



# **D.C. Office of the Inspector General**

**REPORT ON ACTIVITIES**

**FISCAL YEAR 2014**

*Cover photograph provided courtesy of  
Sandy Adams, photographer and OIG staff member.*

---

---

## MESSAGE FROM BLANCHE L. BRUCE INTERIM INSPECTOR GENERAL

---

---

I am pleased to present the Annual Report for the District of Columbia Office of the Inspector General (OIG) for the fiscal year (FY) ending September 30, 2014. Many of the accomplishments reflected in this Report began under the leadership of Charles J. Willoughby, who retired as Inspector General in May 2014. He deserves much of the credit and an acknowledgement for his nearly 9 years of service as the Inspector General on behalf of the residents of the District of Columbia.

The OIG's role is to promote economy, efficiency, and effectiveness in government programs and operations through the elimination of fraud, waste, and abuse. Some of the OIG's accomplishments in this regard are: the Audit Division issued 34 reports with total potential monetary benefits of approximately \$42 million; the Inspections and Evaluations Division (I&E) inspected six Senior Wellness Centers that operate under the purview of the Office on Aging; the Investigations Division (ID) opened 107 formal investigations; and the Medicaid Fraud Control Unit (MFCU) participated in the largest healthcare fraud investigation and "takedown" in D.C. history, as part of a task force involving 10 law enforcement agencies including the United States Attorney's Office for the District of Columbia (USAO), Federal Bureau of Investigations (FBI), U.S. Department of Health and Human Services (HHS)-OIG, Internal Revenue Service (IRS) and others, shutting the doors of home health agencies believed to have defrauded the District's government of more than \$100M. The annual report reflects that the OIG is meeting and fulfilling its mission and purpose on behalf of the District of Columbia.

In closing, I want to thank District of Columbia Mayor Vincent C. Gray for the privilege to serve as the Interim Inspector General for the past 6 months. I also wish to thank each and every employee for their hard work, dedication, and commitment to the OIG's mission. Without them, these accomplishments would not have been possible. I am honored to present the OIG's work for FY 2014 to the residents of the District of Columbia.



Blanche L. Bruce  
Interim Inspector General

November 14, 2014

---

---

## TABLE OF CONTENTS

---

---

<a href="#"><u>AGENCY OVERVIEW</u></a> .....	1
<a href="#"><u>Mission</u></a> .....	2
<a href="#"><u>Statutory Responsibilities</u></a> .....	2
<a href="#"><u>Organization</u></a> .....	3
<a href="#"><u>Budget and Personnel</u></a> .....	3
<a href="#"><u>Visits by Foreign Delegations</u></a> .....	4
<a href="#"><u>Agency Outreach</u></a> .....	4
<a href="#"><u>Website</u></a> .....	5
<a href="#"><u>D.C. Freedom of Information Act</u></a> .....	5
<a href="#"><u>AGENCY PERFORMANCE OVERVIEW</u></a> .....	6
<a href="#"><u>Agency Performance Outcomes Summary</u></a> .....	7
<a href="#"><u>Fiscal Year 2014 Performance Statistics</u></a> .....	8
<a href="#"><u>AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS</u></a> .....	10
<a href="#"><u>Organization</u></a> .....	11
<a href="#"><u>Measures to Evaluate Progress and Performance</u></a> .....	12
<a href="#"><u>Recommendations</u></a> .....	12
<a href="#"><u>Summary of Potential Benefits Resulting from Audits</u></a> .....	13
<a href="#"><u>Audit Agency/Office Coverage</u></a> .....	13
<a href="#"><u>Audit Follow-up</u></a> .....	13
<a href="#"><u>Significant Audit Reports</u></a> .....	13
<a href="#"><u>Audit Highlights by Theme</u></a> .....	14
<a href="#"><u>INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS</u></a> .....	18
<a href="#"><u>Organization</u></a> .....	19
<a href="#"><u>Measures to Evaluate Progress and Performance</u></a> .....	20
<a href="#"><u>Significant Projects</u></a> .....	21
<a href="#"><u>INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS</u></a> .....	24
<a href="#"><u>Organization</u></a> .....	25
<a href="#"><u>Measures to Evaluate Progress and Performance</u></a> .....	26
<a href="#"><u>Investigative Workload and Priorities</u></a> .....	28
<a href="#"><u>Hotline Usage</u></a> .....	30
<a href="#"><u>Investigations Closed</u></a> .....	31
<a href="#"><u>Summary of Prosecutorial Activity</u></a> .....	31
<a href="#"><u>Significant Criminal Investigations Prosecuted</u></a> .....	31
<a href="#"><u>Significant Administrative Investigations</u></a> .....	33
<a href="#"><u>Referrals</u></a> .....	34
<a href="#"><u>Significant Referrals for FY 2014</u></a> .....	35

---

---

## TABLE OF CONTENTS

---

---

<a href="#"><u>MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS</u></a> .....	37
<a href="#"><u>Organization</u></a> .....	38
<a href="#"><u>Areas of Responsibility</u></a> .....	39
<a href="#"><u>Measures to Evaluate Progress and Performance</u></a> .....	40
<a href="#"><u>Workload Summary</u></a> .....	42
<a href="#"><u>Significant Investigations and Prosecutions</u></a> .....	42
<a href="#"><u>Civil Settlements and Recoveries</u></a> .....	44
<a href="#"><u>APPENDICES</u></a> .....	46
A. <a href="#"><u>Audit Articles and Abstracts Published in Fiscal Year 2014</u></a> .....	47
B. <a href="#"><u>Fiscal Year 2014 Audit Reports and Recommendation Statistics</u></a> .....	48
C. <a href="#"><u>Fiscal Year 2014 Inspections and Evaluations Division Published Reports</u></a> .....	53
D. <a href="#"><u>Distribution List</u></a> .....	54

---

## **AGENCY OVERVIEW**

---

---

## AGENCY OVERVIEW

---

---

### **Mission**

The District of Columbia Office of the Inspector General (OIG) is a subordinate agency within the executive branch of the District government that acts as the city's "watchdog" agency for D.C. government operations and programs. D.C. Code § 1-301.115a (2001) governs the OIG's activities and authority, and sets forth the Office's mission as follows:

- Conduct and supervise inspections, audits, and investigations relating to the programs and operations of District government departments and agencies, including independent agencies;
- Provide leadership, coordinate with, and recommend policies for activities to promote economy, efficiency, and effectiveness, and to prevent and detect waste, fraud, abuse, corruption, and mismanagement in District government programs and operations; and
- Provide a means to keep the Mayor, D.C. Council, and District government agency and department heads informed of problems and deficiencies relating to District government programs and operations and the necessity for and the progress of corrective actions.

### **Statutory Authority and Responsibilities**

To ensure the integrity and credibility of OIG's findings and recommendations, the OIG performs its activities free of outside interference, influence, or pressure. The OIG's independence is buttressed by its statutory budget autonomy, which prohibits the D.C. Council and the Mayor from revising the OIG's annual budget submissions. Moreover, each Inspector General serves a 6-year term, crossing mayoral administrations, and may be removed only for cause by the Mayor with the approval of two-thirds of the Council.

The D.C. Code requires the OIG to conduct audits, inspections, and investigations when requested by the Mayor or on the Inspector General's initiative. Where an OIG inquiry reveals reasonable grounds to believe that there has been a violation of federal or District criminal law, the Inspector General reports the evidence to the U.S. Attorney's Office and other appropriate law enforcement authorities. If an OIG investigation reveals administrative misconduct, the Inspector General refers evidence of the same to the Mayor or the appropriate agency head. Similarly, the OIG initiates and conducts fiscal and management reviews of District government operations and submits written audit and inspection findings to the appropriate agency head. The OIG is also required to contract with an outside auditing firm to perform the Comprehensive Annual Financial Report (CAFR) of the District government for the previous fiscal year.

---

---

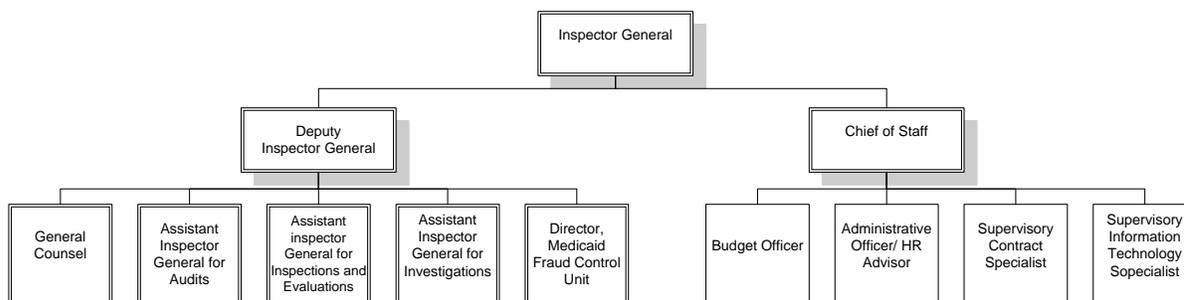
## AGENCY OVERVIEW

---

---

To accomplish this mission, the D.C. Code provides the OIG with access to the records of other executive branch subordinate and independent agencies, and mandates cooperation from District government employees and contractors with regard to OIG requests for documents or testimony. The OIG also has statutory authority to subpoena witness testimony and documentation and may enforce compliance through the District of Columbia Superior Court.

**OIG Organizational Chart as of September 30, 2014**



### **Budget and Personnel**

The OIG’s FY 2014 approved budget of \$16.3 million supports 112 full-time positions (FTEs). The budget breakdown follows:

- *\$13.7 million (84%) in local funding*
  - supports 91 FTEs, including 5 MFCU FTEs representing the 25% local match to the federal grant supporting the MFCU
  - \$3 million allocated for the CAFR
- *\$2.6 million (16%) in federal funding*
  - supports 75% of the 23 MFCU FTEs.

---

---

## AGENCY OVERVIEW

---

---

### Visits by Foreign Delegations

During FY 2014, the OIG hosted delegations from China, Venezuela, and Zambia. Visiting delegations are typically comprised of Inspectors General and other officials from Offices of Inspector General, or other equivalent entities, who want to learn about the OIG's mission and operations. These visits provide the OIG with the opportunity to learn about other Inspector General offices and to foster international good will.

### Agency Outreach

The IG and OIG staff are actively engaged in educating District government employees and the public about preventing fraud, waste, and abuse. In addition to participating in corruption seminars at new employee orientations, the IG spoke at several seminars focused on seniors and crimes against seniors, and the OIG Audit Planning Conference. What follows is a sample of OIG staff outreach activity in FY 2014:

- Audit Division – Conducted quarterly Audit Symposiums on topics such as the significance of computer hacking for the government auditor, risks and challenges facing the District, the quality assurance review process, and writing effective audit findings. In addition, several OIG auditors had articles published in the LOCAL GOVERNMENT AUDITING QUARTERLY, to include *Public Safety Through the Lens of an IT Auditor* and *Using the Audit Process to Assess and Improve the Long-Term Fiscals Sustainability of Governments*.
- Investigations Division (ID) – Conducted 38 integrity lectures and trainings for District government employees to inform them of the criminal, ethical, and administrative rules that government employees must follow, and of their obligation to report crime, corruption, and conflicts of interest to the OIG.
- Medicaid Fraud Control Unit (MFCU) – Conducted trainings that covered areas such as managed care and healthcare fraud, abuse and neglect, the current landscape in false claims litigation, and home healthcare fraud. In addition, the MFCU Deputy Director and a MFCU investigator made a presentation at the annual training program conducted by the National Association of Medicaid Fraud Control Units (NAMFCU) in Salt Lake City, Utah.

