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# Office of the Inspector General

<http://oig.dc.gov>

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Description	FY 2011 Actual	FY 2012 Approved	FY 2013 Proposed	% Change from FY 2012
Operating Budget	\$14,099,638	\$15,393,352	\$15,685,662	1.9
FTEs	106.3	112.0	112.0	0.0

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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 2013 proposed budget is presented in the following tables:

## FY 2013 Proposed Gross Funds Operating Budget, by Revenue Type

Table AD0-1 contains the proposed FY 2013 agency budget compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

**Table AD0-1**  
(dollars in thousands)

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
<b>General Fund</b>						
Local Funds	14,880	12,401	13,048	13,308	261	2.0
<b>Total for General Fund</b>	<b>14,880</b>	<b>12,401</b>	<b>13,048</b>	<b>13,308</b>	<b>261</b>	<b>2.0</b>
<b>Federal Resources</b>						
Federal Grant Funds	1,752	1,696	2,346	2,377	31	1.3
<b>Total for Federal Resources</b>	<b>1,752</b>	<b>1,696</b>	<b>2,346</b>	<b>2,377</b>	<b>31</b>	<b>1.3</b>
<b>Intra-District Funds</b>						
Intra-District Funds	0	3	0	0	0	N/A
<b>Total for Intra-District Funds</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>Gross Funds</b>	<b>16,632</b>	<b>14,100</b>	<b>15,393</b>	<b>15,686</b>	<b>292</b>	<b>1.9</b>

\*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 2013 Operating Appendices located on the Office of the Chief Financial Officer's website.

## FY 2013 Proposed Full-Time Equivalents, by Revenue Type

Table AD0-2 contains the proposed FY 2013 FTE level compared to the FY 2012 approved FTE level by revenue type. It also provides FY 2010 and FY 2011 actual data.

**Table AD0-2**

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change
<b>General Fund</b>						
Local Funds	99.5	89.1	94.8	94.8	0.0	0.0
<b>Total for General Fund</b>	<b>99.5</b>	<b>89.1</b>	<b>94.8</b>	<b>94.8</b>	<b>0.0</b>	<b>0.0</b>
<b>Federal Resources</b>						
Federal Grant Funds	14.5	17.2	17.2	17.2	0.0	0.0
<b>Total for Federal Resources</b>	<b>14.5</b>	<b>17.2</b>	<b>17.2</b>	<b>17.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed FTEs</b>	<b>114.0</b>	<b>106.3</b>	<b>112.0</b>	<b>112.0</b>	<b>0.0</b>	<b>0.0</b>

## FY 2013 Proposed Operating Budget, by Comptroller Source Group

Table AD0-3 contains the proposed FY 2013 budget at the Comptroller Source Group (object class) level compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

**Table AD0-3**

(dollars in thousands)

	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
<b>Comptroller Source Group</b>						
11 - Regular Pay - Continuing Full Time	8,769	8,504	9,524	9,565	41	0.4
13 - Additional Gross Pay	169	53	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,647	1,616	1,942	2,121	179	9.2
15 - Overtime Pay	0	2	0	0	0	N/A
<b>Subtotal Personal Services (PS)</b>	<b>10,584</b>	<b>10,175</b>	<b>11,466</b>	<b>11,686</b>	<b>220</b>	<b>1.9</b>
20 - Supplies and Materials	12	7	30	31	1	2.0
30 - Energy, Comm. and Building Rentals	0	1	1	1	0	0.0
31 - Telephone, Telegraph, Telegram, Etc.	76	19	13	13	0	0.0
32 - Rentals - Land and Structures	1,403	228	228	228	0	0.0
35 - Occupancy Fixed Costs	9	1	1	1	0	0.0
40 - Other Services and Charges	3,881	3,411	3,406	3,478	72	2.1
41 - Contractual Services - Other	599	0	0	0	0	N/A
50 - Subsidies and Transfers	0	1	236	236	0	0.0
70 - Equipment and Equipment Rental	70	256	13	13	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>6,048</b>	<b>3,925</b>	<b>3,927</b>	<b>4,000</b>	<b>73</b>	<b>1.8</b>
<b>Gross Funds</b>	<b>16,632</b>	<b>14,100</b>	<b>15,393</b>	<b>15,686</b>	<b>292</b>	<b>1.9</b>

\*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** – is responsible for inspections and evaluations of District agencies in accordance with defined performance criteria. Management and programs are evaluated, and recommendations are made 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 2013 proposed budget.

