three people, maybe four people with overtime.

Ms. NORTON. There shouldn't be any overtime. Why shouldn't they come in at midnight?

Ms. PROCTOR. There is midnight coverage. I am convinced that we can provide a framework for the 15 members to operate that will not require—where overtime will not be allowed.

Mr. DAVIS. Even with 15, that is more than New York City, Los Angeles and almost every other city gets.

I'm not trying to pick on it except when you start using overtime, frankly, that is something that the average person can't understand. I certainly can't understand it. I was in local government a long time and had a lot of responsibility, too, and had to go all over the place on tight appointments and parking. I don't understand. People must be tripping over each other trying to protect us.

Mr. HARLAN. Mr. Chairman, I am certainly not one to understand it, either, but I believe one aspect of it is that security is provided for not only the Mayor but the Mayor's wife and the Mayor's family. If people are going different directions and things of this nature, it would go up geometrically.

Ms. NORTON. Is that the practice in other cities as well?

Mr. HARLAN. Not to my knowledge.

Ms. NORTON. Why don't we just go in again and copy whatever some other city is doing with respect to counting people? Let's copy whatever far larger cities than we, like Philadelphia, are doing.

I have to tell you the God-honest truth. Mayor Rendell of Philadelphia and I served on a task force on cities. He and I were co-chair. I was in Philadelphia on a task force meeting a couple of years ago. We all went to have a drink.

Afterwards, as we were going to the police station—Edward Rendell is mayor of a city of almost 2 million people. Maybe he is

oblivious of his safety, but I was shocked. What happened was, his car pulled up. It wasn't a police car, it wasn't even a new car, and it certainly wasn't a limousine. Rendell hopped in the front seat and off they went. As far as I know, the driver would have had to pull out his gun if he was an officer at all if somebody had come up on him.

Maybe there are greater problems here in the District of Columbia. But I am going to ask you the same thing I asked with respect to counting students, not to reinvent the wheel, to look at a city that is larger than our city. Specifically look at a city like Philadelphia. Because it went down into bankruptcy in 1991 and may be closest to us except that it is far larger than we are. Look and see how they do security and perhaps other cities of your choosing so that we can have some experience from which to draw rather than doing this off the top of our head.

And then could I have an answer to Mr. Harlan's notion that why have police at all, especially the ones at night who are essentially guarding the house?

Mr. DAVIS. I would just add one other thing. What we would like to do is not have to legislate this stuff. Either have the city, the Control Board, the police chief or the Mayor, somebody else take some leadership on this besides Congress. I haven't talked to anybody who thought 30 some uniformed officers was a good idea, but it was Congress who ended up having to take the legislative action.

Mr. HARLAN. Mr. Chairman, from the city's consensus budget it was staffed at 15.

Mr. DAVIS. But the real changes didn't take place until afterwards. This is symptomatic of what has happened. I don't know why anybody is afraid to tackle it, but this is just one of these perks that is in my judgment, a very, very bad decision.

I know your time is about up, and I want to give you time to ask additional questions. We have probably beaten this horse.

Ms. NORTON. She didn't get to answer entirely.

Ms. PROCTOR. I just wanted to respond to this. In my 3 weeks I have both reduced the size of the Mayor's detail to be in compliance with the budget and initiated the revision of the procedures to allow our procedures to reflect the 15 and the responsibilities that we can handle with those members. Ms. Norton, that is already under way. We would be happy to look at other cities, but I believe that we have the answer.

Ms. NORTON. It is under way. You have not finished the process, but you are looking at it?

Ms. PROCTOR. We have already started that process. We simply need to finalize it.

Ms. NORTON. Would you answer the question then about Mr. Harlan's suggestion, why use cops at all? Is there any other city that doesn't use cops?

Ms. PROCTOR. To my knowledge, most other cities that I am aware of—

Ms. NORTON. I would like you to look at that as well. I would like you to at least look at that.

Mr. DAVIS. Some cities larger than Washington have nothing for their mayor. I think you need to be very candid about that.