---

---

## AGENCY OVERVIEW

---

---

### Website

The OIG website ([www.oig.dc.gov](http://www.oig.dc.gov)) explains the OIG’s legislative authority and provides information about OIG operations. The website also provides access to public documents, which include audit and inspection reports, press releases, significant activity reports regarding completed investigations, and testimony.

In addition, the OIG invites feedback from the public via comments and questions submitted electronically to the “Ask the Inspector General” feature on the website. For those seeking to report fraud, waste, abuse, and mismanagement, the website lists the OIG “hotline” telephone number, suggests the type of information individuals should provide when reporting, and advises individuals reporting information that they can elect to remain anonymous.

### D.C. Freedom of Information Act (FOIA)

During FY 2014, consistent with the Mayor’s open government initiatives, the OIG supplemented its website with links to publicly available records, such as agency budget information and purchase card/contract data. This information may be found [here](#). In addition, the D.C. government implemented FOIAExpress during FY 2014, which provides a centralized system for agencies to receive and process FOIA requests. The public may access the FOIAExpress portal [here](#).

---

## **AGENCY PERFORMANCE - OVERVIEW**

---

---

## AGENCY PERFORMANCE - OVERVIEW

---

---

### OIG FY 2014 ANNUAL PERFORMANCE REPORT

#### Agency Performance Outcomes Summary

Indicators, Targets, and Results	FY 2014 Target	FY 2014 Actual
Final Audit Reports Issued	28	34
Percentage of District Agencies Provided Audit Coverage/Presence	25%	29%
Potential Monetary Benefits (in Millions) Identified by Audits	25	42
Number of Inspections and Evaluations Reports Issued	10	10
Percentage of Investigations Division Complaints Evaluated Within 10 days	85%	100%
Percentage of Investigations Divisions Referral Letters Prepared Within 10 days	85%	95%
Number of MFCU Criminal and Civil Resolutions Obtained	24	17

---

---

## AGENCY PERFORMANCE - OVERVIEW

---

---

### OIG FY 2014 ANNUAL PERFORMANCE REPORT

#### FY 2014 Statistics

<b>Audits:</b>	
Audit reports issued .....	34
Recommendations made .....	164
Recommendations closed .....	30
Potential Monetary Benefits.....	\$42M
<b>Inspections and Evaluations:</b>	
Reports issued .....	10
<b>Investigations:</b>	
Investigative recoveries, restitution, fines and penalties, forfeitures, and civil monetary actions .....	\$2,213,609.56
Investigative cases opened .....	107
Investigative cases closed .....	122
Investigative cases referred for prosecution .....	63
Indictments .....	1
Convictions .....	41
Complaints processed .....	629
Hotline calls received .....	629
Referrals processed .....	442

---

---

## AGENCY PERFORMANCE - OVERVIEW

---

---

Referrals closed .....	350
Zero files .....	75
Reports issued <sup>1</sup> .....	48
<b>MFCU:</b>	
Number of unusual incident reports and complaints received .....	1,711
Number of fraud matters initiated .....	80
Number of abuse, neglect, or sexual assault matters initiated .....	73
Number of thefts or fund misappropriation matters initiated .....	10
Criminal restitution .....	\$187,500.00
Civil recoveries .....	\$3,748,168.74

---

<sup>1</sup> Includes Reports of Investigations (ROIs), MARs, and SARs.

---

**AUDIT DIVISION  
PERFORMANCE AND ACCOMPLISHMENTS**

---

---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

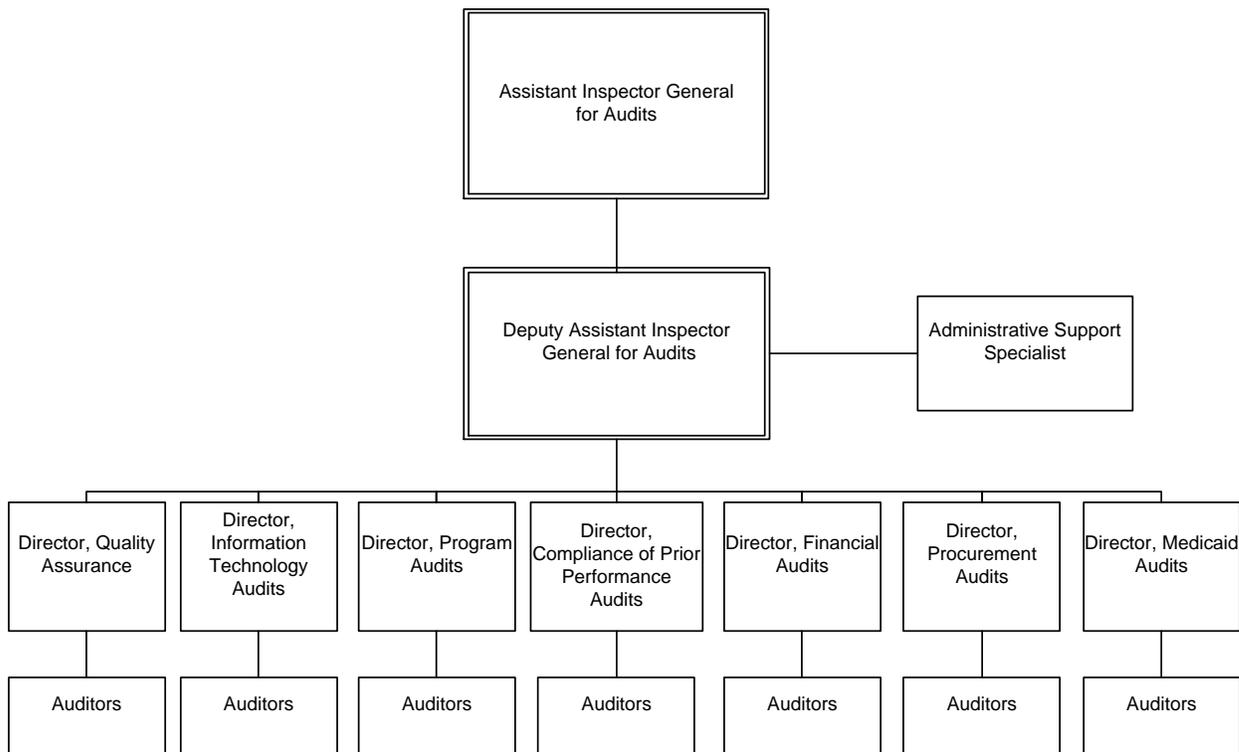
---

---

### Organization

The OIG Audit Division is managed by an Assistant Inspector General for Audits (AIGA), a Deputy Assistant Inspector General for Audits (DAIGA) and seven Directors. The AIGA sets policy and, through the DAIGA, provides leadership and direction for the division. The Directors supervise the day-to-day projects and activities of the auditors in seven directorates: Quality Assurance; Information Technology; Program; Compliance of Prior Performance; Financial; Procurement; and Medicaid. The directorates are aligned to address potential risks facing the District.

**OIG Audit Division Organizational Chart  
as of September 30, 2014**



The Audit Division audits District organizations, programs, functions, and activities that are required by law, discretionary, or identified by independent special requests from District leaders, managers, and other stakeholders. The division performs both financial and performance audits, as well as attestation engagements. Our audits provide reliable and constructive recommendations to agency heads to improve District operations.

---



---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---



---

### Measures to Evaluate Progress and Performance

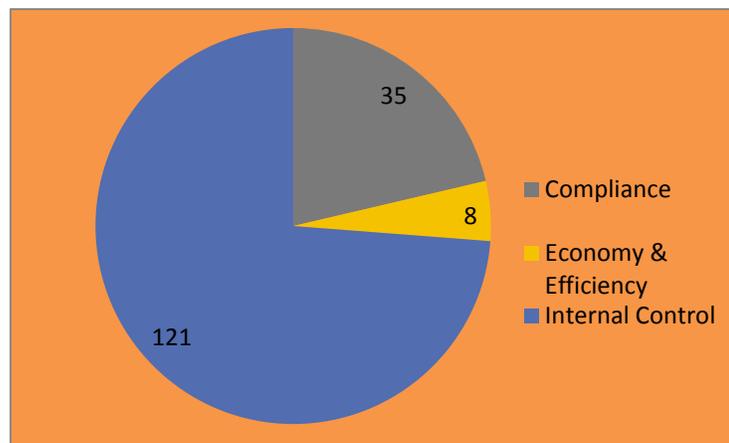
The Audit Division’s FY 2014 performance is assessed by: (1) number of audits issued; (2) potential monetary benefits resulting from audits; and (3) the percentage of District agencies/offices provided with audit coverage. The division’s performance measures are below:

Activity	FY 2014 Target	FY 2014 Actual
Final Audit Reports Issued	28	34
District agencies provided with audit coverage/presence	25%	29%
Potential monetary benefits identified by OIG audits	\$25 Million	\$42 Million

### Recommendations

The Audit Division measures process improvements and tracks internally the status of open recommendations made to District agencies. For FY 2014, the Audit Division made a total of 164 recommendations to District management. [Appendix B](#) provides further information regarding these recommendations. The following chart identifies the number of FY 2014 recommendations by category.

**Audit Recommendations by Category**



---

---

## **AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS**

---

---

### **Summary of Potential Benefits Resulting from Audits**

For FY 2014, the Audit Division issued 34 audits with total potential monetary benefits of approximately \$42 million. Comparing these to the division's costs of approximately \$3 million shows that a return on investment for audits performed by OIG audit staff approximates \$14 for each dollar invested.

### **Audit Agency/Office Coverage**

The Audit Division audited 20 District government agencies/offices in FY 2014. Our audit reports recommend corrective actions necessary to improve operations, address noted deficiencies, and ensure that agencies are in compliance with regulations, policies, procedures, and standards. The issuance of our final reports includes agencies' described actions taken or planned to address our recommendations.

### **Audit Follow-Up**

Audit standards require auditors to disclose the status of uncorrected significant or material findings and recommendations from prior audits. Audit follow-up enables the OIG to: (1) monitor, assess, and report on the status of agency implementation of agreed upon corrective action recommended by prior audits; and (2) determine whether corrective action has addressed the problems that led to the recommendations.

Much of the benefit from audit work is not in the findings reported, or the recommendations made, but in their effective resolution. District management is responsible for resolving audit findings and recommendations, and having a process to track their status can help fulfill this responsibility. Accordingly, we have emphasized this critical function by tracking audit recommendations and assessing the progress of corrective actions. Triennially, we conduct a follow-up audit of District-wide agency implementation of audit recommendations. This audit focuses on determining whether District agencies implemented agreed-to recommendations for corrective actions on reported control deficiencies.

### **Significant Audit Reports**

Our audits focus on assessing programs and activities that pose the greatest risks to maintaining the District's fiscal integrity and financial strength. In FY 2014, we designed our audits to concentrate on the following strategic themes: Audits Required by Law; Revenue Enhancement; Spending and Efficient Use of Resources; Delivery of Citizen Services; Support Services; and Prior Performance Audits.

---

---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

A listing of the OIG's FY 2014 audit reports are included at [Appendix B](#). The next section contains a selection of significant audits by theme.

### AUDITS REQUIRED BY LAW

#### [Comprehensive Annual Financial Report of the Government of the District of Columbia - For the Fiscal Year Ended September 30, 2013](#)

The District of Columbia Comprehensive Annual Financial Report (CAFR) is a set of government financial statements comprising the financial report of the District and an independent certified accounting firm's opinion as to whether the financial statements are: (1) fairly presented in accordance with Generally Accepted Accounting Principles (GAAP); and (2) whether there were any instances of noncompliance and/or weaknesses in internal controls which materially affected the District's financial position and operating results as of the end of the fiscal year. The CAFR is compiled by the Office of the Chief Financial Officer (OCFO) and is audited by an independent certified public accounting firm contracted for and monitored by the OIG.