## FY 2013 Proposed Operating Budget and FTEs, by Program and Activity

Table AD0-4 contains the proposed FY 2013 budget by program and activity compared to the FY 2012 approved budget. It also provides the FY 2011 actual data.

**Table AD0-4**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012
<b>(1000) Agency Management</b>								
(1010) Personnel	306	220	225	5	1.3	1.5	1.5	0.0
(1020) Contracting and Procurement	227	287	323	36	2.2	2.5	2.5	0.0
(1030) Property Management	14	36	36	0	0.0	0.0	0.0	0.0
(1040) Information Technology	653	422	433	11	3.2	3.5	3.5	0.0
(1050) Financial Management	261	288	298	10	2.2	2.5	2.5	0.0
(1060) Legal	640	662	676	15	5.0	5.5	5.5	0.0
(1070) Fleet Management	9	5	8	2	0.0	0.0	0.0	0.0
(1085) Customer Service	111	109	112	4	1.2	1.3	1.3	0.0
<b>Subtotal (1000) Agency Management</b>	<b>2,221</b>	<b>2,028</b>	<b>2,111</b>	<b>83</b>	<b>15.1</b>	<b>16.6</b>	<b>16.6</b>	<b>0.0</b>
<b>(2000) Accountability, Control, and Compliance</b>								
(2010) Audit	5,951	6,158	6,247	89	31.4	31.5	31.5	0.0
(2020) Investigations	11	0	0	0	0.0	0.0	0.0	0.0
(2030) Inspections and Evaluations	1,252	1,375	1,400	25	13.2	13.5	13.5	0.0
<b>Subtotal (2000) Accountability, Control, and Compliance</b>	<b>7,215</b>	<b>7,533</b>	<b>7,647</b>	<b>114</b>	<b>44.6</b>	<b>45.0</b>	<b>45.0</b>	<b>0.0</b>
<b>(3000) Law Enforcement and Compliance</b>								
(3010) Investigations	2,488	2,868	2,918	50	24.1	27.5	27.5	0.0
(3020) Medicaid Fraud Control Unit 25% Match	480	618	633	14	5.2	5.8	5.8	0.0
(3030) Medicaid Fraud Control Unit	1,696	2,346	2,377	31	17.2	17.2	17.2	0.0
<b>Subtotal (3000) Law Enforcement and Compliance</b>	<b>4,664</b>	<b>5,832</b>	<b>5,928</b>	<b>96</b>	<b>46.6</b>	<b>50.5</b>	<b>50.5</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>14,100</b>	<b>15,393</b>	<b>15,686</b>	<b>292</b>	<b>106.3</b>	<b>112.0</b>	<b>112.0</b>	<b>0.0</b>

(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 2013 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## **FY 2013 Proposed Budget Changes**

The Office of the Inspector General's (OIG) proposed FY 2013 gross budget is \$15,685,662, which represents a 1.9 percent increase over its FY 2012 approved gross budget of \$15,393,352. The budget is comprised of \$13,308,492 in Local funds and \$2,377,170 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 2012 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2013 CSFL budget and not necessarily changes made to the FY 2012 Local funds budget. The FY 2013 CSFL adjustments to the FY 2012 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 2013 CSFL budget is \$13,269,486, which represents a \$221,954, or 1.7 percent, increase over the FY 2012 approved Local funds budget of \$13,047,532.

### **Initial Adjusted Budget**

**Cost Increase:** Local funds - OIG increased Salaries by \$276 and Fringe Benefits by \$161 in support of projected step increases. Federal Grant funds - OIG increased Fringe Benefits by \$18,612; Other Services and Charges by \$12,555 for additional office support; Supplies and Materials by \$157; and Energy, Communications, and Building Rentals by \$25.

