



FY 2015 Performance Accountability Report Office of the Inspector General

INTRODUCTION

The Performance Accountability Report (PAR) measures each agency's performance for the fiscal year against the agency's performance plan and includes major accomplishments, updates on initiatives' progress and key performance indicators (KPIs).

MISSION

The mission of 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

- Initiate and conduct independent financial and performance audits, inspections, and investigations of District government operations.
- Conduct other special audits, assignments, and investigations.
- Audit procurement and contract administration continually.
- Forward to the authorities evidence of criminal wrongdoing discovered as the result of audits, inspections, or investigations conducted by the Office.
- 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 chairing the CAFR oversight committee.
- Serve as the principal liaison between the District government and the US Government Accountability Office.

OVERVIEW – AGENCY PERFORMANCE

The following section provides a summary of OIG performance in FY 2015 by listing OIG's top three accomplishments, and a summary of its progress achieving its initiatives and progress on key performance indicators.

TOP THREE ACCOMPLISHMENTS

The top three accomplishments of OIG in FY 2015 are as follows:

- ✓ **Agency Realignment.** In FY 2015, the OIG realigned its operations, creating four new agency-level components: Risk Assessment and Future Planning, Quality Management, Operations, and Business Management. The OIG expects these structural changes, coupled with investments in technology, refinements to business processes, and the hiring of additional



skilled personnel, will aid in addressing the District’s greatest risks to corruption, fraud, waste, abuse, and mismanagement.

- ✓ **Comprehensive Annual Financial Report (CAFR) Follow-up.** During FY 2015, the OIG focused its limited audit resources on evaluating District-agency efforts to remediate significant deficiencies identified by the external auditors. This evaluation sought to maximize the value of the annual CAFR audit. As a result, the OIG conducted follow-up activities to examine whether District agencies had implemented remediation actions to address issues discovered during the FY 2014 CAFR; and if not, the OIG sought to determine what programmatic or procedural barriers existed.
- ✓ **Strengthening Partnerships with District Agencies.** Throughout FY 2015, the OIG worked to strengthen synergies with our District partners. One of the OIG’s greatest successes has resulted from monthly meetings with leaders from the Board of Ethics and Government Accountability (BEGA). During these meetings, activities were discussed to de-conflict, and sometimes collaborate on, allegations of ethical misconduct concerning District government employees and officials. This partnership has resulted in civil penalties assessed by the BEGA for several of the OIG’s referrals. In FY 2016, the OIG will continue to strengthen its relationship with BEGA and other District oversight entities.

SUMMARY OF PROGRESS TOWARD COMPLETING FY 2015 INITIATIVES AND PROGRESS ON KEY PERFORMANCE INDICATORS

Table 1 (see below) shows the overall progress the OIG made on completing its initiatives, and how overall progress is being made on achieving the agency’s objectives, as measured by their key performance indicators.

