
Office of the Inspector General

www.oig.dc.gov
Telephone: 202-727-2540

Table AD0-1

Description	FY 2016 Actual	FY 2017 Actual	FY 2018 Approved	FY 2019 Proposed	% Change from FY 2018
OPERATING BUDGET	\$14,682,548	\$15,889,997	\$18,368,064	\$18,763,338	2.2
FTEs	93.3	108.3	112.0	112.0	0.0

The mission of the Office of the Inspector General (OIG) is to independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to: prevent and detect corruption, mismanagement, waste, fraud, and abuse; promote economy, efficiency, effectiveness, and accountability; inform stakeholders about issues relating to District programs and operations; and recommend and track the implementation of corrective actions.

Summary of Services

OIG initiates and conducts independent financial and performance audits, inspections, and investigations of District government operations; conducts other special audits, assignments, and investigations; audits procurement and contract administration continually; forwards to the authorities evidence of criminal wrongdoing discovered as the result of audits, inspections, or investigations conducted by the Office; contracts 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; and serves as the principal liaison between the District government and the U.S. Government Accountability Office.

The agency's FY 2019 proposed budget is presented in the following tables:

FY 2019 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table AD0-2 contains the proposed FY 2019 budget by revenue type compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data.

Table AD0-2

(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change*	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change
Appropriated Fund												
GENERAL FUND												
Local Funds	12,591	13,807	15,521	15,943	423	2.7	77.8	93.0	94.8	94.8	0.0	0.0
TOTAL FOR GENERAL FUND	12,591	13,807	15,521	15,943	423	2.7	77.8	93.0	94.8	94.8	0.0	0.0
FEDERAL RESOURCES												
Federal Grant Funds	2,092	2,083	2,848	2,820	-27	-1.0	15.5	15.3	17.2	17.2	0.0	0.0
TOTAL FOR FEDERAL RESOURCES	2,092	2,083	2,848	2,820	-27	-1.0	15.5	15.3	17.2	17.2	0.0	0.0
GROSS FUNDS	14,683	15,890	18,368	18,763	395	2.2	93.3	108.3	112.0	112.0	0.0	0.0

*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 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2019 Proposed Operating Budget, by Comptroller Source Group

Table AD0-3 contains the proposed FY 2019 budget at the Comptroller Source Group (object class) level compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual expenditures.

Table AD0-3

(dollars in thousands)

	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Percentage Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	8,562	8,949	10,743	11,189	445	4.1
12 - Regular Pay - Other	285	350	417	296	-121	-29.1
13 - Additional Gross Pay	162	233	200	106	-94	-47.0
14 - Fringe Benefits - Current Personnel	1,800	1,867	2,411	2,481	70	2.9
15 - Overtime Pay	4	6	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	10,813	11,405	13,771	14,071	300	2.2
20 - Supplies and Materials	22	224	260	234	-26	-10.1
31 - Telephone, Telegraph, Telegram, Etc.	39	12	30	0	-30	-100.0
32 - Rentals - Land and Structures	0	0	171	171	0	0.0
40 - Other Services and Charges	3,555	3,918	3,810	3,962	151	4.0
41 - Contractual Services - Other	0	2	0	0	0	N/A
50 - Subsidies and Transfers	246	329	326	326	0	0.0
70 - Equipment and Equipment Rental	8	0	0	0	0	N/A
SUBTOTAL NONPERSONAL SERVICES (NPS)	3,870	4,485	4,597	4,692	95	2.1
GROSS FUNDS	14,683	15,890	18,368	18,763	395	2.2

*Percent change is based on whole dollars.