Ms. NORTON. The reason you need to look at this, Chief Proctor, is because not alone Mayor Barry but Mayor Kelly whenever asked about this question always fingered the police chief. No mayor has ever taken the responsibility but has said, "I don't know. The chief made me do it."

Ms. PROCTOR. I didn't do it.

Ms. NORTON. What you need to do is to make sure the chief isn't fingered here, and the chief ought to do whatever other cities of comparable size and crime and whatever you think is right. Or else you are going to be the one the Mayor is going to continue to off-load this responsibility on.

Ms. PROCTOR. Ms. Norton, we will examine that issue.

Mr. DAVIS. Let me just say, from my perspective and the Control Board's we are looking for leadership at your level to make those kinds of decisions. In the past I recognize that all the promotions went through a different office, but that day has changed.

One of the problems it seems to me in the force has been that you still have a lot of backbiting from people who were tied to one person or another and whose stars all of a sudden are no longer rising but may be out of the force entirely so they are spilling the beans. They are talking and commenting on things that went on, trying to undercut somebody else. It has turned into a little Peyton Place. For the reporters, this is like a buffet dinner, just writing down what somebody has said and running a story back and forth with things that have happened. It just gets us off message, off the mission.

The main thing is to keep the main thing the main thing, as we used to say. We just need to continue to focus on our mission and those kind of changes. Yet we can recognize that there are going to be people who threaten to leak this or that or hedge their position in the department. That is going to happen, but we need to continue.

I think since you have come in you have been someone we are all proud of, and we want to continue this. But it is a very tough road ahead. There are a lot of minefields just sitting there in that department of people who are disappointed and may have some stories to tell. The sooner the city can wrap its hands around some investigation and get to the bottom of this instead of having the people in the press doing that kind of thing, I think the better off we are going to be.

Let me just ask one other question. The Starbucks has been a very well-publicized murder. We know that the police prior to your ascension were off to a start on that that was not really what we would have liked to have seen. Do you feel that investigation is back on track?

Ms. PROCTOR. I feel that the investigation is back on track as well as the internal processes within the Homicide Branch. Commander Broadbent has been there acting to stabilize the Homicide Branch and get some standardized procedures back in place.

The new homicide working model will be in place by the end of this month. As a matter of fact, I will be reviewing that later today. That is going to be critical to ensuring that we do not have another Starbucks in the future.

Mr. DAVIS. I am concerned that no part of the department or any other part of the city government, as we saw today with the stories about the public works crews going out, measures up to the way that any of us would like it to operate. I want to encourage you to stay proactive on this.

The good thing about having a Control Board is that the items that have been covered up over the years are no longer covered up. It is going to continue to be ugly in some cases as we have made changes and be candid about how bad it has been and get this government up and functioning.

Once again, the good news here is that the major statistics look very good in the aggregate. It is the result of some policy changes. If we can continue this on for another year and show the kind of reductions that you are looking at and that we expect than I think we can turn opinion around and restore some of the honor that the average officer on the street is due for the job they are doing every day.

From my perspective, we recognize that this is a tough, ugly job with some of the revelations that have come forward and are likely to come forward. We need to keep doing what we are doing. That is what we are paid to do. As long as we can point to a continuing drop in major crimes, reorganization of the department, and getting more officers on the street, that has to continue to be our focus.

Ms. PROCTOR. That will be our focus.

Ms. NORTON. I just have a couple of more questions, Mr. Chairman.

I would like to ask about—first of all, I am going to ask the chairman after the new U.S. Attorney has had time to take office and understand her office and make whatever changes she makes, for us to have a hearing on the U.S. Attorney. I am concerned about the problems that have arisen in the U.S. Attorneys Office. I am not sure there has been a lot of oversight of the U.S. Attorney by Congress or anyone else.

The problem that particularly interests me is the contribution, perhaps even a passive contribution but nevertheless perhaps a contribution that the U.S. Attorneys Office made or has made traditionally to the use of overtime, particularly in the Homicide Division. We—apparently, the police department signs the time sheets. But police officers in the Homicide Division are available, as I understand it, to the U.S. Attorneys Office pretty freely. Would you explain how that works?

