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# Office of the Inspector General

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Description	FY 2010 Actual	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$16,632,194	\$15,646,401	\$15,393,352	-1.6
FTEs	114.0	115.0	112.0	-2.6

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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. General 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 discov-

ered 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 2012 proposed budget is presented in the following tables:

## FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table AD0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

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

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
<b>General Fund</b>						
Local Funds	15,324	14,880	13,329	13,048	-281	-2.1
<b>Total for General Fund</b>	<b>15,324</b>	<b>14,880</b>	<b>13,329</b>	<b>13,048</b>	<b>-281</b>	<b>-2.1</b>
<b>Federal Resources</b>						
Federal Grant Funds	1,783	1,752	2,318	2,346	28	1.2
<b>Total for Federal Resources</b>	<b>1,783</b>	<b>1,752</b>	<b>2,318</b>	<b>2,346</b>	<b>28</b>	<b>1.2</b>
<b>Gross Funds</b>	<b>17,107</b>	<b>16,632</b>	<b>15,646</b>	<b>15,393</b>	<b>-253</b>	<b>-1.6</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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

## FY 2012 Proposed Full-Time Equivalents, by Revenue Type

Table AD0-2 contains the proposed FY 2012 FTE level compared to the FY 2011 approved FTE level by revenue type. It also provides FY 2009 and FY 2010 actual data.

**Table AD0-2**

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change
<b>General Fund</b>						
Local Funds	92.7	99.5	97.8	94.8	-3.0	-3.1
<b>Total for General Fund</b>	<b>92.7</b>	<b>99.5</b>	<b>97.8</b>	<b>94.8</b>	<b>-3.0</b>	<b>-3.1</b>
<b>Federal Resources</b>						
Federal Grant Funds	14.8	14.5	17.2	17.2	0.0	0.0
<b>Total for Federal Resources</b>	<b>14.8</b>	<b>14.5</b>	<b>17.2</b>	<b>17.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed FTEs</b>	<b>107.5</b>	<b>114.0</b>	<b>115.0</b>	<b>112.0</b>	<b>-3.0</b>	<b>-2.6</b>

## FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table AD0-3 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

**Table AD0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	9,559	8,769	9,902	9,524	-378	-3.8
13 - Additional Gross Pay	81	169	0	0	0	N/A
14 - Fringe Benefits - Curr Personnel	1,653	1,647	1,803	1,942	139	7.7
<b>Subtotal Personal Services (PS)</b>	<b>11,292</b>	<b>10,584</b>	<b>11,705</b>	<b>11,466</b>	<b>-239</b>	<b>-2.0</b>
20 - Supplies and Materials	24	12	30	30	0	0.0
30 - Energy, Comm. and Bldg Rentals	0	0	1	1	0	0.0
31 - Telephone, Telegraph, Telegram, Etc.	66	76	13	13	0	0.0
32 - Rentals - Land and Structures	1,212	1,403	228	228	0	0.0
34 - Security Services	28	0	0	0	0	N/A
35 - Occupancy Fixed Costs	0	9	1	1	0	0.0
40 - Other Services and Charges	4,403	3,881	3,420	3,406	-14	-0.4
41 - Contractual Services - Other	0	599	0	0	0	N/A
50 - Subsidies and Transfers	0	0	236	236	0	0.0
70 - Equipment and Equipment Rental	81	70	13	13	0	0.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>5,815</b>	<b>6,048</b>	<b>3,941</b>	<b>3,927</b>	<b>-14</b>	<b>-0.4</b>
<b>Gross Funds</b>	<b>17,107</b>	<b>16,632</b>	<b>15,646</b>	<b>15,393</b>	<b>-253</b>	<b>-1.6</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 2012 Proposed Budget.

## FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table AD0-4 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget. It also provides the FY 2010 actual data.