FY 2019 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table AD0-4 contains the proposed FY 2019 budget by division/program and activity compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table AD0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018
(1000) AGENCY MANAGEMENT										
(1010) Personnel	137	148	0	137	137	1.2	1.0	0.0	1.0	1.0
(1020) Contracting and Procurement	515	243	267	280	13	2.0	2.0	2.0	2.0	0.0
(1030) Property Management	68	147	157	138	-20	0.0	1.0	1.0	1.0	0.0
(1040) Information Technology	494	627	1,206	1,307	101	2.8	2.9	3.0	3.0	0.0
(1050) Financial Management	317	98	145	278	133	2.0	1.0	0.0	1.0	1.0
(1060) Legal	750	685	776	780	4	4.5	4.9	5.0	5.0	0.0
(1070) Fleet Management	8	15	11	46	35	0.0	0.0	0.0	0.0	0.0
(1085) Customer Service	147	453	877	621	-257	1.1	6.9	8.0	5.0	-3.0
SUBTOTAL (1000) AGENCY MANAGEMENT	2,437	2,417	3,439	3,586	147	13.6	19.6	19.0	18.0	-1.0
(2000) OPERATIONS										
(2010) Audit	5,032	5,048	4,534	4,529	-5	25.8	21.6	21.0	21.0	0.0
(2030) Inspections and Evaluations	1,278	1,206	1,359	1,400	40	11.1	10.8	11.0	11.0	0.0
SUBTOTAL (2000) OPERATIONS	6,311	6,254	5,894	5,929	35	36.9	32.4	32.0	32.0	0.0
(3000) EXECUTIVE										
(3001) Executive	0	1,227	1,067	1,278	211	0.0	3.9	4.0	4.0	0.0
(3010) Investigations	3,226	2,301	2,767	2,666	-101	22.6	20.6	21.0	21.0	0.0
(3020) MFCU 25% Match	618	711	774	774	1	4.7	5.6	5.8	5.8	0.0
(3030) Medicaid Fraud Control Unit	2,092	2,083	2,848	2,820	-27	15.5	15.3	17.2	17.2	0.0
SUBTOTAL (3000) EXECUTIVE	5,935	6,323	7,455	7,539	84	42.7	45.5	48.0	48.0	0.0
(4000) RISK ASSESSMENT AND FUTURE PLANNING										
(4011) Risk Assessment and Future Plan.	0	522	983	1,047	64	0.0	7.8	8.0	9.0	1.0
SUBTOTAL (4000) RISK ASSESSMENT AND FUTURE PLANNING	0	522	983	1,047	64	0.0	7.8	8.0	9.0	1.0
(5000) QUALITY MANAGEMENT										
(5001) Quality Management	0	379	596	662	66	0.0	2.9	5.0	5.0	0.0
SUBTOTAL (5000) QUALITY MANAGEMENT	0	379	596	662	66	0.0	2.9	5.0	5.0	0.0
(9961) YEAR END AUDIT ADJ										
No Activity Assigned	0	-4	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (9961) YEAR END AUDIT ADJ	0	-4	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	14,683	15,890	18,368	18,763	395	93.3	108.3	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 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

The Office of the Inspector General (OIG) operates through these 5 programs:

Operations – includes all external functions of the OIG including these units: Audit, and Inspections and Evaluations, comprising these activities:

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

Executive – oversees all agency-level divisions including: Office of the General Counsel, Operations, Business Management, Investigations, and Medicaid Fraud Control.

- **Executive** – oversees all agency-level divisions;
- **Investigations** – investigates fraud and other misconduct by District government employees and contractors doing business with the District government;
- **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 Medicaid provider fraud and patient abuse and neglect in Medicaid-funded facilities.

Risk Assessments and Future Planning (AFP) – aggregates, analyzes, and synthesizes information to identify and prioritize risks facing the District, and synergizes the OIG’s work to maximize the value it provides to the District.

Quality Management (QM) – supports the integrity of OIG operations through effective quality review processes.

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 2019 proposed budget.

FY 2018 Approved Budget to FY 2019 Proposed Budget, by Revenue Type

Table AD0-5 itemizes the changes by revenue type between the FY 2018 approved budget and the FY 2019 proposed budget. For a more comprehensive explanation of changes, please see the FY 2019 Proposed Budget Changes section, which follows the table.