Ms. PROCTOR. We have stopped that procedure that was in place. It certainly was a situation where the request for the detective was initiated by the U.S. Attorney or by an Assistant U.S. Attorney involved in a case. In response to that request, the detective would appear in court. They would do things associated with the case. But these are things such as locating witnesses and interviewing witnesses and locating evidence on overtime.

Our current policy requires them to do this to the extent that that's possible on a regular tour of duty and not to appear in court simply for the purpose of continuing to build the case.

We recognize that the arrest or the indictment is an early—these are early stages in the case. There is much work to be done after

an arrest. There is still much work to be done after an indictment, and we recognize that. It is certainly our goal to ensure cooperation so that we have a successful prosecution, but not on our checkbook.

Mr. HARLAN. May I comment on that?

Ms. NORTON. Yes, please, Mr. Harlan.

Mr. HARLAN. I think we are talking about symptoms here rather than the fundamental issue. The fundamental issue is that the U.S. Attorney does not have adequate investigative capability. We do not have a District Attorney in this city. We must rely on the U.S. Attorney to perfect and bring to prosecution and convict criminals. Every other city has a DA with an investigative staff.

The U.S. Attorney—because Congress has many times rejected the Justice Department's request for investigative capability within the U.S. Attorneys Office, the U.S. Attorney has got to turn, because they don't have any other place to turn, to MPD. That is the problem.

Mr. DAVIS. Mr. Harlan, you are right. The President's budget last year had investigators for the U.S. Attorneys Office; and up here somewhere in the process they were taken away.

Mr. HARLAN. It is terrible.

Mr. DAVIS. All the more important that we heed Ms. Norton's suggestion that we get everybody up here and talk about this and get focused with the Judiciary Committee.

Ms. NORTON. You are certainly right.

By the way, the U.S. Attorneys Office came to see me on those. I couldn't even pin them down. They wanted 28 investigators. Would you help us? I said, you betcha. But I couldn't even pin them down as to how many of those investigators would be used to relieve the MPD.

You heard Chief Proctor say that she has made changes. The fact is that, even given that disability, we are the sheriffs office, we are all the rest of it. I do understand that you labor under that disability. The procedures in place essentially allow the detective to cry the equivalent of "the principal wants me in her office." That is to say, it was pretty easy, if the U.S. Attorney calls, to come and to put down overtime. That is what resulted in part in that abuse of overtime. I say in part because we have got to unravel all that went into that.

But Chief Proctor had just described one way, even given the present setup, to keep the taxpayers of the District of Columbia from having to work up overtime spent in court or otherwise used. And pending getting new investigators, and I have been trying my level best to get it, then it does seem to me that those actions that you have described should be taken and not to worry.

I am going to have a letter to the U.S. Attorney when she takes office to ask what action she is going to take on her end to relieve the taxpayers of the District of Columbia from this overtime pay consistent with what Mr. Harlan has said, and that is the need to continue to investigate after the case goes over to the U.S. Attorneys Office.

Mr. HARLAN. May I put a footnote on that?

Ms. NORTON. Yes, sir.

Mr. HARLAN. I don't believe it is just overtime, you see. It is regular time as well. And that the District of Columbia is, as you

point out, having a very great budgetary load borne by the Metropolitan Police Department for this activity.

On the other side of the coin, the U.S. Attorney has got to have investigators. So as you say when you call to the principal's office, they need somebody to come to the principal's office. And so it has got to be figured out in a systemic fashion, in an equitable systemic fashion. It can't be just not letting them have investigators.

Ms. NORTON. Nobody has suggested that, Mr. Harlan. The fact is that there was abuse of overtime and the U.S. Attorney was not coordinating well with the police department and what Chief Proctor is talking about is exactly what should be done. Sure, until you get them—I am saying the taxpayers are not going to continue to pay overtime beyond what needs to be paid. There will be times when they are going to have to have a detective to go out because the trial is tomorrow. I understand. I happen to be a member of the bar, too. But I am saying that this overtime is part of what took down the rising reputation of the police department. Once people saw that homicide department, it kind of wiped away for many people, not for me, but it wiped away for many people what you have achieved.