**Cost Decrease:** Local funds - OIG reduced Other Services and Charges by \$412 and Energy, Communication, and Building Rentals by \$25 to offset increases for steps and fringe benefits.

### **Additionally Adjusted Budget**

**Technical Adjustments:** Adjustment of Fringe Benefits to restore the District Government contribution for employee health insurance from 72 percent, implemented in the FY 2011 budget, to 75 percent in FY 2013, resulting in an increase of \$39,006 to OIG's Local Funds and \$5,372 to Federal Grant funds.

**Additional Adjustments:** Federal Grant funds – Other Services and Charges was reduced by \$5,372 in office support to offset the cost of the health insurance contribution.

## FY 2012 Approved Budget to FY 2013 Proposed Budget, by Revenue Type

Table AD0-5 itemizes the changes by revenue type between the FY 2012 approved budget and the FY 2013 proposed budget.

**Table AD0-5**

(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2012 Approved Budget and FTE</b>		<b>13,048</b>	<b>94.8</b>
Fringe Benefit Rate Adjustment	Multiple Programs	116	0.0
Consumer Price Index	Multiple Programs	66	0.0
Personal Services Growth Factor	Multiple Programs	41	0.0
<b>FY 2013 Current Services Funding Level Budget (CSFL)</b>		<b>13,269</b>	<b>94.8</b>
Cost Increase: Adjust salaries with projected step increases (less than \$500)	Multiple Programs	0	0.0
Cost Increase: Align fringe benefits with projected costs (less than \$500)	Multiple Programs	0	0.0
Cost Decrease: Reduce Other Services and Charges (less than \$500)	Multiple Programs	0	0.0
Cost Decrease: Reduce Energy, Comm., and Building Rentals (less than \$500)	Law Enforcement and Compliance	0	0.0
<b>FY 2013 Initial Adjusted Budget</b>		<b>13,269</b>	<b>94.8</b>
Technical Adjustment: Health insurance contribution	Multiple Programs	39	0.0
<b>FY 2013 Additionally Adjusted Budget</b>		<b>13,308</b>	<b>94.8</b>
<b>LOCAL FUNDS: FY 2013 Proposed Budget and FTE</b>		<b>13,308</b>	<b>94.8</b>
<b>FEDERAL GRANT FUNDS: FY 2012 Approved Budget and FTE</b>		<b>2,346</b>	<b>17.2</b>
Cost Increase: Align fringe benefits with projected costs	Law Enforcement and Compliance	19	0.0
Cost Increase: Increase Other Services and Charges	Law Enforcement and Compliance	13	0.0
Cost Increase: Increase Supplies and Materials (less than \$500)	Law Enforcement and Compliance	0	0.0
Cost Increase: Increase Energy, Comm. and Building Rentals (less than \$500)	Law Enforcement and Compliance	0	0.0
<b>FY 2013 Initial Adjusted Budget</b>		<b>2,377</b>	<b>17.2</b>
Additional Adjustments: Reduced Other Services and Charges to offset Health insurance contribution	Law Enforcement and Compliance	-5	0.0
Technical Adjustment: Health insurance contribution	Multiple Programs	5	0.0
<b>FY 2013 Additionally Adjusted Budget</b>		<b>2,377</b>	<b>17.2</b>
<b>FEDERAL GRANT FUNDS: FY 2013 Proposed Budget and FTE</b>		<b>2,377</b>	<b>17.2</b>
<b>Gross for AD0 - Office of the Inspector General</b>		<b>15,686</b>	<b>112.0</b>

(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 2013:

**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.

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## Agency Performance Measures

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Target</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Projection</b>	<b>FY 2013 Projection</b>	<b>FY 2014 Projection</b>
Number of final audit reports issued (financial/performance)	28	28	28	28	28	28
Potential monetary benefits resulting from audits (dollars in millions)	25.8	25.8	28.2	38	21	21
Number of final inspection/evaluation reports issued	10	10	11	10	10	10
Percentage of complaints evaluated within 10 days of receipt in Investigations	99%	85%	96%	85%	85%	85%
Number of criminal/civil resolutions obtained in MFCU cases	26	20	27	22	24	26