The OIG established the CAFR Oversight Committee (Committee) to assist the OIG in fulfilling its oversight responsibility for the CAFR. The Committee's purposes include: (1) monitoring the reliability and integrity of the Office of the Chief Financial Officer's (OCFO) financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance; (2) monitoring the independence and performance of the District's contract auditors (Auditors); and (3) providing an open avenue of communication among the Auditors, EOM, D.C. Council, OCFO, and other District management officials.

On February 3, 2014, KPMG, LLP issued the District's FY 2013 CAFR. This issuance marks the District's seventeenth consecutive unqualified opinion on its financial statements. KPMG's, Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters identified four significant deficiencies in the following areas: (1) General Information Technology Controls; (2) Cash and Investments; (3) Capital Assets; and (4) Procurement and Disbursement Controls and Non-Compliance with Laws and Regulations.

---

---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### REVENUE ENHANCEMENT

#### [Audit of Commercial Mortgage Recordation at the Office of Tax and Revenue, OIG No. 11-2-27AT, April 2, 2014](#)

Our audit revealed that the OCFO lacked adequate management controls to ensure that commercial recordation of: (1) substantively similar purchase money refinancing transactions were consistently administered and taxed; (2) tax payments were properly collected and exemptions were properly supported; (3) security interest instruments clearly stated the amount of debt secured for recordation tax purposes; and (4) that governance incorporated timely implementation of legislative changes, effective monitoring of processes, and audit mechanisms. As a result, the Office of Tax and Revenue (OTR) may have failed to collect \$24.8 million in commercial recordation tax revenues, of which \$6.6 million may be currently collectable. The audit further revealed that OTR lacked adequate controls to minimize the risk of undetected tax fraud and errors. The OIG directed 21 recommendations to OCFO to address deficiencies including: (1) strengthening internal controls, improving processes, and training responsible personnel to enhance the effectiveness of the District's collection of commercial mortgage recordation taxes; (2) expanding the audit function within OTR to include routine reviews of Real Property Recordation and Transfer Tax Form FP 7/C (Form FP 7/C) for accuracy, completeness, and compliance; and (3) promoting compliance, accuracy, and consistency of tax transactions through adequate notice, guidance, forms, policies, and procedures.

### SPENDING AND EFFICIENT USE OF RESOURCES

#### [Audit of the District's Eligibility Determination Process for Alliance and Medicaid Participants-Part II, OIG No. 10-1-16HT\(a\), September 19, 2014](#)

The audit found that 2,861 ineligible and potentially ineligible Alliance and Medicaid participants received medical assistance benefits from 2010-2012. We identified improper claims payments totaling \$22.4M made by the Department of Health Care Finance (DHCF) on behalf of Alliance and Medicaid participants who did not meet income or residency eligibility requirements. Additionally, we found \$11.5M in questionable costs where participants may have been ineligible to receive medical assistance benefits. The OIG directed 12 recommendations to the Department of Human Services to address deficiencies including: (1) confirming whether the Alliance and Medicaid participants identified were

---

---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

ineligible, received medical assistance benefits improperly, and provided false eligibility criteria to the Economic Security Administration; (2) ensuring appropriate actions are taken to address fraud and ineligibility; (3) promoting compliance to ensure only eligible participants receive medical assistance benefits; and (4) improving the eligibility criteria verification process.

### DELIVERY OF CITIZEN SERVICES

#### [Audit of Construction Management at the District of Columbia Department of Transportation, OIG No. 11-2-28KA\(b\), June 17, 2014](#)

The audit revealed that DDOT did not provide effective management oversight for the administration of construction projects. Specifically, DDOT did not establish adequate project documentation systems and maintain required contract documentation as identified in the DDOT Construction Management Manual (CMM). Also, DDOT did not amend existing construction management contracts to incorporate the CMM. Further, DDOT did not provide construction managers with the necessary guidance at project start-up to implement documentation systems that accurately, completely, and timely record project activities, as required by the CMM. The OIG directed five recommendations to DDOT to address deficiencies: (1) developing and implementing a process to establish a documentation system at project start-up that would best fit each project; (2) improving communications and enforcing contractor compliance with contract terms and conditions; (3) establishing procedures to involve the Infrastructure Project Management Administration in developing contract deliverables that are best-suited for each project; and (4) improving the administration of construction contracts.

### SUPPORT SERVICES

#### [Audit of the Special Education Attorney Certification Fees, OIG No. 11-1-15AT, October 11, 2013](#)

The audit revealed the: (1) the absence of a monetary award limitation and local hourly rate guidelines on attorneys' fees could result in loss of revenue for the District; (2) the OCFO is not adhering to laws set forth in the D.C. Code, which could result in penalties imposed by the Council of the District of Columbia and the United States Congress; (3) OCFO's record management and record retention processes have significant weaknesses; and (4) some attorneys' fee payments should not have been awarded due to the lack of appropriate

---

---

## AUDIT DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

documentation and signatures. The OIG directed one recommendation to the OCFO and nine recommendations to D.C. Public Schools (two of which were also directed to the OCFO). The recommendations center, in part, on: (1) reinstating legislation previously written in federal law to prevent loss of revenue for the District; (2) developing formal policies and procedures regarding record maintenance to ensure proper management of legal documentation; (3) improving and strengthening internal controls for the approval and payment of attorneys' fees; and (4) reevaluating protocols and procedures regarding the payment of attorneys' fees.

### PRIOR PERFORMANCE AUDITS

#### [Re-audit of the Department of Health Care Finance's Non-Emergency Transportation Provider Compliance with License and Certification Requirements, OIG No. 12-2-16HC, March 21, 2014](#)

The Audit Division performed a follow-up review of our Audit of Non-Emergency Transportation Provider Compliance With License and Certification Requirements (OIG No. 05-2-18HC(d)), issued on February 22, 2008. Our audit objective was to determine whether the recommendations identified in the prior audit had been implemented. Overall, the quality of the Non-Emergency Transportation (NET) program has improved since our 2008 audit. However, there are still oversight, monitoring, and compliance issues that DHCF needs to address to ensure that the goals and objectives of the program are realized; improve the quality of service delivered to NET recipients; and prevent fraud, waste, and abuse within the program. The OIG directed 14 recommendations to DHCF to address deficiencies: (1) strengthening NET contract oversight and monitoring to ensure the safety and well-being of, as well as the quality of services provided to, District Medicaid NET program participants, while minimizing fraud, waste, and abuse; and (2) coordinating efforts with the Office of Contracting and Procurement (OCP) to allow sufficient time to plan and award a new contract for Medicaid NET services prior to the expiration of the current non-emergency services contract; and ensure that contracts over \$1 million are always timely presented to the Council for review and approval.

---

**INSPECTIONS AND EVALUATIONS DIVISION**  
**PERFORMANCE AND ACCOMPLISHMENT**

---

---

## INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

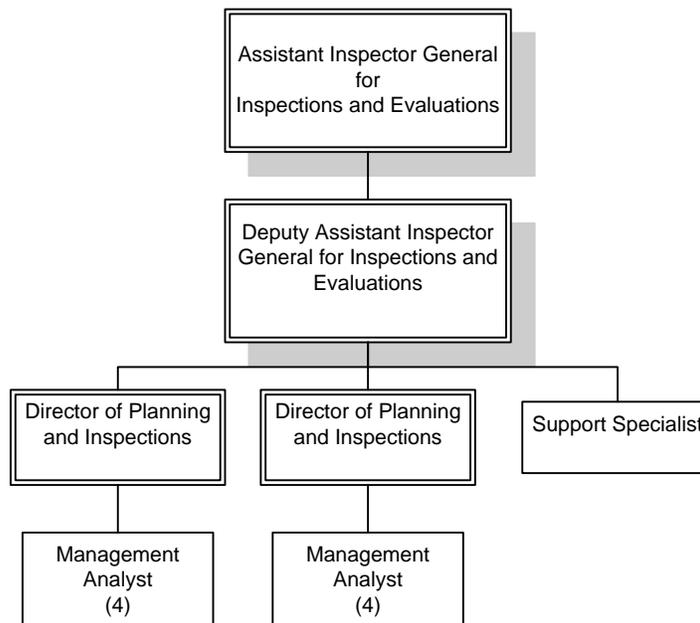
---

---

### Organization

The OIG Inspections and Evaluations Division (I&E) is managed by an Assistant Inspector General (AIG), a Deputy Assistant Inspector General (DAIG), and two Directors of Planning and Inspections (DPIs). The AIG sets policy and, through the DAIG, provides leadership and direction to the division. The DPIs supervise the management analysts' activities both in the field and at the OIG, and oversee the day-to-day administrative activities.

**OIG Inspections and Evaluations Division Organizational Chart  
as of September 30, 2014**



I&E inspects District government agencies and programs. The OIG inspection process evaluates, reviews, and analyzes the management, programs, and activities of a District department or agency in order to provide information and recommendations that will assist managers in improving operations, programs, policies, and procedures. Inspections provide senior managers with an independent source of factual and analytical information about vital operations; agency performance; program efficiency and effectiveness; quality assurance procedures; and areas of mismanagement, fraud, waste, and abuse. Inspection results are

---

---

## INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

published in Reports of Inspection (ROIs), Management Alert Reports (MARs), and Management Implication Reports (MIRs).<sup>2</sup>

### **Measures to Evaluate Progress and Performance**

I&E performance is measured in large part by the number of final reports issued. Performance indicators of the overall effectiveness of the inspection program are the number of inspections conducted, findings identified, recommendations made and agreed to by an inspected agency, and subsequent improvements in agency operations as determined through re-inspections and other compliance activities.

The findings developed during inspections may also lead to recommendations for OIG investigations or audits. Finally, I&E conducts re-inspections and has an ongoing compliance program to monitor agency compliance with recommendations presented in I&E reports.

Inspections can take from 6 months to over a year, depending on the size of the inspected agency, the complexity of the issues, and the inspection resources available. Recommendations made to agency and department heads call for corrective measures to improve operations, address deficiencies, and ensure that District and federal laws, regulations, and policies are followed.

I&E set the issuance of 10 inspection reports as its performance standard for FY 2014. I&E met its goal by issuing 10 reports, which contained a total of 45 findings and 105 recommendations.

For a list of all I&E reports published in FY 2014, see [Appendix C](#).

---

<sup>2</sup> The OIG provides a MAR to inform agency management of a matter that surfaced during an inspection that requires the immediate attention of the head of an agency or department. Similarly, the OIG issues a MIR on a matter of priority concern that affects, or has the potential to affect, multiple District agencies.

---

---

## INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### Significant Projects

#### FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT (FEMS)

#### [Report of Special Evaluation, \*FEMS Fails to Address Critical Staffing Shortages\*, OIG No. 14-I-0058JZ \(December 2, 2013\)](#)

I&E conducted a special evaluation of staffing within FEMS in the aftermath of a significant staffing shortage on December 31, 2012. The OIG found, among other things, that FEMS's Operations Division had too few members to meet operational demands consistently; staffing shortages led to vehicles being placed out-of-service and downgrades of Advanced Life Support (ALS) units; and there was an excessive reliance on overtime to compensate for absences.

The OIG presented 11 recommendations, including:

- That the FEMS Chief develop a formal plan to recruit aggressively and quickly hire a sufficient number of certified paramedics to fill all vacant positions and fully staff all ALS units; and
- That the FEMS Chief develop a formal plan to decrease FEMS's reliance on overtime, particularly mandatory overtime, to levels commensurate with the D.C. Council's budget allocations and that do not violate the Overtime Act.

#### OFFICE ON AGING

#### **Inspection of D.C. Office on Aging Senior Wellness Centers**

The D.C. Office on Aging operates Senior Wellness Centers in six of the District's eight Wards: 1, 4, 5, 6, 7, and 8. Programs offered at these centers emphasize physical activity; social and emotional well-being; and promote positive health habits through nutrition education as well as counseling and health screenings.