Table AD0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2018 Approved Budget and FTE		15,521	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2019 Recurring Budget		15,521	94.8
COLA: FY 2019 COLA Adjustment	Multiple Programs	345	0.0
Agency Request-Increase: To align resources with operational spending goals	Multiple Programs	200	0.0
Agency Request-Decrease: To recognize savings in personal services	Multiple Programs	-122	0.0
LOCAL FUNDS: FY 2019 Mayor’s Proposed Budget		15,943	94.8
No Change		0	0.0
LOCAL FUNDS: FY 2019 District’s Proposed Budget		15,943	94.8

Table AD0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
FEDERAL GRANT FUNDS: FY 2018 Approved Budget and FTE		2,848	17.2
COLA: FY 2019 COLA Adjustment	Executive	62	0.0
Agency Request-Increase: To align personal services and Fringe Benefits with projected costs	Executive	15	0.0
Agency Request-Decrease: To align Fixed Costs with proposed estimates	Executive	-30	0.0
Agency Request-Decrease: To align resources with operational spending goals	Executive	-75	0.0
FEDERAL GRANT FUNDS: FY 2019 Mayor's Proposed Budget		2,820	17.2
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2019 District's Proposed Budget		2,820	17.2
GROSS FOR AD0 - OFFICE OF THE INSPECTOR GENERAL		18,763	112.0

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

FY 2019 Proposed Budget Changes

The Office of the Inspector General's (OIG) proposed FY 2019 gross budget is \$18,763,338, which represents a 2.2 percent increase over its FY 2018 approved gross budget of \$18,368,064. The budget is comprised of \$15,943,151 in Local funds and \$2,820,187 in Federal Grant funds.

Recurring Budget

No Change: The Office of the Inspector General's budget proposal reflects no change from the FY 2018 approved budget to the FY 2019 recurring budget.

Mayor's Proposed Budget Recommendation

Cost-of-Living Adjustment: The proposed budget for the OIG includes cost-of-living adjustments (COLA) of \$344,554 in Local funds and \$62,198 in Federal Grant funds.

Agency Request - Increase: In Local funds, the proposed budget includes a net increase of \$199,946 across multiple programs. The increases were primarily in the Agency Management program, with \$82,566 added to support hardware maintenance, and the Executive program, with \$75,116 added to reflect costs of professional services.

In Federal Grant funds, the proposed budget increased by \$15,364 in personal services costs to reflect projected salary and Fringe Benefit costs of existing personnel.

Agency Request - Decrease: The proposed Local funds budget includes a net decrease of \$121,915, primarily in the Executive and Quality Management programs, to reflect the reclassification of positions from Temporary Full-Time to Continuing Full-Time and adjustments to gross pay and Fringe Benefit costs.

In Federal Grant funds, the proposed budget includes a net decrease of \$30,000 to properly align fixed costs with estimates from the Department of General Services and Telecommunications costs with estimates from the Office of the Chief Technology Officer. Additional savings of \$74,927 are realized in the Executive program for adjustments primarily to professional services and supplies.

OIG's Proposed Budget Request

The Office of the Inspector General's (OIG) proposed FY 2019 gross budget request is \$21,267,963, which represents a 15.8 percent increase over its FY 2018 approved gross budget of \$18,368,064. The budget request is comprised of \$18,447,776 in Local funds and \$2,820,187 in Federal Grant funds.

Enhancement Request: OIG's proposed budget request includes four distinct enhancement requests. These requests are being made to improve OIG's capability to ensure that it meets its legislative mandate to promote economy, efficiency, and effectiveness and to prevent and detect corruption, mismanagement, waste, fraud, and abuse in District government programs and operations. OIG's budget enhancement requests are as follows:

- * \$678,536 to provide an additional 5.0 FTEs, of which 2.0 FTEs will support the OIG's operational units, 1.0 FTE is proposed for the Audit Unit and 2.0 FTEs are proposed for the Investigations Unit (1.0 FTE will support the Business Management Division and 1.0 FTE will support the Office of General Counsel). Enhancing the District's Office of the Inspector General's authorized FTE count will benefit the District. Additional FTEs will allow the OIG to provide greater oversight coverage and improve engagement timelines.