You shouldn't be arguing against it. You should be trying your very best to see that, pending getting investigators, that overtime goes down and we, in fact, would clear up as much as of this situation as we humanly can. I don't think you and I have any disagreement.

Mr. HARLAN. I don't think so, either. I just want to make sure that we work toward that end.

Ms. NORTON. I will help on that.

Let me just ask this one more question, and that is about the 10 percent pay raise. Now that there is a 10 percent pay raise, can we finally say that the officers in the District of Columbia are at parity with officers in the region? Are they close to parity? Or what is the status of their pay relative to officers in the region?

Ms. PROCTOR. At this time, they are close to parity. We certainly hope in this fiscal year to be on par with the surrounding jurisdictions. We recognize that there are special challenges, I think, to policing in the Nation's capital. We want to be the best police department in the Nation. We want to be able to attract and maintain the best candidates in the Nation for the Nation's finest. We will need to be at least at par to do that.

Ms. NORTON. Thank you very much, Mr. Chairman.

Mr. DAVIS. Thank you very much. It was a good first time before the subcommittee. We were glad to have you here.

Mr. Horton, thanks for coming back as well.

Dr. Brimmer, thank you for sitting through it all.

Without objection, all written submissions will be made part of the record. The record will remain open for 10 days.



The subcommittee will continue to work with all interested parties in an ongoing effort to implement the reforms which have been enacted.

These proceedings are closed. See you next year.

[Whereupon, at 12:40 p.m., the subcommittee was adjourned.]

[Additional information submitted for the hearing record follows:]

## **Police Corruption: Citizens Call for an Independent Commission**

**Dorothy A Brizill  
DC Citizens Reform Coalition**

**Statement to the House of Representatives  
Subcommittee on the District of Columbia  
Submitted for the record of the December 19, 1997, hearing**

In recent weeks, the District's Metropolitan Police Department has been shaken by repeated disclosures of mismanagement, malfeasance, and corruption. Until the last few days, however, the top managers of the MPD have been supported wholeheartedly and without question by the Control Board (the DC Financial Responsibility and Management Assistance Authority), the City Council, and the Memorandum of Understanding (MOU) partners (which includes the Control Board, Council, Mayor, Corporation Counsel, U.S. Attorney, Chief Judge of the Superior Court, and the Police Chief). Citizens and MPD officers who brought questions and problems about the police to these officials were ignored or rebuffed, and attempts were made to discredit and dismiss them.

Now that the scandals are undeniable and inescapable, however, city officials are turning on the leadership of the MPD. But their reactions are aimed more at creating public relations opportunities for improving their own sagging reputations for effective oversight than at reforming the MPD and reestablishing public confidence in the police.

Suddenly, in the past few days, everyone's eyes have been miraculously opened. Like blind men at a faith healing, our city leaders have cast aside their sunglasses and white canes, and proclaimed that they can see again. Well, pardon my skepticism, but I have never believed that public relations initiatives were real solutions to real problems.

On Wednesday, December 10th, three separate proposals were put forward for investigating corruption in the police department. First, the Control Board and the Memorandum of Understanding partners held a press conference to announce that they would establish an investigative task force under the leadership of an acting Inspector General to be named later by the Mayor. Does anyone take that scenario seriously?

Let us take the participants one at a time and assess their past performance. The DC Financial Responsibility and Management Authority has controlled the Metropolitan Police Department for the past year and had already arranged matters to its satisfaction. Control Board Vice Chairman Stephen Harlan had repeatedly expressed his complete faith in Chief Larry Soulsby and denounced any questioning of him, most prominently in a letter to the Washington Post dated October 20, 1997. The Control Board held a public hearing on the MPD on October 22, 1997, at which not one of its members could think of a single hard, or even minimally skeptical, question to ask the management team of the police department, but instead asked questions along the lines of, "Tell us about all the good work you've done," and "Tell us about the progress you've made." Moreover, the Control Board spent over five million dollars for studies of the MPD by Booz-Allen, Hamilton, in which there wasn't a single whisper of corruption in the police department — probably because Booz-Allen couldn't copy sections on corruption from management studies they had previously done for other cities.