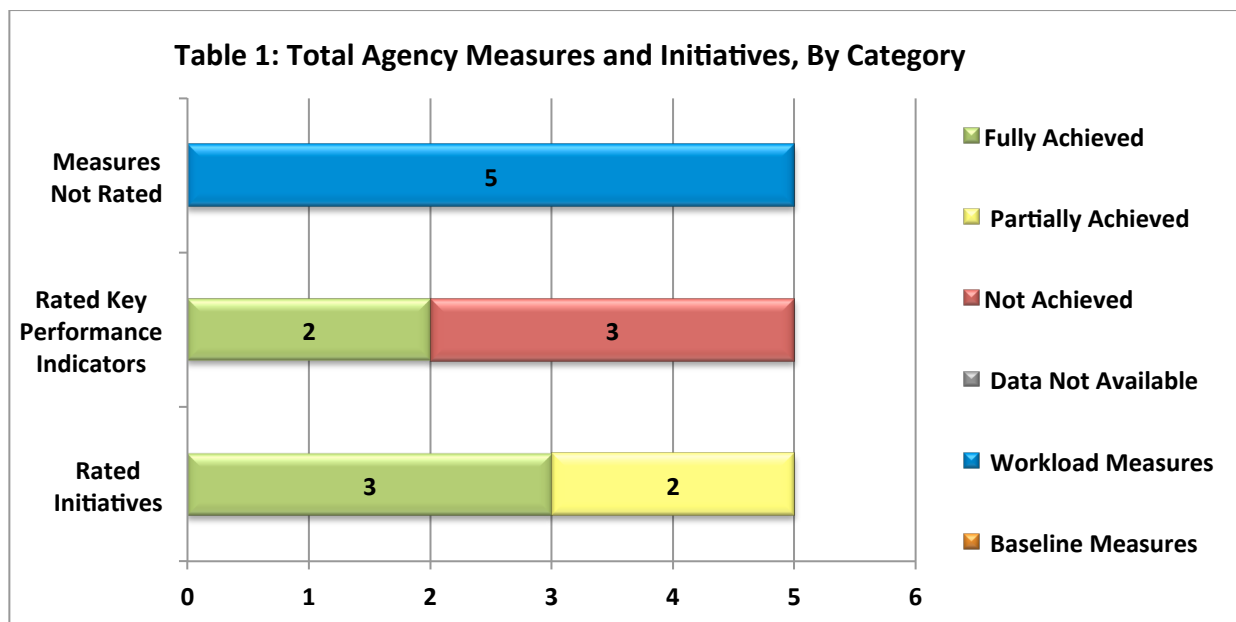




Chart 1: Total Rated Agency Key Performance Measures, by Achievement Level

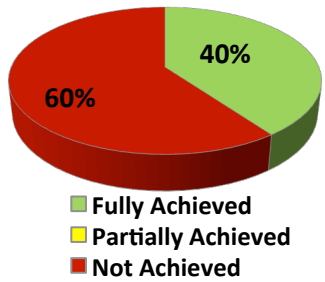
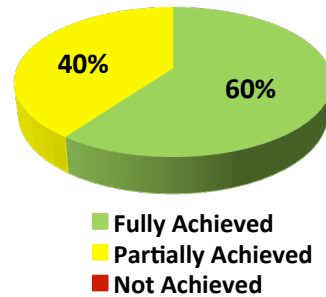


Chart 2: Total Agency Initiatives, by Achievement Level



In FY 2015, OIG fully achieved more than half of its initiatives and less than half of its rated key performance measures. Table 1 provides a breakdown of the total number of performance metrics OIG uses, including key performance indicators and workload measures, initiatives, and whether or not some of those items were achieved, partially achieved or not achieved. Chart 1 displays the overall progress being made on achieving OIG objectives, as measured by their rated key performance indicators. Please note that Chart 2 contains only rated performance measures. Rated performance measures do not include measures where data is not available, workload measures or baseline measures. Chart 2 displays the overall progress OIG made on completing its initiatives, by level of achievement.

The next sections provide greater detail on the specific metrics and initiatives for OIG in FY 2015.



PERFORMANCE INITIATIVES – ASSESSMENT DETAILS

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.

INITIATIVE 1.1: Publish and Distribute Internal Control Guidance to promote internal control awareness.

The Audit Division will develop and publish *Internal Control Guidance* – a publication designed to educate District employees on how effective internal controls help District agencies achieve objectives, operate effectively and efficiently, protect assets from loss, provide reliable reports, and comply with applicable laws and regulations. Promoting internal control awareness not only enhances accountability and transparency in District government operations, but also helps in proactive mitigation of risks that pose the most serious challenges to District agencies and other stakeholders. This guidance will be posted on the OIG website and distributed to District officials at entrance and exit conferences, and during fieldwork. **Completion date: September 2015.**

- **Performance Assessment Key:** In lieu of offering published guidance to District agencies, the OIG has sought to assist District agencies in improving their internal controls through other means. These activities include ongoing interactions with agencies during the OIG’s CAFR follow-up audit; conducting agency assist visits; providing agency leaders with OIG overview briefings; continuing to build the OIG’s relationships with oversight partners; and community outreach such as the Inspector General’s appearance on the Office of Cable Television’s *Washington Full Circle* program.

INITIATIVE 1.2: Launch an outreach program of on-site briefings.

The Inspections and Evaluations Division will launch an outreach program of monthly on-site briefings to District agency officials and employees to educate them on how inspections and evaluations can help them improve and enhance their day-to-day operations. The first phase of this initiative will include 5-10 agencies, and will be completed by September 2015. The initiative will be ongoing during subsequent fiscal years. **Completion date: September 2015.**

- **Performance Assessment Key:** During FY 2015, the OIG leadership conducted over 40 outreach events with District leaders to inform them about the OIG’s statutory mission and the resulting value it can provide to their agencies. Results from outreach resulted in several District leaders requesting the support of OIG to help in objectively and independently assessing their agencies’ operations.



KEY PERFORMANCE INDICATORS-Accountability, Control, and Compliance

 	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
	1.1	Number of final audit reports issued (financial/performance)	34	28		12	42.86%	ACCOUNTABILITY, CONTROL, AND COMPLIANCE
	1.2	Potential monetary benefits resulting from audits (in millions)	\$41.82	\$25		\$0	0%	ACCOUNTABILITY, CONTROL, AND COMPLIANCE
	1.3	Number of Final inspections/evaluation reports issued	10	10		6	60%	ACCOUNTABILITY, CONTROL, AND COMPLIANCE



Law Enforcement and Compliance Program

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.

