
Office of the Inspector General

<http://oig.dc.gov>

Telephone: 202-727-2540

Description	FY 2013 Actual	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$13,748,979	\$15,947,792	\$16,919,885	6.1
FTEs	101.5	112.0	112.0	0.0

The mission of 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

OIG initiates and conducts independent financial and performance audits, inspections, and investigations of District government operations; serves as the principal liaison between the District government and the U.S. Government Accountability Office; conducts other special audits, assignments, and investigations; audits procurement and contract administration on a continual basis; forwards, to the appropriate authorities, evidence of criminal wrongdoing that is discovered as the result of audits, inspections, or investigations conducted by the Office; enters into a contract with an outside audit firm to perform the annual audit of the District government's financial operations with the results published in the Comprehensive Annual Financial Report (CAFR); and chairs the CAFR oversight committee.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table AD0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table AD0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund						
Local Funds	11,932	11,894	13,465	14,348	883	6.6
Total for General Fund	11,932	11,894	13,465	14,348	883	6.6
Federal Resources						
Federal Grant Funds	2,044	1,855	2,483	2,572	89	3.6
Total for Federal Resources	2,044	1,855	2,483	2,572	89	3.6
Intra-District Funds						
Intra-District Funds	71	0	0	0	0	N/A
Total for Intra-District Funds	71	0	0	0	0	N/A
Gross Funds	14,047	13,749	15,948	16,920	972	6.1

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Full-Time Equivalent, by Revenue Type

Table AD0-2 contains the proposed FY 2015 FTE level compared to the FY 2014 approved FTE level by revenue type. It also provides FY 2012 and FY 2013 actual data.

Table AD0-2

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change
General Fund						
Local Funds	88.7	86.3	94.8	94.8	0.0	0.0
Total for General Fund	88.7	86.3	94.8	94.8	0.0	0.0
Federal Resources						
Federal Grant Funds	15.9	15.2	17.2	17.2	0.0	0.0
Total for Federal Resources	15.9	15.2	17.2	17.2	0.0	0.0
Total Proposed FTEs	104.6	101.5	112.0	112.0	0.0	0.0

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table AD0-3 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table AD0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
11 - Regular Pay - Continuing Full Time	8,887	8,671	9,626	10,177	551	5.7
13 - Additional Gross Pay	23	31	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,652	1,718	2,224	2,412	188	8.5
15 - Overtime Pay	0	0	0	0	0	N/A
Subtotal Personal Services (PS)	10,563	10,420	11,849	12,589	739	6.2
20 - Supplies and Materials	17	13	31	32	0	0.6
30 - Energy, Communications and Building Rentals	1	0	1	0	-1	-100.0
31 - Telephone, Telegraph, Telegram, Etc.	28	17	13	13	0	0.0
32 - Rentals - Land and Structures	228	228	228	228	0	0.0
35 - Occupancy Fixed Costs	1	1	1	1	0	0.0
40 - Other Services and Charges	2,932	3,010	3,576	3,805	229	6.4
50 - Subsidies and Transfers	0	0	236	236	0	0.0
70 - Equipment and Equipment Rental	278	60	13	17	4	33.3
Subtotal Nonpersonal Services (NPS)	3,485	3,329	4,098	4,331	233	5.7
Gross Funds	14,047	13,749	15,948	16,920	972	6.1

*Percent change is based on whole dollars.

Program Description

The Office of the Inspector General operates through the following 3 programs:

Accountability, Control, and Compliance – provides audits and inspections of and for the District government that focus efforts on mitigating risks that pose the most serious challenges to District agencies and other stakeholders. Through this work, District government entities can better maintain fiscal integrity and operational readiness to reduce fraud, waste, and mismanagement.

This program contains the following 2 activities:

- **Audit** – conducts audits, reviews, and analysis of financial, operational, and programmatic functions; and
- **Inspections and Evaluations** – inspects and evaluates District agencies in accordance with defined performance criteria. Evaluates management and programs and makes recommendations relating to improving overall efficiency and effectiveness.

Law Enforcement and Compliance – conducts investigations of allegations of waste, fraud, and abuse relating to the programs and operations of the District government.

This program contains the following 3 activities:

- **Investigations** – investigates fraud and other misconduct by District government employees and contractors doing business with the District of Columbia;
- **Medicaid Fraud Control Unit (MFCU) 25% Match** – represents the Local match associated with the MFCU federal grant; and
- **Medicaid Fraud Control Unit** – investigates and prosecutes cases of patient abuse and neglect and cases of Medicaid fraud by health care providers.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

Program Structure Change

The Office of the Inspector General has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table AD0-4 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