What about the secretive Memorandum of Understanding partners? The MOU partners are an extralegal body with no legal standing, created not by law but by a memorandum of agreement that city officials signed among themselves, yet they have been supervising the city's police department and protecting it from public scrutiny for over a year. Meeting in private, the MOU partners have preferred

the shadows to the sunlight; they have done their work in secret because they knew that it would not withstand public scrutiny. Because the MOU partners have shown no trust in or respect for the citizens of the District of Columbia; they have earned and they deserve no trust or respect from the citizens in return. In light of recent events, including their steadfast unanimous support for Chief Soulsby up to and including the very day of his resignation, they have no credibility on the issue of reforming the department. The MOU partners process is corrupted by its secrecy; and therefore the MOU partners do not have the integrity to lead an investigation into corruption in the MPD. In my opinion, the MOU partners have wasted any chance they had to be useful to the citizens of the District of Columbia; they must immediately cease operating in secret, or they should simply cease operating.

What about Mayor Barry, whose responsibility it is, under the 1995 Congressional bill creating the Control Board, to appoint a new Inspector General to lead the proposed investigation? Does no one remember that Mayor Barry's first two appointees to the position of Inspector General were fired and rejected by the Control Board because in the Board's judgment the appointees were not competent to do the job? Does no one remember that it is under Mayor Barry's leadership and as a result of his deliberate actions for the past twenty years that the Metropolitan Police Department went from being a national model for police departments to what it is today? Does anyone take seriously the idea of Mayor Barry as a fighter against corruption anywhere in the government of the District of Columbia? And how much faith should anyone have in anonymous Mr. X, the to-be-named designated hitter who will take responsibility for this investigation?

The first proposal — the study of corruption in the Metropolitan Police Department led by the Control Board and the MOU partners, and managed by an Inspector General to be named later by Mayor Barry — is discredited and lacks credibility before it has even begun.

Second, the City Council has announced that it will conduct its own investigation, regardless of what the Control Board and MOU partners do, into the very limited issue of time, attendance, and overtime pay in the MPD. The City Council, however, has no history of effective oversight on any issue, certainly not on the police department. Councilmember Jack Evans, the chairman of the Judiciary Committee, angrily denounced any questioning of the MPD's management until December 10th, when he decided to reinvent himself as a reformer of the department. But even if the Council honestly decided to conduct an open, probing investigation, how would it do it? The Council has neither the funds nor the staff to do a real investigation. Is the Council willing or able to reprogram the money this effort will take from its current funds, or will some Councilmembers go to their campaign contributors for gifts to fund this investigation — as an unacknowledged part of their future political campaigns?

Just one representative example of how the City Council has managed its oversight authority on the MPD should suffice. On September 25th, Sergeants Harry Hill and Christopher Sanders testified before the Committee on Government Operations of the City Council about how Lieutenant Lowell Duckett, their supervisor in the Metropolitan Police Department, forced them to falsify overtime and time and attendance reports, how they were physically threatened by Lt. Duckett and punished for their unwillingness to falsify reports, and how upper-level managers in the Police Department, including Deputy Commander Carolyn Boggs and Police Chief Soulsby, were informed of and fully aware of the situation and did nothing to correct it, thereby tacitly approving of it.

At that time, although Lieutenant Duckett had resigned in the spring, Commander Boggs and Chief Soulsby were still MPD officers. But what did the City Council do about this testimony at that time? Nothing. However, on December 5, 1997, after all these officers had safely retired, Sergeants Hill and Sanders were called back again to testify before the Council. At this time, Councilmembers were shocked — shocked — to hear that there was gambling going on in the back room at Rick's — and expressed their dismay that Lieutenant Duckett, Deputy Commander Boggs, and Chief Soulsby couldn't be called to testify, since they had retired from the MPD. Avoidance of tough, hard-hitting, effective oversight is what citizens have come to expect from the Council, and we have no reason to expect anything different from it in the future.

