



Office of the Inspector General OIG (AD)

MISSION

The mission of the Office of the Inspector General (OIG) is to conduct independent audits, investigations, and inspections to detect and prevent fraud, waste, and mismanagement, and to help the District of Columbia government improve its programs and operations by promoting economy, efficiency, and effectiveness.

SUMMARY OF SERVICES

- Initiate and conduct independent fiscal and management audits, inspections, and investigations of District government operations.
- Serve as the principal liaison between the District government and the US General Accountability Office.

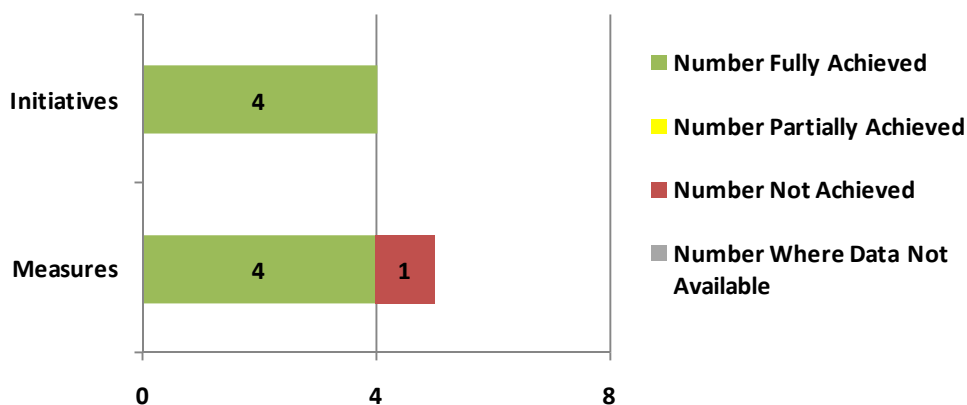
AGENCY OBJECTIVES

1. Through the Accountability, Control, and Compliance Program, OIG will conduct audits and inspections for the District government focusing efforts on mitigating risks that pose the most serious challenges to District agencies and other stakeholders.
2. Use the law enforcement and compliance program to conduct investigations into allegations of waste, fraud, and abuse relating to the programs and operations of the District Government.

ACCOMPLISHMENTS

- ✓ The Audit Division issued 56 reports with total potential monetary benefits of approximately \$55 million.
- ✓ The Investigation Division investigated a wide variety of allegations of criminal and administrative misconduct by District employees, including receiving bribes to issue fraudulent drivers' licenses, engaging in fraudulent conduct to issue false tax refund checks, food stamp benefits, and unemployment insurance compensation, using a District government e-mail account to send harassing e-mail, and theft.
- ✓ The Medicaid Fraud Control Unit (MFCU) initiated 260 investigations and closed 289 matters.

OVERVIEW OF AGENCY PERFORMANCE







Performance Initiatives – Assessment Details



Performance Assessment Key:

-  Fully achieved  Partially achieved  Not achieved  Data not reported

OBJECTIVE 1: Through the Accountability, Control, and Compliance Program, OIG will conduct audits and inspections for the District government focusing efforts on mitigating risks that pose the most serious challenges to District agencies and other stakeholders.

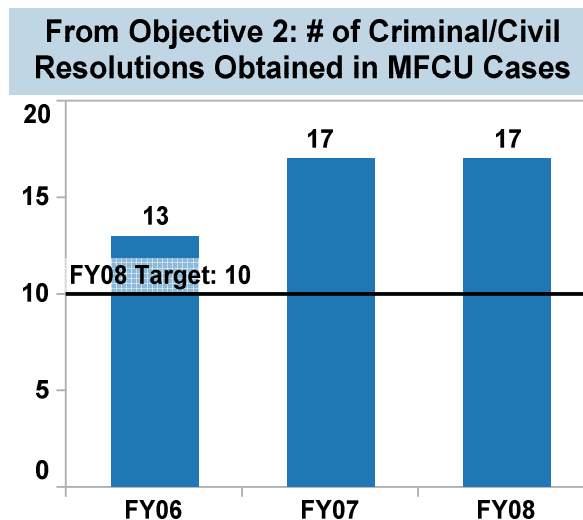
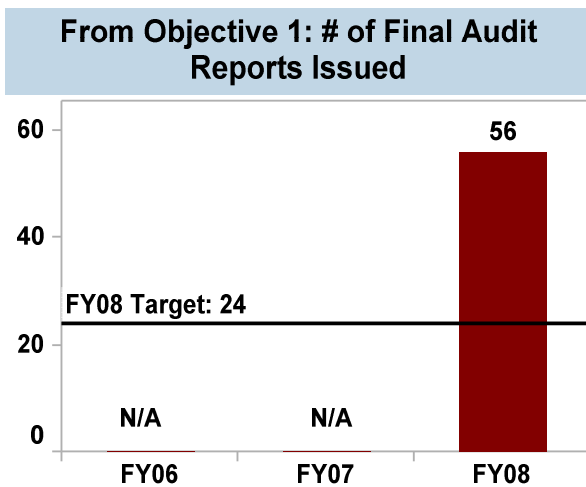
-  **INITIATIVE 1.1: Schedule and conduct audits of the District of Columbia Public Schools (DCPS).**
Fully Achieved. Our resident audit site is fully staffed and operational. Additionally, due to the recent reorganization of DCPS, we have expanded our audit coverage at schools to include all public education programs; i.e., Office of the State Superintendent for education. Our audit efforts at DCPS are continuous. We have issued draft and final reports covering procurement and contract administration, tuition residency requirements, and the D.C. Charter School Board. These audits resulted in potential monetary benefits of about \$5 million and 31 recommendations. Management has planned and/or has taken action on these recommendations. Ongoing audits include such issues as payroll verification and the Mayor’s Summer Youth Program. Our CAFR oversight process has been institutionalized and now operates on a continuous basis. This institutionalized oversight process enables us to focus on risks areas at DCPS throughout the year.
-  **INITIATIVE 1.2: Schedule and conduct audits of the District’s Medicaid program.**
Fully Achieved. Our efforts in the area of Medicaid include the establishment of an audit directorate and audit resources dedicated to performing audits of Medicaid and related issues. Additionally, we work extensively with the Attorney General’s Office on prosecuting companies and contractors who improperly charge the District for Medicaid services. We have completed audits related to the Medicaid Program and have made numerous recommendations to improve controls in areas such as recordkeeping, claims processing, reimbursements and rates.