The objectives of this project were to assess conditions and analyze operations at the Centers, as well as oversight of the Centers, and make recommendations aimed at improving: (1) the operations, physical conditions, and quality of services provided to seniors at these facilities; and (2) the efficacy of the monitoring and oversight conducted by the Office on Aging.

---

---

## INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

As of September 30, 2014, I&E had inspected operations at all six Centers, and published reports of inspection for four Centers:

- [The Hattie Holmes Senior Wellness Center;](#)
- [The Bernice Fonteneau Senior Wellness Center;](#)
- [The Congress Heights Senior Wellness Center;](#) and
- [The Model Cities Senior Wellness Center.](#)

In early FY 2015, I&E will publish reports of inspection for the Centers located in Ward 6 and Ward 7 of the District.

**METROPOLITAN POLICE DEPARTMENT (MPD), DEPARTMENT OF PUBLIC WORKS (DPW), AND DEPARTMENT OF TRANSPORTATION (DDOT)**

### [Report of Special Evaluation, \*Parking and Automated Traffic Enforcement Tickets – Part I: Ticket Issuance Practices, OIG. No. 14-I-0063 \(September 8, 2014\)\*](#)

Between August 2013 and April 2014, I&E conducted fieldwork for a special evaluation of the District's parking and automated traffic enforcement (ATE) ticketing practices. While a total of 31 District and federal agencies have authority to issue moving violation tickets (e.g., cell phone use while driving, illegal turns, failure to use a seatbelt) and/or parking tickets, this special evaluation focused on the three agencies that issue the most tickets:

- MPD, which administers the District's ATE program (i.e., the radar/camera installations that record vehicles that violate red light, speed limit, and certain pedestrian safety regulations) and whose officers issue both parking and moving violation tickets;
- DPW, whose Parking Enforcement Officers issue only parking tickets; and
- DDOT, which manages a corps of Traffic Control Officers who are deployed throughout the District to manage traffic flow at intersections and construction sites and during special events, but who also have authority to issue parking and moving violation tickets.

Parking tickets are a significant source of revenue to the District. In FY 2013, these three agencies issued 1,731,861 parking tickets. Revenue from parking tickets that same year

---

---

## **INSPECTIONS AND EVALUATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS**

---

---

totaled \$82,847,664. Similarly, MPD issued 666,275 ATE tickets in FY 2013; revenue from ATE tickets totaled \$88,832,976 that year. I&E's objectives were to: (1) assess the adequacy and clarity of District government entities' and contractors' policies and procedures governing the issuance of parking and ATE tickets; and (2) present actionable recommendations for improving the accuracy and efficiency of the District's ticket issuance processes. The report presents 10 findings and 16 recommendations.

In a separate report, Part II of this special evaluation will focus on the District's administration of the ticket payment, adjudication, and appeals processes.

---

**INVESTIGATIONS DIVISION**

**PERFORMANCE AND ACCOMPLISHMENTS**

---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

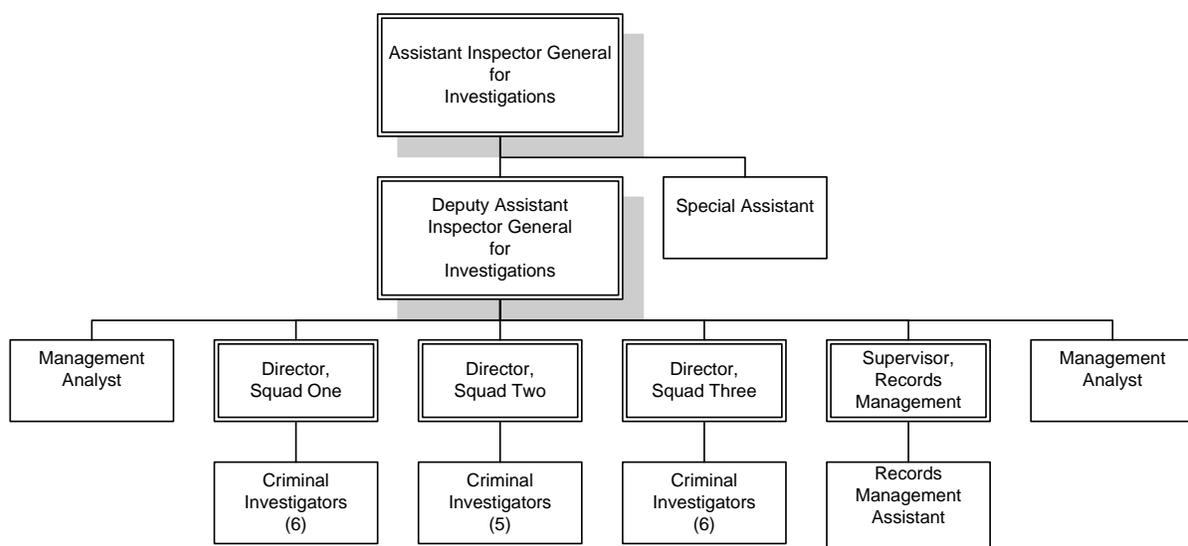
---

---

### Organization

The OIG Investigations Division (ID) is managed by an Assistant Inspector General for Investigations (AIGI), a Deputy Assistant Inspector General (DAIGI), three Directors, and a Records Management Supervisor. The AIGI sets policy and, through the DAIGI, provides leadership for the division. In addition, the DAIGI supervises the Management Analysts, who are responsible for the ID Referral Program. The Directors supervise the day-to-day investigations of the criminal investigators. The Records Management Supervisor reports to the DAIGI, and provides organization and accountability for the various record systems of the OIG.

**OIG Investigations Division Organizational Chart  
as of September 30, 2014**



The ID investigates criminal and administrative allegations of waste, fraud and abuse on the part of District government employees and contractors. When investigative findings are indicative of criminal conduct, they are presented to the United States Attorney's Office for the District of Columbia (USAO) or the Office of the Attorney General for the District of Columbia (OAG) for prosecutorial opinion and action. When investigative findings are indicative of non-criminal misconduct, a Report of Investigation (ROI) is prepared and forwarded to the appropriate agency head to consider administrative action.

---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### Measures to Evaluate Progress and Performance

Performance measures assess the ID's efficiency and timeliness in processing complaints, referrals, and conducting preliminary investigations. The chart below provides a statistical comparison of FY 2013 and FY 2014 performance of these functions with target goals. In FY 2014, the ID exceeded its target goals in all performance measures.



As the chart on the following page illustrates, the ID increased the number of: criminal investigations presented to the USAO in FY 2014; cases that were accepted for prosecution; and successful adjudications. These cases, which involved significant high dollar losses, resulted in substantial court-ordered restitution to the District. Additionally, the OIG issued a considerable number of subpoenas in furtherance of criminal investigations.

---

**INVESTIGATIONS DIVISION  
PERFORMANCE AND ACCOMPLISHMENTS**

---

<b>Activity</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
Complaints Received	638	790	659	629
Formal Investigations Opened	140	227	181	107
Formal Investigations Closed	125	194	213	122
Zero Files	119	78	91	75
Referrals	379	485	387	447
Cases Presented to Prosecutor	52	61	42	63
Cases Accepted by Prosecutor	20	18	24	29
Restitution, Orders, and Fines	\$494,736	\$842,545.16	\$366,610.28	\$2,213,609.56
Recoveries	\$54,867	\$12,589	\$2,436.36	0
Convictions	20	10	13	41
Indictments	2	1	1	1
Searches Conducted	3	1	2	7
Subpoenas Served	210	144	100	180
Reports of Investigation (ROIs)	10	7	17	6
Management Alert Reports (MARs)	6	4	0	1
Significant Activity Reports (SARs)	18	4	13	41
Investigative Referrals	31	157	34	34

---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### Investigative Workload and Priorities

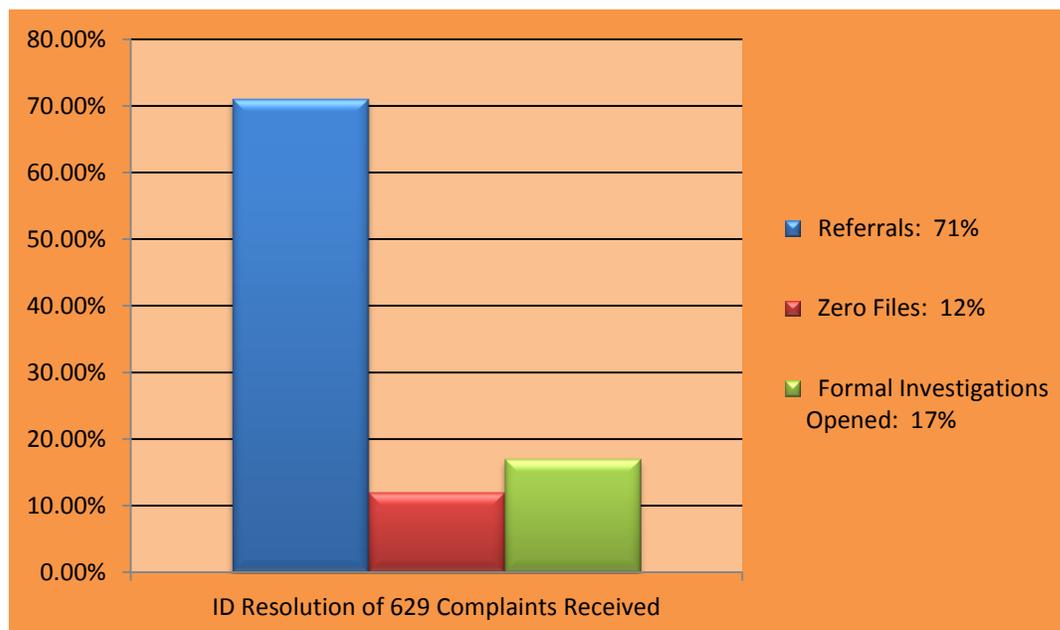
#### Complaints

During FY 2014, the ID processed 629 new complaints. Of those 629 new complaints, the ID:

- opened 107 formal investigations
  - 74 criminal investigations
  - 23 administrative investigations
  - 10 preliminary investigations
- referred 447 complaints to agency heads for action
- closed 75 complaints without further action (placed in a “Zero File”).

Criminal investigations that are declined by the USAO generally result in a civil referral to the OAG. For FY 2014, the OIG referred 26 cases to the OAG to initiate civil proceedings.

The chart below reflects the proportionate resolution of 629 new complaints received in FY 2014.



---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### Search Warrants

During FY 2014, ID criminal investigators conducted 7 searches pursuant to the OIG's administrative authority or search warrant and served 180 subpoenas to further the ID's criminal and administrative investigations.

### Investigative Reports

In FY 2014, the ID issued 90 investigative reports and prepared 49 internal closures. The breakdown of reports and closures is as follows:

#### Investigative Reports Issued:<sup>3</sup>

- ROI (6)
- MAR (1)
- SAR (41)
- IR (34)
- LOC (8)

#### Internal Closures Prepared:<sup>4</sup>

- Administrative (6)
- Criminal (29)
- Preliminary (10)

Each criminal investigator maintains an average caseload of 10 to 15 investigations.

All criminal and administrative investigative summaries published by the OIG for FY 2014 can be viewed at:

<http://app.oig.dc.gov/news/newsLister2.asp?mode=invest&archived=0&agency=0>

---

<sup>3</sup> A Significant Activity Report (SAR) is issued to notify the Mayor of the disposition of criminal cases involving persons who committed crimes affecting the District government, including District government employees and contractors. An Investigative Referral (IR) is issued to notify the District agency director (and occasionally a non-District director) of significant events. A Letter of Closure (LOC) is issued to an agency head at the conclusion of an investigation when the OIG has not substantiated a violation.