Table AD0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Agency Management								
(1010) Personnel	84	220	195	-25	1.3	1.5	1.5	0.0
(1020) Contracting and Procurement	291	331	354	23	2.2	2.5	2.5	0.0
(1030) Property Management	30	36	36	0	0.0	0.0	0.0	0.0
(1040) Information Technology	467	483	521	38	3.2	3.5	3.5	0.0
(1050) Financial Management	276	303	334	30	2.2	2.5	2.5	0.0
(1060) Legal	660	684	726	43	5.0	5.4	5.5	0.0
(1070) Fleet Management	13	7	9	2	0.0	0.0	0.0	0.0
(1085) Customer Service	96	115	126	11	1.2	1.3	1.3	0.0
Subtotal (1000) Agency Management	1,916	2,180	2,302	122	15.1	16.6	16.6	0.0
(2000) Accountability, Control, and Compliance								
(2010) Audit	5,783	6,309	6,723	414	28.6	31.5	31.5	0.0
(2030) Inspections and Evaluations	1,217	1,422	1,511	90	12.3	13.5	13.5	0.0
Subtotal (2000) Accountability, Control, and Compliance	6,999	7,731	8,235	503	40.9	45.0	45.0	0.0
(3000) Law Enforcement and Compliance								
(3010) Investigations	2,429	2,904	3,103	199	25.0	27.4	27.5	0.0
(3020) Medicaid Fraud Control Unit 25% Match	549	650	709	59	5.2	5.8	5.8	0.0
(3030) Medicaid Fraud Control Unit	1,855	2,483	2,572	89	15.2	17.2	17.2	0.0
Subtotal (3000) Law Enforcement and Compliance	4,834	6,036	6,384	347	45.5	50.4	50.5	0.0
Total Proposed Operating Budget	13,749	15,948	16,920	972	101.5	112.0	112.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Office of the Inspector General's (OIG) proposed FY 2015 gross budget is \$16,919,885, which represents a 6.1 percent increase over its FY 2014 approved gross budget of \$15,947,792. The budget is comprised of \$14,347,682 in Local funds and \$2,572,202 in Federal Grant funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

OIG's FY 2015 CSFL budget is \$14,202,682, which represents a \$737,944, or 5.5 percent, increase over the FY 2014 approved Local funds budget of \$13,464,738.

CSFL Assumptions

The FY 2015 CSFL calculated for OIG included adjustment entries that are not described in detail on table 5. These adjustments include increases of \$655,803 in personal services to account for Fringe Benefit costs based on trend and comparative analyses and the impact of cost-of-living adjustments implemented in FY 2013, and \$82,140 in nonpersonal services based on the Consumer Price Index factor of 2.4 percent.

Agency Budget Submission

Increase: To continue providing quality investigative services to the District, OIG proposed the following FY 2015 budget changes. In Local funds, the budget was increased by \$4,185 to support the purchase of equipment and machinery for Medicaid Fraud Control Unit activities within the Law Enforcement and Compliance program. Personal services was increased by \$2,526 throughout multiple programs to support projected Fringe Benefit costs.

In Federal Grant funds, the personal services budget was increased by \$83,595 in the Law Enforcement and Compliance program to provide additional support for fraud investigations. In addition, OIG's budget was increased by \$5,645 to support fleet maintenance costs.

Decrease: OIG reduced its Local funds personal services budget for continuing full-time positions by \$2,530 to align with projected salaries. The Local nonpersonal services budget was reduced by \$4,181, which includes \$3,187 from Other Services and Charges for projected reductions in travel, maintenance, repairs, and tuition expenses; \$438 to align the budget with revised Fixed Cost estimates; and \$556 from Supplies and Materials. In Federal Grant funds, Fixed Costs were reduced by \$91 to align the budget with revised estimates from the Department of General Services (DGS).

Technical Adjustment: OIG's Local funds budget was increased by \$145,000 to annualize contractual services costs to support the development of the Comprehensive Annual Financial Report (CAFR).

Mayor's Proposed Budget

No Change: The Office of the Inspector General's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The Office of the Inspector General's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table AD0-5 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table AD0-5

(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2014 Approved Budget and FTE		13,465	94.8
Other CSFL Adjustments	Multiple Programs	738	0.0
LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)		14,203	94.8
Increase: To support program initiatives	Law Enforcement and Compliance	4	0.0
Increase: To align Fringe Benefits budget with projected costs	Multiple Programs	3	0.0
Decrease: To align resources with operational goals	Multiple Programs	-3	0.0
Decrease: To align funding with nonpersonal services costs	Multiple Programs	-4	0.0
Technical Adjustment: Increase for Comprehensive Annual Financial Report (CAFR) contract	Accountability, Control, and Compliance	145	0.0
LOCAL FUNDS: FY 2015 Agency Budget Submission		14,348	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2015 Mayor's Proposed Budget		14,348	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2015 District's Proposed Budget		14,348	94.8
FEDERAL GRANT FUNDS: FY 2014 Approved Budget and FTE		2,483	17.2
Increase: To adjust personal services	Law Enforcement and Compliance	84	0.0
Increase: To align resources with operational goals	Law Enforcement and Compliance	6	0.0
Decrease: To align Fixed Costs with proposed estimates (less than \$500)	Law Enforcement and Compliance	0	0.0
FEDERAL GRANT FUNDS: FY 2015 Agency Budget Submission		2,572	17.2
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2015 Mayor's Proposed Budget		2,572	17.2
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2015 District's Proposed Budget		2,572	17.2
Gross for AD0 - Office of the Inspector General		16,920	112.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Agency Performance Plan

The agency's performance plan has the following objectives for FY 2015:

Objective 1: Use the Accountability, Control, and Compliance program to 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.

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.

KEY PERFORMANCE INDICATORS

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Number of final audit report issued (financial/performance)	28	28	37	28	28	28
Potential monetary benefits resulting from audits (\$million)	\$75	\$21	\$30	\$21	\$21	\$25
Number of final inspection/evaluation reports issued	10	10	10	10	10	10
Percent of complaints evaluated within ten days of receipt in investigations	100%	85%	92%	85%	85%	85%
Number of criminal/civil resolutions obtained in MFCU cases	14	24	23	26	26	26