OBJECTIVE 2: Use the law enforcement and compliance program to conduct investigations into allegations of waste, fraud, and abuse relating to the programs and operations of the District Government.

-  **INITIATIVE 2.1: Address the increase in Unusual Incidents reported to the Medicaid Fraud Control Unit.**
Fully Achieved. In FY 2008, the MFCU received more than 3900 incident reports. The additional staff hired in FYs 2007 and 2008 facilitated the review of the large number of reports received each day. A primary responsibility of one new employee, the Investigative Assistant, is to process the unusual incident reports by evaluating, recording, and categorizing them. A newly hired attorney performs a second review of all incoming reports. Hiring two additional investigators, including one who focuses on healthcare matters, has increased the MFCU’s efficiency with respect to responding to unusual incidents.
-  **INITIATIVE 2.2: Increase outreach and training about MFCU activities.**
Fully Achieved. The MFCU has been able to participate in more diverse task force activities with the addition of staff. In FY 2008, the MFCU had an increased presence at local and federal working groups dedicated to financial fraud investigations. In FY 2008, MFCU staff participated in 12 task force activities relating to fraud and patient abuse, representing an increase of 71% from the previous year. In addition, MFCU staff members have participated in a number of training activities at both local and federal training activities.



Key Performance Indicators – Highlights



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FULLY ACHIEVED
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FULLY ACHIEVED
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More About These Indicators:

How did the agency's actions affect this indicator?

- Focused on supervision of audit projects from inception of the audit engagement to issuance of the final audit report.
- Targeted principle risk areas.
- Coordinated audit planning.
- Recruited and retained talented auditors.

What external factors influenced this indicator?

- Modified audit plans to address risk areas facing the District and serious problems brought to our attention by external agencies and other stakeholders that warrant immediate audit attention. Recent examples include the FY08 Summer Youth Program and internal controls at the Office of Tax and Revenue.

How did the agency's actions affect this indicator?

- Hired 5 staff members and integrated them into the MFCU staff.
- The increased staff allowed the MFCU to more efficiently evaluate incoming referral and reports and respond to allegations of fraud, abuse and neglect.

What external factors influenced this indicator?

- MFCU has become more active in the local and federal law enforcement community through participation in task forces and working groups. As a result, OIG received an increase in the number of referrals and requests to partner with other law enforcement agencies in joint investigations.



Key Performance Indicators – Details

Performance Assessment Key:

- Fully achieved
 ● Partially achieved
 ● Not achieved
 ● Data not reported

	FY06 Actual	FY07 Actual	FY08 Target	FY08 Actual	FY09 Projection
OBJECTIVE 1: Through the Accountability, Control, and Compliance Program, OIG will conduct audits and inspections for the District government focusing efforts on mitigating risks that pose the most serious challenges to District agencies and other stakeholders.					
● # of final audit reports issued (financial/performance)	N/A	N/A	24	56	26
● Potential monetary benefits resulting from audits (\$million).	\$31M	\$47M	\$15M	\$55M	\$15M
OBJECTIVE 2: Use the law enforcement and compliance program to conduct investigations into allegations of waste, fraud, and abuse relating to the programs and operations of the District Government.					
● % of all fiscal year assigned inspections/evaluations conducted	N/A	N/A	80%	50%	N/A
● % of complaints evaluated with ten days of receipt in investigations	N/A	N/A	80%	94%	80%
● # of criminal/civil resolutions obtained in MFCU cases	13	17	10	17	14