The third separate proposal to investigate corruption made on December 10th came from Delegate Eleanor Holmes Norton. Delegate Norton sent a letter to U.S. Attorney designate Wilma Lewis, asking her to initiate and lead an investigation of corruption in the Metropolitan Police Department. On December 15, 1997, Acting U.S. Attorney Mary Lou Leary sent a letter to Dr. Andrew Brimmer, chairman of the Control Board, and to her other colleagues in the Memorandum of Understanding partners, that essentially repudiated her earlier agreement with them and staged a coup, claiming sole investigative authority for her office: "... the United States Attorney's Office cannot, and will not, support any efforts that will in any way supplant, impinge upon, place in a subordinate role, or otherwise interfere with the historical and statutory responsibility of the United States Attorney's Office to investigate and prosecute criminal wrongdoing in the District of Columbia." Ms. Leary says that she has established a task force within her office to investigate and prosecute criminal wrongdoing within the MPD. Ominously, Ms. Leary's letter states that her office will use the veil of grand jury secrecy to restrict the disclosure of information about its investigations, and promises only that information of the most general kind will be shared, and then only with the District of Columbia Inspector General.

This is the same U.S. Attorney's office that for three and a half years, under the leadership of Eric Holder, never found a single instance of high level corruption in the District of Columbia government that was worth bringing to indictment, much less to trial. Does anyone think that the DC government has been remarkably free of corruption? Departmental whistle blowers have told stories of arranging secret meetings at the U.S. Attorney's office to report wrongdoing — and of having their "secret" meetings reported back to the MPD within twenty-four hours. And Ms. Lewis, who is coming to the position from her current post as Inspector General for the Interior Department — a real hotbed of urban corruption — will not even be working full time at the U.S. Attorney's Office until mid-January. To say the least, this is not a very promising avenue to pursue.

Not one of these three proposals — not one — contemplates even the marginal participation of the two most important groups that must be involved in any effort to reform the MPD and weed out corruption. Those groups are the citizens of the District of Columbia, the residents who bear the burden of this government, and the honest, hardworking officers in the Metropolitan Police Department who want their department to be one of which they can be proud. Those groups are effectively shut out, and shut down. That will not do.

The citizens of the District of Columbia demand and deserve real involvement in the process of investigation and reform that lies ahead, and that to date has been stalled by the actions of the Control Board, the MOU partners, the Mayor, and the Council.

Citizens deserve more than the kind of phony involvement effort that the Mayor has designed for his Citizens Advisory Committee on the appointment of a new chief of police. In that effort, the Mayor hand-picked a group of people to be on the panel, and he told them that they would consider only the nominees who were presented to them, that only a small subgroup of their panel would actually review the résumés and interview the nominees, and that after they made their recommendation he may or may not take their advice. Nobody is fooled by that; nobody mistakes it for community participation, or even for effective community input into the process.

It is time to stop the phony public relations efforts by the Mayor, the Council, the Control Board, and the MOU partners. It is time for public officials, both appointed and elected, to stop shutting citizens out. It is time for citizens to take control of their government.

A coalition of citizens and community activists interested in policing and public safety issues met on the evening of December 11. We came from every ward and every police district in the city to discuss the current situation in the Metropolitan Police Department. We spoke about how citizens can have an impact on the Memorandum of Understanding partners' operations, how citizens can organize to perform a watchdog function to deal with corruption in the MPD, and how citizens can have input into the selection of a new police chief. At that meeting, we created a new organization, the Citizens Reform Coalition, and we overwhelmingly agreed on the four following principles:

1. We have no faith in the ability of the Mayor, the City Council, the Control Board, or the Memorandum of Understanding partners to investigate corruption, mismanagement, or malfeasance in the Metropolitan Police Department.
2. We demand that a commission that is truly independent of these bodies and led by citizens be established immediately to investigate corruption and institute reforms in the MPD.
3. We demand that all whistle blowers, within or outside of the Department, be fully protected from any retaliation or adverse action.
4. We have no confidence in the Memorandum of Understanding partners or in their efforts to reform the MPD. We demand that all future meetings of the MOU partners be fully open to the public.

Citizens of the District of Columbia demand true reform, both of their government and of the Metropolitan Police Department. The elected and appointed officials can follow behind citizens if they want to, or they can try to obstruct us, if that is their desire. But they cannot stop us.