- * \$500,000 for Grant Risk Assessment. For FY 2019, OIG seeks to leverage the successes of its Procurement Risk Assessment and utilize the same process to evaluate the District's Grant system. Specifically, OIG will seek to contract with an independent auditor to conduct a risk assessment on the awarding and administration of grant funds obtained by the District of Columbia, through any agency, office, or instrumentality of the District of Columbia, for funding a public purpose, which funds are obtained under a grant agreement duly executed by any private entity or person and the District of Columbia.

- * \$516,089 for Overtime for Special Agents/Criminal Investigators. Funding for overtime ensures that OIG budgets appropriately for criminal investigators to be compensated for hours worked over the standard 40-hour work week, without affecting or delaying a case due to lack of funding. This proposal impacts 21.0 FTEs at OIG.

- * \$810,000 to implement critical initiatives within OIG's strategic plan. The Office of the Inspector General has a five-year strategic plan to improve overall functioning and service to the District and its residents.

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.

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Agency Performance Plan*

The Office of Inspector General (OIG) has the following strategic objectives for FY 2019:

Strategic Objectives

Strategic Objectives describe what the agency will do, at a high level, to achieve its mission. These are action-based sentences that define what an agency does for its customers, whether the customers are residents or other District agencies, and how that improves the District.

Objectives

1. Proactively identify and reduce vulnerabilities that could lead to corruption, fraud, waste, abuse, and mismanagement.
2. Integrate plans, processes, and resources to support organizational accountability.
3. Deliver actionable, relevant and timely products and services to customers and stakeholders that promote economic, efficient, and effective government.
4. Implement an information and knowledge management system that supports the OIG mission.
5. Create and maintain a highly efficient, transparent and responsive District government.**

ACTIVITIES

Activities include the work that happens on a daily basis to help achieve the Strategic Objectives. Activity names come from the budget line items. This is further divided into “daily services” (ex. sanitation disposal), and long-term “key projects” that are high profile, one-time and span several years, (ex. redevelopment of Walter Reed Army Medical Center). Many agencies will mostly have daily services, whereas some agencies that have more of their budget come from capital funding will have several key projects.

1. Proactively identify and reduce vulnerabilities that could lead to corruption, fraud, waste, abuse, and mismanagement. (3 Activities)

Activity Title	Activity Description	Type of Activity
Oversight Work	Conduct audits, investigations, and inspections based on proactively identified leads and indicators.	Daily Service
Hotline Program	Operate a hotline program to aid in identifying and evaluating allegations of corruption, fraud, waste, abuse, and mismanagement.	Daily Service
Reduce Misconduct	Forward to the appropriate authority any report, as a result of any audit, inspection or investigation conducted by the office, in order to reduce misconduct or unethical behavior.	Daily Service

2. Integrate plans, processes, and resources to support organizational accountability. (3 Activities)

Activity Title	Activity Description	Type of Activity
Spending Plans	Develop spending plans to ensure appropriated resources are used efficiently and effectively to support organizational accountability and are in compliance with District regulations.	Daily Service
OIG Policies and Procedures	Integrate internal OIG policies and procedures to ensure the OIG executes its mission in compliance with applicable standards to support organizational accountability.	Key Project
Performance Excellence	Implement a performance assessment/excellence framework within the OIG to ensure continuous improvement.	Key Project

3. Deliver actionable, relevant and timely products and services to customers and stakeholders that promote economic, efficient, and effective government. (4 Activities)

Activity Title	Activity Description	Type of Activity
Independent Oversight Work	Initiate and conduct independent financial and performance audits, inspections, and investigations of District government operations.	Daily Service
Annual District Audit	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 chair the CAFR oversight committee.	Key Project
GAO Liaison	Serve as the principal liaison between the District government and the US Government Accountability Office.	Key Project
Reporting Evidence of Wrongdoing	Forward to the Mayor, within a reasonable time of reporting evidence of criminal wrongdoing to the Office of the U.S. Attorney's Office for the District of Columbia, or other law enforcement office, any report regarding the evidence, if appropriate.	Daily Service