<sup>4</sup> An Administrative Closure is an internal reporting document prepared when an administrative investigation is closed without substantiated findings. A Criminal Closure is an internal reporting document prepared when a criminal investigation is closed without criminal conviction. A Preliminary Investigation Closure is prepared when a preliminary investigation is closed without a substantiated finding.

---



---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---



---

### Hotline Usage

D.C. Code § 47-2881 (Supp. 2014) requires the OIG to submit quarterly reports to Congress on the number and nature of calls placed to the OIG Hotline. The OIG Hotline numbers are (202) 724-TIPS (8477) and (800) 521-1639. Hotline calls received during FY 2014 involved a wide range of matters.

Many OIG Hotline complaints relate to District government agencies not being responsive to complainants' initial concerns. Many of these complaints were successfully redirected to a responsive District government official or resolved informally with the caller.

While OIG Hotline calls represent just one of the ways in which District employees and concerned members of the public provide information to the OIG, it is important to note that significant OIG cases have resulted from these complaints. The OIG also receives reports of government corruption, waste, fraud, and abuse via email, regular mail, facsimile, walk-ins, and by referral from other departments and agencies and the D.C. Council.

### FISCAL YEAR 2014 HOTLINE STATISTICS BY QUARTER

Category	Q1	Q2	Q3	Q4	Total
Threats to public health, to public safety, or to the environment; or involving unsafe working conditions	1	0	0	3	4
Physical assaults or threats of violence	0	0	1	3	4
Fraud, theft, or false claim	53	41	50	24	168
Bribery, extortion, kickbacks, or illegal gratuities	0	0	2	4	6
Misuse of government funds or property, or use of official position for private gain	2	1	1	2	6
Governmental waste, inefficacy, or mismanagement	48	28	43	57	176
Contract fraud or procurement violations	0	2	6	8	16
False statements	3	3	5	5	16
Ethics violations and conflict of interest	4	5	3	9	21
Time and attendance fraud	1	1	2	3	7
Harassment, retaliation, or abuse of authority by a supervisor or by another government official	13	15	11	18	57
Hiring, promotion, or other treatment of employee in violation of personnel regulations	9	5	8	4	26
Incivility or lack of response from agency	2	0	5	7	14
Miscellaneous	23	20	30	35	108
<b>Totals</b>	<b>159</b>	<b>121</b>	<b>167</b>	<b>182</b>	<b>629</b>

---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### **Investigations Closed**

In FY 2014, the ID closed 122 formal investigations, and closed an additional 75 cases without further action (or placed in a “Zero File status”). Formal investigations closed include 41 that resulted in a criminal conviction.

### **Summary of Prosecutorial Activity**

The OIG refers credible allegations of criminal conduct on the part of District government employees and contractors to the USAO and other law enforcement agencies for prosecutorial consideration. *See* D.C. Code § 1-301.115a(3)(F)(ii) (2014). In FY 2014, the OIG presented 63 cases for prosecution. Of these, 29 cases were accepted, whereas 33 cases were declined. These figures include investigations initiated in previous fiscal years and one investigation that is currently under review by the USAO. The investigations conducted by the OIG (and in some cases, jointly with other law enforcement agencies) resulted in 41 arrests, 1 indictment, 41 convictions, and 41 sentences. The sentences included imprisonment, home detention, probation, fines, community service, and restitution.

### **Significant Criminal Investigations Prosecuted**

#### **United States of America v. Keely Thompson**

The OIG conducted a joint investigation with the FBI, which revealed that from February 2004 to January 2009, Keely Thompson, Jr., a member of the public, improperly used \$205,000 in District of Columbia grant funds, awarded to Keely’s District Boxing and Youth Center, to pay for gambling, cruises, and other personal expenses. On June 26, 2013, Mr. Thompson pled guilty to one count of Wire Fraud and later was sentenced to 30 months of incarceration and 36 months of supervised release. In addition, the court ordered Mr. Thompson to pay \$205,000 in restitution.

#### **United States of America v. Marlene Merchant**

The OIG conducted an investigation that revealed that from October 28, 2002, to April 8, 2013, Marlene Merchant, former Administrative Assistant, United Medical Center (UMC), Not-for-Profit Hospital Corporation (NFPHC), stole \$335,663 of District funds from UMC, NFPHC. On August 20, 2013, Ms. Merchant pled guilty to Theft Concerning Programs Receiving Federal Funds and was sentenced to 1 year and 1 day of incarceration, and 36 months of supervised release. In addition, the court ordered Ms. Merchant to pay \$335,663 in restitution.

---

---

**INVESTIGATIONS DIVISION  
PERFORMANCE AND ACCOMPLISHMENTS**

---

---

**United States of America v. Aretha Holland-Jackson**

The OIG and the Metropolitan Police Department conducted a joint investigation, which revealed that on or about February 2011 until September 2013, Arthea Holland-Jackson, a Department of Human Services (DHS) employee, and her sister, a member of the public, conspired to commit wire fraud and fraudulently obtained \$783,876 in funds allocated to the District's Temporary Assistance for Needy Families and Supplemental Nutrition Assistance programs. On February 14, 2014, both pled guilty to one count of Conspiracy to Commit Wire Fraud. Ms. Holland-Jackson was sentenced to 20 months of incarceration and 3 years of supervised release, while her sister was sentenced to 1 year and 1 day of incarceration. In addition, both were ordered to pay \$783,876 in joint and several restitution to the District of Columbia government.

**United States of America v. Monique Murdock**

The OIG, FBI, and the U.S. Department of Education OIG conducted a joint investigation, which revealed that from March 2008 through August 2008, Monique Murdock, Executive Director of the D.C. Public Charter School Board, fraudulently embezzled \$40,773 in charter school funds. Ms. Murdock pled guilty to one count of Theft From a Program Receiving Federal Funds and was sentenced to 9 months of incarceration, 3 years of supervised release, 4 months of home detention, 300 hours of community service, and was ordered to pay \$40,773 to be split between the U.S. Department of Education and the U.S. Department of Defense.

**United States of America v. Sakinah Smith**

The OIG, working jointly with the U.S. Department of Labor OIG, conducted an investigation, which revealed that from October 2009 through July 2012, Ms. Smith stole the identities of numerous individuals and fraudulently obtained more than \$80,000 in unemployment insurance benefits from the District of Columbia, Maryland, and New York. In addition, while working for a temporary employment agency in D.C., Ms. Smith wired \$52,175 from an employer's bank account to accounts she created for herself. On May 22, 2014, Ms. Smith pled guilty to one count of Wire Fraud. On August 27, 2014, Ms. Smith was sentenced to 24 months of incarceration, 36 months of supervised release, and was ordered to pay restitution in the amount of \$132,286.70.

---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### **Significant Administrative Investigations**

#### **Misconduct Violations by a D.C. Fire and Emergency Medical Services Department Employee**

In May 2014, the OIG issued an ROI from an investigation into allegations of excessive overtime during fiscal year (FY) 2012 by D.C. Fire and Emergency Medical Services Department (FEMS) mechanics. The OIG concluded that the Heavy Mobile Equipment Mechanic, Fleet Management Division, FEMS, abused time and attendance, including overtime hours, to receive pay from the District of Columbia to which the FEMS mechanic was not entitled.

The FEMS mechanic initially denied any wrongdoing; however, the mechanic ultimately admitted that her/his then supervisor told the FEMS mechanic that while working an overtime shift, the mechanic could leave once s/he finished the repair job the mechanic was assigned and still claim 8 hours of overtime. The FEMS mechanic could not quantify the number of times during 2012 that s/he left work without working 8 hours of overtime. OIG investigators interviewed the mechanic's supervisor, who retired from FEMS in January 2014. The supervisor recalled that s/he would occasionally allow a mechanic to leave early if the mechanic did not take a lunch break. However, the supervisor asserted that s/he would not have allowed the FEMS mechanic to leave more than 2 hours prior to a shift ending. The report concluded with a total of three recommendations to FEMS.

#### **Misconduct Violations by an Office of the Deputy Mayor for Planning and Economic Development Employee**

In September 2014, the OIG issued an ROI after an investigation into allegations that a District employee from the Office of the Deputy Mayor for Planning and Economic Development (DMPED) improperly received a monthly housing subsidy from the U.S. Department of Housing and Urban Development (HUD). The investigation determined that the DMPED employee failed to report to housing officials that his/her income increased after becoming employed with the District of Columbia government in July 2012. As a result, the DMPED employee received \$2,156 in HUD housing subsidies to which s/he was not entitled.

The investigation revealed that based on his/her annual salary prior to employment with the DMPED, the employee and spouse were eligible to receive a \$196 monthly HUD housing subsidy. The lease agreement and associated documents that the DMPED employee signed required, among other things, that s/he immediately report changes between regularly scheduled recertification, including where "[t]he household income cumulatively increases

---



---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---



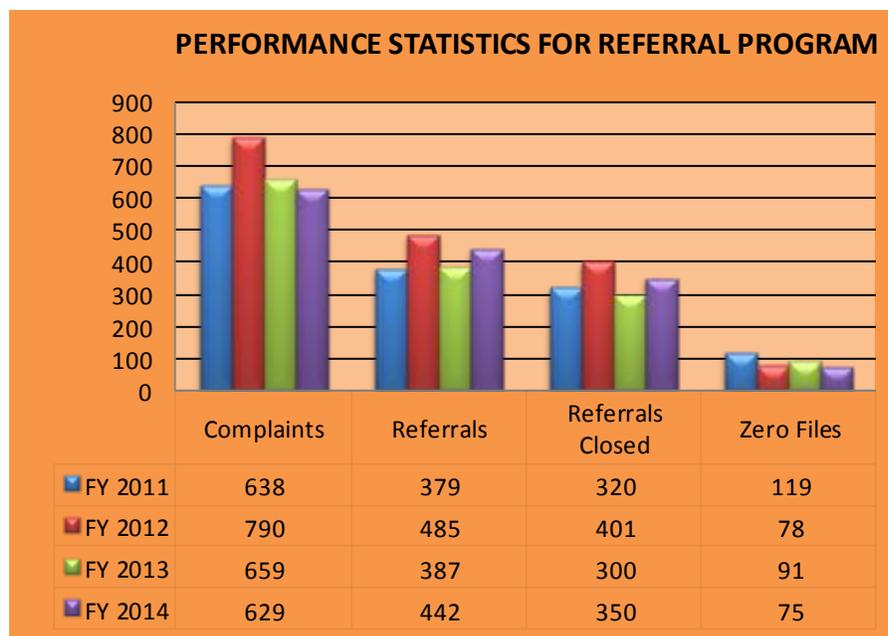
---

by \$200 or more a month.” In late July 2012, the DMPED employee began employment with the District of Columbia government and his/her income increased by more than \$200 per month. However, the DMPED employee failed to notify housing complex management and omitted his/her new income from the District of Columbia government on an annual recertification form. The DMPED employee admitted to OIG investigators that s/he did not notify the rental office about the income increase, knew of the requirement to report an increase of \$200 in monthly salary, and that s/he should have been more diligent about complying with the reporting requirements. The report concluded with a recommendation to DMPED.

### Referrals

The ID refers matters involving possible mismanagement and inefficiency to other District agencies and requests responses from those agencies to its Referral Program. The Program is administered by two Management Analysts under the direction of the DAIGI. Complaints and allegations received by the OIG that do not warrant ID’s immediate initiation of a formal complaint are referred to the appropriate District or other government agency for consideration and resolution, often with a request that the responsible agency head respond to the ID’s questions and concerns. The ID reviews those responses to determine whether further investigation is warranted. The Referral Program is a beneficial mechanism by which the OIG is able to ensure that District government agency heads are accountable and responsive to the concerns and interests of employees and members of the public.

