
Office of the Inspector General

<http://oig.dc.gov>

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Description	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	% Change from FY 2015
Operating Budget	\$15,041,587	\$16,919,884	\$17,215,212	1.7
FTEs	105.8	112.0	112.0	0.0

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

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 2016 proposed budget is presented in the following tables:

FY 2016 Proposed Gross Funds Operating Budget, by Revenue Type

Table AD0-1 contains the proposed FY 2016 agency budget compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table AD0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
General Fund						
Local Funds	11,894	13,010	14,348	14,595	247	1.7
Total for General Fund	11,894	13,010	14,348	14,595	247	1.7
Federal Resources						
Federal Grant Funds	1,855	2,032	2,572	2,620	48	1.9
Total for Federal Resources	1,855	2,032	2,572	2,620	48	1.9
Gross Funds	13,749	15,042	16,920	17,215	295	1.7

*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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Full-Time Equivalent, by Revenue Type

Table AD0-2 contains the proposed FY 2016 FTE level compared to the FY 2015 approved FTE level by revenue type. It also provides FY 2013 and FY 2014 actual data.

Table AD0-2

Appropriated Fund	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change
General Fund						
Local Funds	86.3	89.8	94.8	94.8	0.0	0.0
Total for General Fund	86.3	89.8	94.8	94.8	0.0	0.0
Federal Resources						
Federal Grant Funds	15.2	16.0	17.2	17.2	0.0	0.0
Total for Federal Resources	15.2	16.0	17.2	17.2	0.0	0.0
Total Proposed FTEs	101.5	105.8	112.0	112.0	0.0	0.0

FY 2016 Proposed Operating Budget, by Comptroller Source Group

Table AD0-3 contains the proposed FY 2016 budget at the Comptroller Source Group (object class) level compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table AD0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
11 - Regular Pay - Continuing Full Time	8,671	9,093	10,177	10,628	451	4.4
13 - Additional Gross Pay	31	76	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,718	1,807	2,412	2,179	-233	-9.7
15 - Overtime Pay	0	0	0	0	0	N/A
Subtotal Personal Services (PS)	10,420	10,976	12,589	12,807	218	1.7
20 - Supplies and Materials	13	26	32	39	7	22.0
30 - Energy, Communication and Building Rentals	0	1	0	0	0	N/A
31 - Telephone, Telegraph, Telegram, Etc.	17	21	13	13	0	0.0
32 - Rentals - Land and Structures	228	228	228	228	0	0.0
35 - Occupancy Fixed Costs	1	0	1	1	0	0.0
40 - Other Services and Charges	3,010	3,560	3,805	3,871	66	1.7
50 - Subsidies and Transfers	0	0	236	236	0	0.0
70 - Equipment and Equipment Rental	60	229	17	20	4	22.0
Subtotal Nonpersonal Services (NPS)	3,329	4,065	4,331	4,408	77	1.8
Gross Funds	13,749	15,042	16,920	17,215	295	1.7

*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 2016 proposed budget.

FY 2016 Proposed Operating Budget and FTEs, by Program and Activity

Table AD0-4 contains the proposed FY 2016 budget by program and activity compared to the FY 2015 approved budget. It also provides the FY 2014 actual data.

Table AD0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015
(1000) Agency Management								
(1010) Personnel	189	195	204	9	1.4	1.5	1.4	0.0
(1020) Contracting and Procurement	429	354	367	13	2.3	2.5	2.4	0.0
(1030) Property Management	26	36	44	8	0.0	0.0	0.0	0.0
(1040) Information Technology	605	521	540	19	3.3	3.5	3.4	0.0
(1050) Financial Management	285	334	341	7	2.3	2.5	2.4	0.0
(1060) Legal	689	726	724	-2	5.2	5.5	5.5	0.0
(1070) Fleet Management	16	9	11	2	0.0	0.0	0.0	0.0
(1085) Customer Service	103	126	140	14	1.3	1.3	1.3	0.0
Subtotal (1000) Agency Management	2,342	2,302	2,371	69	15.8	16.6	16.6	0.0
(2000) Accountability, Control and Compliance								
(2010) Audit	6,190	6,723	6,719	-4	29.8	31.5	31.5	0.0
(2030) Inspections and Evaluations	1,299	1,511	1,555	44	12.8	13.5	13.5	0.0
Subtotal (2000) Accountability, Control and Compliance	7,489	8,235	8,275	40	42.6	45.0	45.0	0.0
(3000) Law Enforcement and Compliance								
(3010) Investigations	2,577	3,103	3,222	119	26.0	27.5	27.5	0.0
(3020) MFCU 25% Match	602	709	728	19	5.4	5.8	5.8	0.0
(3030) Medicaid Fraud Control Unit	2,032	2,572	2,620	48	16.0	17.2	17.2	0.0
Subtotal (3000) Law Enforcement and Compliance	5,210	6,384	6,570	186	47.5	50.5	50.5	0.0
Total Proposed Operating Budget	15,042	16,920	17,215	295	105.8	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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Budget Changes