4. Implement an information and knowledge management system that supports the OIG mission. (3 Activities)

Activity Title	Activity Description	Type of Activity
Information Management System	Collect, process, and communicate information to enable the agency's leadership team to make more effective and efficient decisions.	Key Project
Knowledge Management System	Manage agency knowledge to improve performance and achieve the OIG mission.	Key Project
Information Security	Establish and maintain digital and physical security controls to protect critical information and knowledge assets from unauthorized access.	Key Project

5. Create and maintain a highly efficient, transparent and responsive District government. (1 Activity)**

Activity Title	Activity Description	Type of Activity
Staffing Assessments	Assess current staffing to ensure it meets the OIG's mission and vision.	Key Project

KEY PERFORMANCE INDICATORS

Key Performance Indicators measure how well an agency is achieving its Strategic Objectives. They are outcome-oriented and should be used to answer the question, "What does the agency need to measure to determine success?"

1. Proactively identify and reduce vulnerabilities that could lead to corruption, fraud, waste, abuse, and mismanagement. (2 Measures)

Measure	New Measure/ Benchmark Year	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2019 Target
Percent of contacts evaluated and appropriate course or action determined within 10 business days of receipt by the Risk Assessment and Future Planning (RAFP) hotline program	No	87%	95%	93%	95%	95%

1. Proactively identify and reduce vulnerabilities that could lead to corruption, fraud, waste, abuse, and mismanagement. (2 Measures)

Measure	New Measure/ Benchmark Year	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2019 Target
Percent of proactive analytical activities initiated by RAFP's data analysis unit that resulted in an investigation, audit, or inspection	No	No applicable incidents	20%	20%	25%	25%

2. Integrate plans, processes, and resources to support organizational accountability. (1 Measure)

Measure	New Measure/ Benchmark Year	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2019 Target
Percent of core processes with defined key performance indicators (KPIs)	No	New Measure	New Measure	Not Available	90%	90%

3. Deliver actionable, relevant and timely products and services to customers and stakeholders that promote economic, efficient, and effective government. (1 Measure)

Measure	New Measure/ Benchmark Year	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2019 Target
Percent of planned outreach activities that were completed as outlined in the strategic public relations plan	No	Not Available	Not Available	Not Available	50%	50%

5. Create and maintain a highly efficient, transparent and responsive District government. (2 Measures)**

Measure	New Measure/ Benchmark Year	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2019 Target
Percent of career development plan completed for OIG employees	No	Not Available	Not Available	Not Available	50%	50%
Percent of employees with Individual Training Plans (ITP)	No	Not Available	Not Available	Not Available	100%	100%

WORKLOAD MEASURES

Workload Measures, also called inputs or outputs, quantify an activity, effort or process that is necessary to make progress towards the Strategic Objectives. They help answer the question; "How much are we doing?"

1. Staffing Assessments

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of employees with individual training plans (ITP)	No	Not Available	Not Available	Not Available

2. Oversight Work

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of proactive analytical products RAFP-DAU that initiated an investigation, audit, or inspection	No	Not Available	Not Available	15

2. Oversight Work

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of recommendations made to District agencies	No	Not Available	Not Available	122
Number of referrals made to District agencies resulting from hotline contacts	No	Not Available	Not Available	92

3. Hotline Program

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of contacts analyzed by the RAFP Hotline Program and Medicaid Fraud Control Unit (MFCU)	No	Not Available	3593	4561

4. OIG Policies and Procedures

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of core processes documented	No	Not Available	New Measure	Not Available
Number of defined KPIs for documented core processes	No	Not Available	New Measure	Not Available

5. Independent Oversight Work

Measure	New Measure/ Benchmark Year	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual
Number of planned outreach activities completed as outlined in the strategic public relations plan	No	Not Available	Not Available	Not Available

Performance Plan Endnotes:

*For more information about the structure and components of FY 2019 draft performance plans, please see the FY 2019 Proposed Budget and Financial Plan, Volume 1, Appendix E.

**We've revisited a project to standardize District wide measures for the Objective "Create and maintain a highly efficient, transparent and responsive District government". New measures will be tracked in FY 2018 and FY 2019 and published starting in the FY 2019 Performance Plan.

***Key Performance Indicators that are new may not have historical data and may only have FY 2019 targets.