The chart below reflects the proportionate resolutions of ID referrals from FY 2011 to FY 2014.



---

---

## INVESTIGATIONS DIVISION PERFORMANCE AND ACCOMPLISHMENTS

---

---

### **Significant Referrals for FY 2014**

#### **D.C. Department of Motor Vehicles**

The OIG referred to the D.C. Department of Motor Vehicles (DMV) a complaint from a citizen alleging that she erroneously received a speeding ticket that occurred on Highway 295 West. The complainant alleged that the photograph on the ticket clearly shows that the car captured on camera is a Lexus, not a Volvo as indicated. The complainant alleged that she owns a Volvo that is registered in North Carolina, and that she received a collection notice from Professional Account Management Services, LLC that she was in default, demanding immediate payment. The OIG forwarded to DMV the complainant's Motion to Vacate Judgment and a letter with attachments. The DMV ultimately dismissed the ticket.

#### **Office of Risk Management**

The OIG referred to the Office of Risk Management (ORM) a complaint from a former D.C. employee alleging that an ORM claims adjuster failed to properly process his workers' compensation payment. The complaint stated that the resident was an employee with the Department of Youth and Rehabilitation Services and sustained a lower back injury in 2009 on the job. ORM's investigation resulted in a finding that the former employee's claim was mishandled; there were instances of under- or overpayment; and the program miscalculated the former employee's benefits. The investigation concluded that the former employee was owed \$40,234 for the time period of 2009 – 2013.

#### **Metropolitan Police Department (MPD)**

The OIG referred to MPD and D.C. Fire and Emergency Medical Services Department (FEMS) a complaint that the agencies lost personal information provided as part of an applicant's background investigation that was completed in April 2012 by an MPD investigator. The investigation conducted by FEMS and MPD revealed that FEMS had no policies governing the transfer of background information. FEMS has since instituted policies to ensure that all background information is properly handled.

#### **Department of Public Works (DPW), MPD, Office of the State Superintendent of Education (OSSE), and D.C. Public Charter School Board (PCSB)**

This referral concerned a complaint from a D.C. resident about parking for residents and parents whose students attend a charter school located in the resident's neighborhood. The complaint alleged that school parents were using a private parking lot and causing traffic congestion in the vicinity of 4100 East Capital Street, N.E. The resulting investigation revealed that MPD, DPW, OSSE and the PCSB all are working together to improve drop-off

---

---

**INVESTIGATIONS DIVISION  
PERFORMANCE AND ACCOMPLISHMENTS**

---

---

and pick-up procedures at the school to reduce the congestion and disturbance within the community.

**D.C. Office of the Attorney General (OAG)**

This referral letter alleged that the Child Support Services Division (CSSD) misappropriated unspent CSSD child support funds for Christmas gifts for its employees. The complaint alleged that at the annual Christmas party, there was a \$10 raffle for expensive gifts, such as iPads, laptop computers, microwave ovens, and DVD players. The OAG investigation found that division management cleared the event with the OAG Ethics Counselor prior to the event. Further, CSSD management adhered to strict federal and D.C. government guidelines and rules on the use of program funds. Finally, the event was completely voluntary and gifts that were won by management were given to a support staff member.

---

**MEDICAID FRAUD CONTROL UNIT**  
**PERFORMANCE AND ACCOMPLISHMENTS**

---

---

## MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS

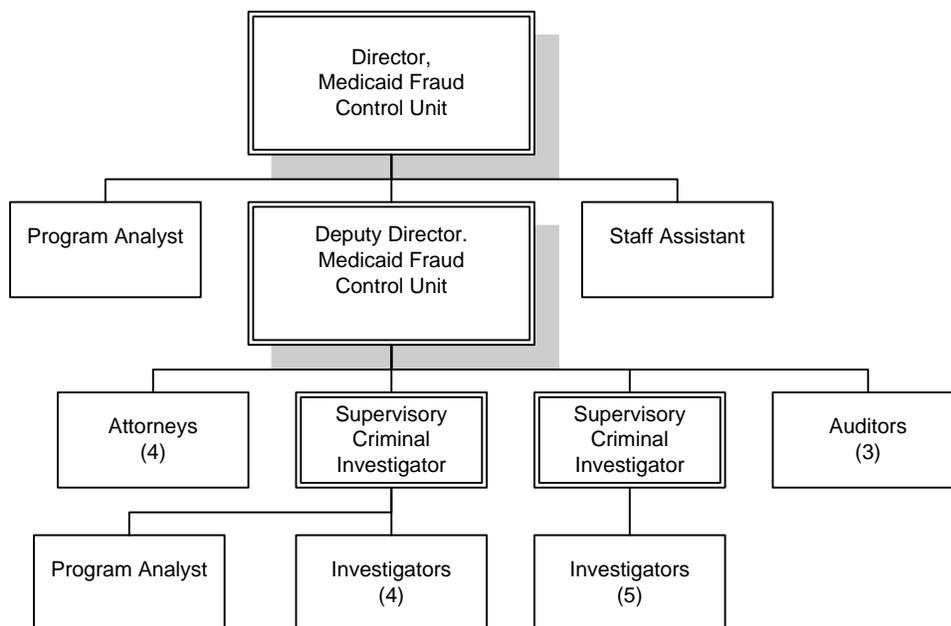
---

---

### Organization

The OIG's Medicaid Fraud Control Unit (MFCU) is managed by a Director, a Deputy Director, and two Supervisory Criminal Investigators (SCIs). The Director sets policy and, through the Deputy Director, provides leadership and direction for the Unit. The Deputy Director supervises the Unit's attorneys and auditors, and the SCIs supervise the day-to-day activities of the Unit's investigators, both in the field and at the OIG.

**Medicaid Fraud Control Unit Organizational Chart  
as of September 30, 2014**



The MFCU investigates and prosecutes two distinct categories of offenses: fraud or other related impropriety committed against the D.C. Medicaid program by healthcare providers; and physical abuse, sexual abuse, criminal neglect, or financial exploitation of persons who receive Medicaid-funded services or reside in healthcare facilities that receive Medicaid funding. These healthcare facilities include hospitals, nursing homes, and residences for adults with cognitive disabilities or mental illness.

---

---

## **MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS**

---

---

### **Areas of Responsibility**

#### ***Investigation and Prosecution***

The MFCU initiates investigations based on reports and referrals it receives from a number of sources. The D.C. Department on Disability Services (DDS) and other D.C. government agencies, providers, and professionals notify the MFCU of unusual incidents that come to their attention. Additional complaints and referrals come from sources such as federal agencies, the MPD, and other law enforcement entities, administrators of care facilities, and concerned citizens including Medicaid recipients. In total, the MFCU received over 1,700 complaints, incident reports, and referrals in FY 2014.

Staff members, including at least one attorney, review all reports and referrals to determine whether the incident or complained of behavior at issue constitutes an offense within the MFCU's jurisdiction. If so, the report or referral is assessed by the Director, who assigns an interdisciplinary team to investigate the matter. If this investigation yields sufficient evidence to move forward with legal or administrative action, MFCU attorneys work with attorneys in the USAO or the OAG to determine whether to pursue criminal prosecution, civil recovery, or both. If charges are filed, attorneys in the MFCU represent the OIG in D.C. Superior Court and federal District Court as Special Assistant U.S. Attorneys and Special Assistant Attorneys General, and are co-counsel with their USAO or OAG counterparts during all phases of litigation.

#### ***Partnerships and Collaborations with District and Federal Agencies***

A key aspect of the MFCU's efforts against waste, fraud, and abuse in the District Medicaid program is its continuing partnership with other District and federal agencies, particularly the DHCF. DHCF, which administers the Medicaid program in the District, is required by federal law to refer cases of suspected fraud or abuse to the MFCU.<sup>5</sup> Beginning in 2009, representatives from the OIG and DHCF have met quarterly to discuss pending cases, referrals, and their respective policies and procedures.

MFCU builds relationships with other law enforcement agencies by organizing relevant trainings, participating in task forces, and presenting at conferences. The MFCU Director serves on the Health Care Fraud Managers Working Group, which works to develop law enforcement strategies to combat healthcare fraud by D.C. service providers.

The MFCU also collaborates with local and federal law enforcement agencies. The MFCU is working on a number of ongoing investigations with the FBI, HHS, and other federal

---

<sup>5</sup> See 42 CFR § 455.15(a)(1).

---

---

## MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS

---

---

agencies. By working with these agencies, MFCU increases its visibility while enlarging the resources available to its investigators, auditors, and attorneys. These relationships played a crucial role in the success of Operation Capital Ills, a multi-agency task force investigation into fraud in the home healthcare industry that culminated in February 2014 with the largest healthcare fraud takedown in District of Columbia history. Twenty-four individuals were arrested based upon both federal indictments and local arrest warrants.

### Measures to Evaluate Progress and Performance

The MFCU's performance measures for FY 2014, as well as a comparison of the MFCU's FY 2013 and FY 2014 performance statistics, are detailed in the table below and on the following page:

Performance Goal	FY 2014 Target	FY 2014 Actual
Obtain 24 criminal/civil resolutions (plea, settlement, or verdict) in fiscal year	24	17

**MEDICAID FRAUD CONTROL UNIT  
PERFORMANCE AND ACCOMPLISHMENTS**

<b>Performance Statistics</b>	<b>FY 2013</b>	<b>FY 2014</b>
Number of complaints received	2,116	1,711
Unusual Incident Reports	1,965	1,600
Number of fraud matters initiated	66	80
Number of abuse, neglect, or sexual assault matters initiated	71	73
Number of theft or funds misappropriation matters initiated	19	10
Provide training/in-service education to relevant entities	12	15
Criminal and Civil Resolutions	21	17
Criminal Convictions	6	3
Plea Agreements	4	2
Guilty Verdicts	2	1
Criminal Acquittals	1	0
Civil Resolutions	14	14
Criminal Recoveries	\$3,933,197.76	\$187,500
Civil Recoveries	\$3,868,284.86	\$3,748,168.74

---

---

## **MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS**

---

---

### **Workload Summary**

In FY 2014, the MFCU received 1,600 unusual incident reports ranging from reports of changes in the condition of nursing home residents, to allegations of serious assaults. In addition, the MFCU received 111 reports, complaints, or referrals regarding fraud, abuse, neglect, or theft.

The MFCU performance-based budget goal was to resolve 24 cases in FY 2014. The MFCU resolved 17 matters, and made substantial progress on many other cases that should conclude in FY 2015, particularly cases being investigated by the Operation Capital Ills task force. The MFCU is currently investigating 280 matters, including 133 fraud cases, 69 abuse/neglect cases, 44 *qui tam* cases, 33 theft of funds/property cases, and 1 case related to a potential MAR. The MFCU is also actively monitoring another 257 *qui tam* cases around the country that may require a more hands-on role in the future. Of the investigations the MFCU initiated in FY 2014, 80 involved provider fraud allegations, 73 resulted from abuse or neglect reports, and 10 were funds-related. In FY 2014, the MFCU recouped or had restitution ordered for a total of \$3,935,668.74 thereby generating \$4.58 for every District dollar of funding.

In FY 2014, the MFCU processed 1,711 incoming unusual incident reports, complaints, or referrals, initiated 163 investigations, and closed 97 matters. Through trial or settlement, the MFCU attained three substantive dispositions of outstanding fraud and abuse criminal cases. The MFCU also recovered substantial monies in restitution to the Medicaid program through participation in 14 civil resolutions. In addition, the MFCU continued to engage in education and activism through its membership on task forces, local and national-level presentations, and participation in other training opportunities.