**Table AD0-4**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011
<b>(1000) Agency Management</b>								
(1010) Personnel	303	244	220	-25	1.4	1.5	1.5	0.0
(1020) Contracting and Procurement	236	284	287	3	2.3	2.5	2.5	0.0
(1030) Property Management	1,150	36	36	0	0.0	0.0	0.0	0.0
(1040) Information Technology	485	420	422	2	3.2	3.5	3.5	0.0
(1050) Financial Management	264	284	288	3	2.3	2.5	2.5	0.0
(1060) Legal	638	652	662	10	5.1	5.5	5.5	0.0
(1070) Fleet Management	12	3	5	3	0.0	0.0	0.0	0.0
(1080) Communication	63	0	0	0	0.0	0.0	0.0	0.0
(1085) Customer Service	105	110	109	-1	1.7	1.3	1.3	0.0
<b>Subtotal (1000) Agency Management</b>	<b>3,257</b>	<b>2,034</b>	<b>2,028</b>	<b>-5</b>	<b>16.0</b>	<b>16.6</b>	<b>16.6</b>	<b>0.0</b>
<b>(2000) Accountability, Control, and Compliance</b>								
(2010) Audit	7,361	6,589	6,158	-432	37.2	34.5	31.5	-3.0
(2020) Investigations	8	0	0	0	0.0	0.0	0.0	0.0
(2030) Inspections and Evaluations	1,224	1,463	1,375	-88	14.3	14.5	13.5	-1.0
<b>Subtotal (2000) Accountability, Control, and Compliance</b>	<b>8,592</b>	<b>8,052</b>	<b>7,533</b>	<b>-519</b>	<b>51.5</b>	<b>49.0</b>	<b>45.0</b>	<b>-4.0</b>
<b>(3000) Law Enforcement and Compliance</b>								
(3010) Investigations	2,451	2,631	2,868	237	27.1	26.5	27.5	1.0
(3020) Medicaid Fraud Control Unit 25% Match	580	612	618	6	4.8	5.8	5.8	0.0
(3030) Medicaid Fraud Control Unit	1,752	2,318	2,346	28	14.5	17.2	17.2	0.0
<b>Subtotal (3000) Law Enforcement and Compliance</b>	<b>4,783</b>	<b>5,561</b>	<b>5,832</b>	<b>271</b>	<b>46.5</b>	<b>49.5</b>	<b>50.5</b>	<b>1.0</b>
<b>Total Proposed Operating Budget</b>	<b>16,632</b>	<b>15,646</b>	<b>15,393</b>	<b>-253</b>	<b>114.0</b>	<b>115.0</b>	<b>112.0</b>	<b>-3.0</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 2012 Operating Appendices** located on the Office of the Chief Financial Officer's website.

### FY 2012 Proposed Budget Changes

**Initial Adjustments:** In the Accountability, Control, and Compliance program, the Office of the Inspector General will eliminate 2.0 FTE positions totaling \$177,700, and the funding will be reallocated for audits to meet projected costs. This results in a net reduction of \$9,099 to other services and charges in all programs to offset salary increases and fringe benefits.

The OIG has increased fringe benefits for their Federal Grants by \$28,457 to meet projected person-

al services costs. There will also be a decrease of \$461 to align with projected occupancy fixed costs.

**Transfer Out:** The FY 2012 budget includes a transfer of \$4,500 of the Local portion of the information technology assessment to the Office of the Chief Technology Officer (OCTO).

**Eliminate:** OIG eliminated 3.0 FTE positions for a savings of \$276,543.

## FY 2011 Approved Budget to FY 2012 Proposed Budget, by Revenue Type

Table AD0-5 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

**Table AD0-5**  
(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2011 Approved Budget and FTE</b>		<b>13,329</b>	<b>97.8</b>
Cost Increase: Reallocation of funds to nonpersonal services to align with projected costs for audits	Accountability, Control, and Compliance	178	0.0
Eliminate: Eliminate FTE positions	Accountability, Control, and Compliance	-178	-2.0
Cost Decrease: Net reduction of other services and charges to offset fringe benefits rate increase	Multiple Programs	-9	0.0
Cost Increase: Align FTEs and fringe benefits with projected personal services costs	Multiple Programs	9	2.0
<b>FY 2012 Initial Adjusted Budget</b>		<b>13,329</b>	<b>97.8</b>
Transfer Out: Transfer Local portion of the IT assessment to OCTO	Agency Management Program	-4	0.0
Eliminate: Eliminate funding for 3.0 FTEs	Accountability, Control, and Compliance	-277	-3.0
<b>LOCAL FUNDS: FY 2012 Proposed Budget and FTE</b>		<b>13,048</b>	<b>94.8</b>
<b>FEDERAL GRANT FUNDS: FY 2011 Approved Budget and FTE</b>		<b>2,318</b>	<b>17.2</b>
Cost Decrease: Net decrease of less than \$1,000 in nonpersonal services to align with projected occupancy fixed costs	Law Enforcement and Compliance	0	0.0
Cost Increase: Net increase in fringe benefits to align with projected personal services costs	Law Enforcement and Compliance	28	0.0
<b>FY 2012 Initial Adjusted Budget</b>		<b>2,346</b>	<b>17.2</b>
<b>FEDERAL GRANT FUNDS: FY 2012 Proposed Budget and FTE</b>		<b>2,346</b>	<b>17.2</b>
<b>Gross for AD0 - Office of the Inspector General</b>		<b>15,393</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 2012:

**Objective 1:** Through the Accountability, Control, and Compliance program, conducts 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 2009 Actual</b>	<b>FY 2010 Target</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Projection</b>	<b>FY 2012 Projection</b>	<b>FY 2013 Projection</b>
Number of final audit reports issued (financial/performance)	34	28	28	28	28	28
Potential monetary benefits resulting from audits (dollars in millions)	\$50.3	\$19	\$25.8	\$19	\$21	\$21
Number of final inspection/evaluation reports issued	16	10	10	10	10	10
Percentage of complaints evaluated within 10 days of receipt in Investigations	99%	83%	99%	85%	85%	85%
Number of criminal/civil resolutions obtained in MFCU cases	19	16	26	20	20	20

MFCU - Medicaid Fraud Control Unit