INITIATIVE 2.1: Conduct integrity lectures with District government employees.

The Investigations Division will implement an outreach program of conducting integrity lectures to educate District government employees about the OIG's mission and the criminal, ethical, and administrative rules that District government employees must follow – to include the obligation to report crime, corruption, and conflicts of interest appropriately. This initiative will be ongoing during subsequent fiscal years. **Completion date: September 2015.**

- **Performance Assessment Key:** Throughout FY 15, the OIG sought to increase its external outreach efforts. These efforts have included various meetings with District leaders, informing new employees of the OIG's responsibilities during DC Human Resources New Employee Orientation, and providing integrity lectures at the request of District agency leaders. In FY 2016, the OIG will continue these systemic outreach events and will incorporate community engagements into its outreach program.

INITIATIVE 2.2: Implement a student intern program with D.C. area law schools.

The Medicaid Fraud Control Unit (MFCU) will extend an offer for students from D.C. area law school programs to obtain practical experience in investigating and prosecuting healthcare fraud. The students will perform a variety of investigative tasks, to include: collecting and scanning documents; preparing reports and/or Excel spreadsheets; interviewing witnesses, taking statements; attending court hearings; and attending team meetings with other law enforcement agencies. Each student's time commitment will range from 8-16 hours/week, per semester. This initiative will cross fiscal years. **Completion date: September 2015.**

- **Performance Assessment Key:** In FY 2015, the OIG reevaluated its internship program and policies. The OIG secured one part-time equivalent internship position through the District's Leadership Program. The OIG will continue to build its relationships with area Universities to offer more internship opportunities for students. The OIG will also continue to take advantage of the opportunities DC Human Resources and other District agency programs to support internship opportunities for District youth and aspiring professionals.

INITIATIVE 2.3: Implement social media searches.

Social media searches are vital to criminal investigations. The MFCU will assign one staff member the responsibility of searching social media sites for information regarding individuals and Medicaid providers that may be pertinent to ongoing investigations. This initiative will cross fiscal years. **Completion date: September 2015.**



- **Performance Assessment Key:** In FY 2015, the OIG made several technology acquisitions to help enhance the breadth and depth of its oversight activities. This included tools and training for analyzing open-source data to facilitate investigative activities in both the Investigations Unit and the Medicaid Fraud Control Unit. In FY 2016, the OIG will continue to build its capability and capacity to leverage both structured and unstructured data analytics in furtherance of its oversight activities.

KEY PERFORMANCE INDICATORS-Law Enforcement and Compliance

● ● ● ●	KPI	Measure	FY 2014 YE Actual	FY 2015 YE Target	FY 2015 YE Revised Target	FY 2015 YE Actual	FY 2015 YE Rating	Budget Program
●	1.1	Percentage of complaints evaluated within ten days of receipt in investigations	100%	85%		100%	117.65%	LAW ENFORCEMENT AND COMPLIANCE
●	1.2	Number of criminal/civil resolutions obtained in Medicaid Fraud Control Unit cases.	17	26		24	92.31%	LAW ENFORCEMENT AND COMPLIANCE
●	1.3	Percentage of referral letters sent to District department of agency within ten work days of complaint being assigned to investigations.	100%	85%		N/A ¹	N/A	LAW ENFORCEMENT AND COMPLIANCE

¹ In FY 2015, the OIG transferred the referral program from the Investigations Unit to the OIG's Risk Assessment and Future Planning Division. As part of its portfolio of services, RAFF is responsible for the vetting of all hotline contacts and determining the appropriate course of action. As a result of this organizational change, the OIG discontinued the tracking of this KPI.



WORKLOAD MEASURES – APPENDIX

WORKLOAD MEASURES ●

Measure Name	FY 2013 YE Actual	FY 2014 YE Actual	FY 2015 YE Actual	Budget Program
Number of agencies/offices provided audit coverage	27	22	18	ACCOUNTABILITY, CONTROL, AND COMPLIANCE
Number of complaints received in the Investigation Division.	659	629	513	LAW ENFORCEMENT AND COMPLIANCE
Number of administrative referrals from the Investigation Division.	387	447	341	LAW ENFORCEMENT AND COMPLIANCE
Number of complaints received, reviewed and processed in the Medicaid Fraud Control Unit	1,965	1,711	2,437	LAW ENFORCEMENT AND COMPLIANCE
Number of investigations initiated in the Medicaid Fraud Control Unit	156	163	99	LAW ENFORCEMENT AND COMPLIANCE