### **Significant Investigations and Prosecutions**

#### **Operation Capital Ills**

Multiple reports of fraudulent schemes in the Washington, D.C. home healthcare industry led to the creation of Operation Capital Ills, a multi-agency task force dedicated to uncovering those schemes and prosecuting the agencies and individuals involved. Investigators, auditors, and prosecutors from the MFCU joined forces with their counterparts from nine other law enforcement agencies – including FBI, HHS-OIG, the Internal Revenue Service, the Social Security Administration OIG, and the U.S. Secret Service – to uncover numerous, separate schemes involving fraud, kickbacks, and false billings in the growing field of home care services for D.C. Medicaid patients. In February 2014, those efforts culminated with the

---

---

## **MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS**

---

---

largest healthcare fraud takedown in District of Columbia history, when 24 individuals were arrested based upon both federal indictments and local arrest warrants.

The task force's efforts are ongoing, and more arrests and indictments are expected. More detailed information on Operation Capital Ills can be found at: <http://1.usa.gov/10p2NaW>.

### **United States of America v. Adoshia Flythe**

Ms. Flythe was one of the individuals arrested as part of the Operation Capital Ills takedown. In May 2014, she pled guilty in U.S. District Court to selling packages of counterfeit documents – including counterfeit “Home Health Care Aide” certificates from the University of the District of Columbia and counterfeit staff health certificates containing the forged name and signature of a physician. These certificates subsequently were used by unqualified individuals to secure employment in the home healthcare industry, resulting in false claims being submitted to the D.C. Medicaid program. In September 2014, Ms. Flythe was sentenced to 8 days incarceration over the course of 4 consecutive weekends, an additional 90 days of home confinement, followed by 24 months of supervised probation. The Court also imposed a \$100 criminal monetary penalty against Ms. Flythe.

More detailed information on the *Flythe* case can be found at <http://1.usa.gov/1yZeYt2>.

### **United States of America v. Michael Nyantakyi**

The defendant, also arrested in February 2014 as part of the Operation Capital Ills takedown, was charged with paying kickbacks to a D.C. Medicaid patient in exchange for the patient's signature on false timesheets for personal care aide services that were not actually provided. In June 2014, Mr. Nyantakyi pled guilty in the Superior Court of the District of Columbia to First Degree Fraud. The Superior Court judge sentenced the defendant to 180 days in jail (suspended) and 24 months of supervised probation. The judge also ordered Mr. Nyantakyi to pay restitution in the amount of \$7,572.48 to the D.C. Medicaid Program, and directed him to perform 40 hours of community service.

### **United States of America v. Ivy Fauntroy**

In January 2013, the defendant was employed as a caregiver at a day treatment program for developmentally disabled persons when she repeatedly made malicious statements toward the victim, treating her like a dog by directing her to “roll over” and “play dead.” Moreover, Ms. Fauntroy directed the attention of her co-workers to this abuse, while capturing video footage of the incident on her cell phone. The government subsequently used this video clip in its prosecution of the case at a bench trial in the Superior Court of the District of Columbia,

---

---

## MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS

---

---

where the defendant was found guilty of one count of criminal abuse of a vulnerable adult. In May 2014, the court sentenced her to serve 60 days in jail, but suspended the time provided she successfully completes 9 months of probation, and ordered her to pay \$50 toward the Victims of Violent Crime compensation fund.

More detailed information on the *Fauntroy* case can be found at: <http://1.usa.gov/1CXtAa3>.

### **Civil Settlements and Recoveries**

#### **United States of America v. Total Care Services**

On July 30, 2013, the MFCU collaborated with HHS-OIG, the USAO, and the OAG to reach a civil settlement with Total Care Services and its owner, Drucella Wheeler Ndoye, to settle allegations the company knowingly billed Medicaid for services for which it either had no documentation that said services were actually rendered, or said documentation was insufficient or inaccurate. The District will receive \$56,250 as its share of the total \$187,500 the company will pay to resolve claims related to certain identified instances of alleged wrongdoing. Moreover, the government expressly reserved the right to seek compensation for any other false claims not specifically identified in the settlement agreement that might be discovered in the future.

More information on the *Total Care Services* case is online at: <http://1.usa.gov/1wu0SNZ>.

### ***National Anti-Fraud Efforts***

A significant component of the MFCU's national anti-fraud activities is its participation in global *qui tam* litigation. In these cases, a "relator" (person with knowledge of fraudulent activity) files the action on behalf of the government, often asserting a scheme of widespread, institutional fraud by a multinational corporation. The federal government and the states impacted by the alleged scheme investigate the claims to determine whether to "intervene" in the action, either individually or jointly. Due to their breadth and subject matter, most *qui tams* are factually and procedurally complex.

In meeting the unique challenges of global *qui tam* litigation, the 50 independent state MFCUs work together, under the auspices of the National Association of Medicaid Fraud Control Units (NAMFCU), to investigate, litigate, settle, or otherwise resolve these cases. MFCU attorneys participate as active members of the NAMFCU *Qui Tam* Subcommittee, which is comprised of representatives from the MFCUs of states with False Claims Act statutes containing *qui tam* provisions. Currently, the District and 29 states have such statutes.

---



---

## MEDICAID FRAUD CONTROL UNIT PERFORMANCE AND ACCOMPLISHMENTS

---



---

In FY 2014, the District recovered almost \$4 million for the Medicaid program from 13 global settlements, an example of which is described below.

### **Johnson & Johnson/Janssen Pharmaceuticals, Inc.**

The District of Columbia collaborated with other states and the federal government to reach an agreement with pharmaceutical manufacturer Johnson & Johnson, and its subsidiary Janssen Pharmaceuticals, Inc. (Janssen), to resolve allegations of unlawful marketing practices to promote the sales of their atypical antipsychotic drugs, Risperdal and Invega. The settlement called for the companies to pay more than \$1.2 billion to D.C., the states, and the federal government to resolve civil allegations that its unlawful marketing caused false claims to be submitted to government healthcare programs. Moreover, Janssen agreed to plead guilty in federal court to a criminal misdemeanor charge of misbranding Risperdal in violation of the Food, Drug and Cosmetic Act, and to pay an additional \$400 million in criminal fines and forfeitures. The District will receive more than \$3 million from the settlement. As part of the settlement, the companies also agreed to enter into a Corporate Integrity Agreement with the HHS-OIG, which will closely monitor their future marketing practices.

More detailed information on the *Janssen* case can be found at: <http://1.usa.gov/1wbn7JX>

A summary of the global settlements secured in FY 2014 is set forth in the table below:

Defendant	Subject of Settlement	Total Recovered for the District
Johnson and Johnson	Risperdal	\$ 3,053,497.02
Bioscrip/Novartis	Exjade	\$14,259.60
Novartis	Visudyne	\$320.57
Astellas	Mycamine	\$124,943.02
Shire	Adderall et al	\$74,147.65
Columbia-CareFusion		\$100,031.67
Omnicare	Arenesp	\$52,482.78
Genzyme	Seprafilm	\$14,206.61
Endo	Lidoderm	\$140,480.54
Omnicare (Silver)	pharm services	\$171,666.66
Medtronic	Pacemaker	\$2,132.62
<b>TOTAL</b>		<b>\$3,748,168.74</b>

---

---

## **APPENDICES**

**AUDIT ARTICLES AND ABSTRACTS PUBLISHED IN FISCAL YEAR 2014**

---

---

Slemo Warigon, *Using CAATs to Automate the OIG Audit Process*, LOCAL GOVERNMENT AUDITING QUARTERLY, Volume 27, Number 2, Winter 2013; pp. 6-7.

News, *Audit Shop Profile: District of Columbia OIG*, LOCAL GOVERNMENT AUDITING QUARTERLY, Volume 27, Number 2, Winter 2013; p. 21.

Slemo Warigon and Monique Taylor, *The Triple-Bottom-Line Model: Clarifying the Role of Audit Function and Its Effect on Organizational Sustainability*, LOCAL GOVERNMENT AUDITING QUARTERLY, Volume 27, Number 2, Winter 2013; pp. 32-36.

Alonzo Munyeneh, *Public Safety Through the Lens of an IT Auditor*, LOCAL GOVERNMENT AUDITING QUARTERLY, Volume 27, Number 3, Spring 2014; pp. 32-34.

Slemo Warigon and Monique Taylor, *Using Audit Processes to Assess and Improve the Long-Term Fiscal Sustainability of Governments*, LOCAL GOVERNMENT AUDITING QUARTERLY, Volume 27, Number 4, Summer 2014; pp. 22-25.

APPENDIX B

**FISCAL YEAR 2014 AUDIT REPORTS AND RECOMMENDATION STATISTICS**

	Audit Title, Number, Date Issued	Recommendations		
		Agency	Made	Status <sup>6</sup>
1	<a href="#">Financial Review of the Washington Metropolitan Area Transit Commission, (WMATC) OIG No. 13-1-04KC, October 8, 2013</a>	WMATC	0	N/A
2	<a href="#">Audit of Special Education Attorney Certification Fees, OIG No. 11-1-15AT, October 11, 2013</a>	OCFO <sup>7</sup>	12	10 – Open 2 – Closed
3	<a href="#">Summary of District-Agency Compliance With OIG Audit Recommendations, February 2008 - September 2013, OIG No. 14-2-02MA, January 10, 2014</a>	Multi-Agency	0	N/A
4	<a href="#">OIG’s Access to District Contractor’s Records, OIG No. MIR 14-A-01, January 30, 2014</a>	Multi-Agency	0	N/A
5	<a href="#">District of Columbia's Highway Trust Fund Financial Statements Audit for FY 2013, OIG No. 13-1-28KA, January 31, 2014</a>	DDOT <sup>8</sup> , OCFO	0	N/A
6	<a href="#">Comprehensive Annual Financial Report of the District of Columbia for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-03MA, February 3, 2014</a>	Multi-Agency	0	N/A
7	<a href="#">Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards for Fiscal Year Ended September 30, 2013, OIG No. 14-1-04MA, March 11, 2014</a>	Multi-Agency	13	13 – Open
8	<a href="#">Re-audit of the Department of Health Care Finance’s (DHCF) Non-Emergency Transportation Provider Compliance With License and Certification Requirements, OIG No. 12-2-16HC, March 21, 2014</a>	DHCF	14	7 – Open 7 – Closed

<sup>6</sup>This column provides the status of a recommendation as of September 30, 2014. For final reports, “Open” means management and the OIG are in agreement on the action to be taken, but action is not complete. “Closed” means management has advised that the action necessary to correct the condition is complete. If a completion date was not provided, the date of management’s response is used.