The Office of the Inspector General's (OIG) proposed FY 2016 gross budget is \$17,215,212, which represents a 1.7 percent increase over its FY 2015 approved gross budget of \$16,919,884. The budget is comprised of \$14,594,721 in Local funds and \$2,620,491 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 2015 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 2016 CSFL adjustments to the FY 2015 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 2016 CSFL budget is \$14,594,721, which represents a \$247,039, or 1.7 percent, increase over the FY 2015 approved Local funds budget of \$14,347,682.

CSFL Assumptions

The FY 2016 CSFL calculated for OIG included adjustment entries that are not described in detail on table 5. These adjustments were made for a net increase of \$247,039 in personal services to account for Fringe Benefit costs based on trend and comparative analyses, the impact of cost-of-living adjustments, and approved compensation agreements implemented in FY 2015.

Agency Budget Submission

Increase: To continue providing quality investigative services to the District, OIG proposed the following FY 2016 budget changes. In Local funds, the budget increased by \$36,365 in nonpersonal services. This includes \$30,345 in Other Services and Charges to fund training for auditors and investigators, \$5,099 to purchase supplies for daily operations, and \$921 to support the local grant match amount for the Medicaid Fraud and Control activities.

In Federal Grant funds, the nonpersonal services budget increased by \$40,673 and includes \$1,850 for Supplies and Materials; \$36,061 in Other Services and Charges to cover case tracking services, Lexis-Nexis on-line research fees, parking costs for the office fleet, and repairs and maintenance of office equipment; and \$2,762 in Equipment and Equipment Rental costs. In addition, the personal services budget increased by \$7,615 in the Law Enforcement and Compliance program to provide additional support for fraud investigations.

Decrease: OIG reduced its Local funds personal services budget in the amount of \$36,365 to reflect a net reduction in salary and Fringe Benefit costs.

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 2015 Approved Budget to FY 2016 Proposed Budget, by Revenue Type

Table AD0-5 itemizes the changes by revenue type between the FY 2015 approved budget and the FY 2016 proposed budget.

Table AD0-5
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2015 Approved Budget and FTE		14,348	94.8
Other CSFL Adjustments	Multiple Programs	247	0.0
LOCAL FUNDS: FY 2016 Current Services Funding Level (CSFL) Budget		14,595	94.8
Increase: To align funding with nonpersonal services costs	Multiple Programs	36	0.0
Decrease: To adjust continuing full time personal services and Fringe Benefits with projected costs	Multiple Programs	-36	0.0
LOCAL FUNDS: FY 2016 Agency Budget Submission		14,595	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2016 Mayor's Proposed Budget		14,595	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2016 District's Proposed Budget		14,595	94.8
FEDERAL GRANT FUNDS: FY 2015 Approved Budget and FTE		2,572	17.2
Increase: To align funding with nonpersonal services costs	Law Enforcement and Compliance	41	0.0
Increase: To adjust continuing full time personal services and Fringe Benefits with projected costs	Law Enforcement and Compliance	8	0.0
FEDERAL GRANT FUNDS: FY 2016 Agency Budget Submission		2,620	17.2
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2016 Mayor's Proposed Budget		2,620	17.2
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2016 District's Proposed Budget		2,620	17.2
Gross for AD0 - Office of the Inspector General		17,215	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 2016:

Accountability, Control, and Compliance Program

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.

KEY PERFORMANCE INDICATORS

Measure	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Number of final audit reports issued (financial/performance)	37	28	34	28	28	28
Potential monetary benefits resulting from audits (in millions)	\$30.30	\$25	\$41.82	\$25	\$25	\$25
Number of final inspections/evaluation reports issued	10	10	10	10	10	10

Law Enforcement and Compliance Program

Objective 1: 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 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Projection	FY 2016 Projection	FY 2017 Projection
Percent of complaints evaluated within ten days of receipt in investigations	91.9%	85%	100%	85%	85%	85%
Number of criminal/civil resolutions obtained in Medicaid Fraud Control Unit cases	23	24	17	26	24	24
Percent of referral letters sent to District department or agency within ten work days of complaint being assigned to investigations	85%	85%	100%	85%	85%	85%