<sup>7</sup> Office of the Chief Financial Officer

<sup>8</sup> District Department of Transportation

## FISCAL YEAR 2014 AUDIT REPORTS AND RECOMMENDATION STATISTICS

	Audit Title, Number, Date Issued	Recommendations		
		Agency	Made	Status <sup>6</sup>
9	<a href="#">Report on Examination of the District of Columbia's Highway Trust Fund Forecast Statements for Fiscal Years 2013-2017 With Actual Audited Figures for Fiscal Year 2013, OIG No. 13-1-28KA(a), April 1, 2014</a>	DDOT, OCFO	0	N/A
10	<a href="#">Audit of Commercial Mortgage Recordation at the Office of Tax and Revenue, OIG No. 11-2-27AT, April 2, 2014</a>	OCFO	21	12 – Open 9 – Closed
11	<a href="#">District Department of Transportation's Highway Trust Fund Memorandum of Recommendations for the Fiscal Year Ended September 30, 2012, OIG No. 12-1-13KA(b), April 7, 2014</a>	DDOT	15	7 – Open 8 – Closed
12	<a href="#">Not-for-Profit Hospital Corporation/United Medical Center (UMC) - Report on Internal Control Over Financial Reporting and on Compliance and Other Matters for the Years Ended, September 30, 2013, and 2012, OIG No. 14-1-05HW(a), April 11, 2014</a>	UMC	1	1 – Open
13	<a href="#">Washington Convention and Sports Authority (WCSA) - Financial Statements and Management's Discussion and Analysis With Independent Auditors' Report for Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-06ES, April 11, 2014</a>	WCSA	0	N/A
14	<a href="#">Annuitants' Health and Life Insurance Employer Contribution Trust Fund - Financial Statements, and Management's Discussion and Analysis, and Independent Auditors' Report for Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-07MA, April 11, 2014</a>	OCFO, DCHR	0	N/A
15	<a href="#">Not-for-Profit Hospital Corporation's United Medical Center Financial Statements With Independent Auditors' Report Thereon for Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-05HW, April 14, 2014</a>	UMC	0	N/A
16	<a href="#">Government of the District of Columbia's Fiscal Year 2013 Management Letter Report, OIG No. 14-1-08MA, April 15, 2014</a>	Multi- Agency	35	35 – Open

## FISCAL YEAR 2014 AUDIT REPORTS AND RECOMMENDATION STATISTICS

	Audit Title, Number, Date Issued	Recommendations		
		Agency	Made	Status <sup>6</sup>
17	<a href="#">Home Purchase Assistance Program Financial Statements for the Fiscal Years Ended September 30, 2013, and 2012 With Independent Auditors' Report, OIG No. 14-1-09DB, May 2, 2014</a>	DHCD <sup>9</sup>	3	3 – Open
18	<a href="#">Unemployment Compensation Fund's Financial Statements for the Fiscal Years Ended September 30, 2013, and 2012 With Independent Auditors' Report, OIG No. 14-1-10BH, May 19, 2014</a>	DOES <sup>10</sup>	0	N/A
19	<a href="#">Unemployment Compensation Fund's Management Letter Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-10BH(a), May 19, 2014</a>	DOES	14	14 – Open
20	<a href="#">University of the District of Columbia's (UDC) Financial Statements and Management's Discussion and Analysis With Independent Auditors' Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-11GG, May 19, 2014</a>	UDC	0	N/A
21	<a href="#">University of the District of Columbia's Report on Internal Control and Compliance Over Financial Reporting for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-11GG(a), May 19, 2014</a>	UDC	8	8 – Open
22	<a href="#">University of the District of Columbia's Management Letter Report for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-11GG(b), May 30, 2014</a>	UDC	5	5 – Open
23	<a href="#">Lottery and Charitable Games Control Board's Financial Statements and Management's Discussion and Analysis With Independent Auditors' Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-12DC, May 30, 2014</a>	DCLB <sup>11</sup>	0	N/A
24	<a href="#">E911/E311 Fund's Financial Statements With Independent Auditors' Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-15UC, May 30, 2014</a>	OUC <sup>12</sup>	0	N/A

<sup>9</sup> Department of Housing and Community Development

<sup>10</sup> Department of Employment Services

<sup>11</sup> District of Columbia Lottery and Charitable Games Control Board

<sup>12</sup> Office of Unified Communications

## FISCAL YEAR 2014 AUDIT REPORTS AND RECOMMENDATION STATISTICS

	Audit Title, Number, Date Issued	Recommendations		
		Agency	Made	Status <sup>6</sup>
25	<a href="#">Audit of Construction Management at the District of Columbia Department of Transportation, OIG No. 11-2-28KA(b), June 17, 2014</a>	DDOT	5	2 – Open 3 – Closed
26	<a href="#">Health Benefit Exchange Authority's (HBX) Financial Statements With Independent Auditors' Report for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-13HI, June 17, 2014</a>	HBX	3	3 – Open
27	<a href="#">Tobacco Settlement Financing Company's (TSFC) Financial Statements and Independent Auditor's Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-16TT, June 23, 2014</a>	TSFC	0	N/A
28	<a href="#">Housing Finance Agency's (HFA) Financial Statements and Independent Auditors' Report for the Fiscal Years Ended September 30, 2013, and 2012, OIG No. 14-1-18HF, June 23, 2014</a>	HFA	0	N/A
29	<a href="#">College Savings Program Trust Participant and Administrative Funds Financial Statements With Independent Auditors' Report for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-17AT, July 11, 2014</a>	OCFO	0	N/A
30	<a href="#">Teachers' and Police Officers and Firefighters' Retirement Fund Financial Statements and Independent Auditor's Report for the Years Ended September 30, 2013, and 2012, OIG No. 14-1-19MA, July 11, 2014</a>	DCRB <sup>13</sup>	0	N/A
31	<a href="#">Teachers' and Police Officers and Firefighters' Retirement Fund Management Letter Report for the Year Ended September 30, 2013, OIG No. 14-1-19MA(a), July 11, 2014</a>	DCRB	1	1 – Open
32	<a href="#">Teachers' and Police Officers and Firefighters' Retirement Fund Report on Internal Control Over Financial Reporting and Compliance for the Year Ended September 30, 2013, July 11, 2014</a>	DCRB	2	2 – Open
33	<a href="#">District of Columbia Public Schools' Annual Budgetary Comparison Schedule, Government Funds and Supplemental Information for the Fiscal Year Ended September 30, 2013, OIG No. 14-1-20GA, July 11, 2014</a>	DCPS	0	N/A

<sup>13</sup> District of Columbia Retirement Board

APPENDIX B

**FISCAL YEAR 2014 AUDIT REPORTS AND RECOMMENDATION STATISTICS**

	Audit Title, Number, Date Issued	Recommendations		
		Agency	Made	Status <sup>6</sup>
34	<a href="#">Audit of the District's Eligibility Determination Process for Alliance and Medicaid Participants-Part II, OIG No. 10-1-16HT(a), September 19, 2014</a>	DHS <sup>14</sup>	12	11 – Open 1 – Closed
	<b>Totals</b>		<b>164</b>	<b>Closed – 30 Open – 134</b>

---

<sup>14</sup> Department of Human Services

**FISCAL YEAR 2014 INSPECTIONS AND EVALUATIONS DIVISION  
PUBLISHED REPORTS**

Agency	Title (Use hyperlink in title to read report) (Date of Publication)
Department of Youth Rehabilitation Services	<a href="#"><u>“Report of Special Evaluation”</u></a> (December 2013)
Fire and Emergency Medical Services Department	<a href="#"><u>“FEMS Fails to Address Critical Staffing Shortages”</u></a> (December 2013)
Department of General Services – Protective Services Division	<a href="#"><u>“Patrol Operations Special Police Officers May Pose a Risk to the District When Providing Law Enforcement Services Outside of Their Jurisdiction”</u></a> (May 2014)
D.C. Office on Aging	<a href="#"><u>“Hattie Holmes Senior Wellness Center – Report of Inspection”</u></a> (July 2014)
Department of General Services – Protective Services Division	<a href="#"><u>“Security Gaps at One Judiciary Square Permit Non-District Government Employees Access to Every Floor Without Completing a Required Security Clearance”</u></a> (July 2014) <sup>15</sup>
D.C. Office on Aging	<a href="#"><u>“Bernice Fonteneau Senior Wellness Center – Report of Inspection”</u></a> (July 2014)
D.C. Office on Aging	<a href="#"><u>“Congress Heights Senior Wellness Center - Report of Inspection”</u></a> (August 2014)
Metropolitan Police Department, Department of Public Works, and Department of Transportation	<a href="#"><u>“Parking and Automated Traffic Enforcement Tickets – Part 1: Ticket Issuance Practices – Report of Special Evaluation”</u></a> (September 2014)
D.C. Office on Aging	<a href="#"><u>“Model Cities Senior Wellness Center – Report of Inspection”</u></a> (September 2014)
Multiple	<a href="#"><u>“Summary of Compliance Activities”</u></a> (September 2014)

<sup>15</sup> The OIG did not post this report to [www.oig.dc.gov](http://www.oig.dc.gov) due to the confidential security information contained therein.

---

**DISTRIBUTION LIST**

---

The Honorable Vincent C. Gray, Mayor, District of Columbia  
Mr. Allen Y. Lew, City Administrator, District of Columbia (via email)  
Mr. M. Jeffrey Miller, Interim Deputy Mayor for Planning and Economic Development,  
District of  
Columbia (via email)  
The Honorable Phil Mendelson, Chairman, Council of the District of Columbia (via email)  
The Honorable Kenyan McDuffie, Chairperson, Committee on Government Operations,  
Council of the District of Columbia (via email)  
Mr. Brian Flowers, General Counsel to the Mayor (via email)  
Mr. Christopher Murphy, Chief of Staff, Office of the Mayor (via email)  
Ms. Janene Jackson, Director, Office of Policy and Legislative Affairs (via email)  
Mr. Pedro Ribeiro, Director, Office of Communications, (via email)  
Mr. Eric Goulet, Budget Director, Mayor's Office of Budget and Finance  
Ms. Nyasha Smith, Secretary to the Council (1 copy and via email)  
Mr. Irvin B. Nathan, Attorney General for the District of Columbia (via email)  
Mr. Jeffrey DeWitt, Chief Financial Officer, Office of the Chief Financial Officer (1 copy  
and via email)  
Mr. Mohamad Yusuff, Interim Executive Director, Office of Integrity and Oversight, Office  
of the Chief Financial Officer (via email)  
Mr. Lawrence Perry, Acting D.C. Auditor  
Mr. Phillip Lattimore, Director and Chief Risk Officer, Office of Risk Management (via  
email)  
Mr. Steve Sebastian, Managing Director, FMA, GAO, (via email)  
The Honorable Eleanor Holmes Norton, D.C. Delegate, House of Representatives,  
Attention: Bradley Truding (via email)  
The Honorable Darrell Issa, Chairman, House Committee on Oversight and Government  
Reform, Attention: Howie Denis (via email)  
The Honorable Elijah Cummings, Ranking Member, House Committee on Oversight and  
Government Reform, Attention: Marianna Boyd (via email)  
The Honorable Thomas Carper, Chairman, Senate Committee on Homeland Security and  
Governmental Affairs, Attention: Holly Idelson (via email)  
The Honorable Tom Coburn, Ranking Member, Senate Committee on Homeland Security  
and Governmental Affairs, Attention: Chris Barkley (via email)  
The Honorable Mark Begich, Chairman, Senate Subcommittee on Emergency Management,  
Intergovernmental Relations and the District of Columbia, Attention: Jason Smith (via  
email)  
The Honorable Rand Paul, Ranking Member, Senate Subcommittee on Emergency  
Management, Intergovernmental Relations and the District of Columbia  
The Honorable Harold Rogers, Chairman, House Committee on Appropriations, Attention:  
Amy Cushing (via email)

**DISTRIBUTION LIST**

---

---

- The Honorable Nita Lowey, Ranking Member, House Committee on Appropriations,  
Attention: Angela Ohm (via email)
- The Honorable Ander Crenshaw, Chairman, House Subcommittee on Financial Services and  
General Government, Attention: Amy Cushing (via email)
- The Honorable José E. Serrano, Ranking Member, House Subcommittee on Financial  
Services and General Government, Attention: Angela Ohm (via email)
- The Honorable Barbara Mikulski, Chairwoman, Senate Committee on Appropriations,  
Attention: Kali Matalon (via email)
- The Honorable Richard Shelby, Ranking Member, Senate Committee on Appropriations,  
Attention: Dana Wade (via email)
- The Honorable Tom Udall, Chairman, Senate Subcommittee on Financial Services and  
General Government, Attention: Marianne Upton (via email)
- The Honorable Mike Johanns, Ranking Member, Senate Subcommittee on Financial Services  
and General Government, Attention: Dale Cabaniss (via email)



**WWW.OIG.DC.GOV**

**HOTLINE: (202) 724-TIPS (8477)**

**OR 1-800-521-1639**

**EMAIL: [HOTLINE.OIG@DC.GOV](mailto:HOTLINE.OIG@DC.GOV)**