

# DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL



November 2021

## FISCAL YEAR 2021 REPORT ON ACTIVITIES



### *Guiding Principles*

*Workforce Engagement \* Stakeholders Engagement \* Process-oriented \* Innovation  
\* Accountability \* Professionalism \* Objectivity and Independence \* Communication \* Collaboration  
\* Diversity \* Measurement \* Continuous Improvement*

## **Mission**

Our mission 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.

## **Vision**

Our vision is to be a world-class Office of the Inspector General that is customer-focused and sets the standard for oversight excellence!

## **Core Values**

Excellence \* Integrity \* Respect \* Creativity \* Ownership  
\* Transparency \* Empowerment \* Courage \* Passion  
\* Leadership





## DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

### A MESSAGE FROM THE INSPECTOR GENERAL



I am pleased to present *Fiscal Year (FY) 2021 Report on Activities* summarizing the oversight work of the District of Columbia Office of the Inspector General (OIG) for the reporting period October 1, 2020, to September 30, 2021.

The OIG's legislative mandate is to promote economy, efficiency, and effectiveness and prevent and detect corruption, mismanagement, waste, fraud, and abuse in District operations and programs. The OIG fulfills its mandate through independent audits, inspections, evaluations, and investigations. Each year, the OIG publishes its *Audit and Inspection*

*Plan* to operationalize this oversight mandate. During FY 2021, with a professional staff of seasoned auditors, investigators, attorneys, and analysts, the OIG focused its work on risks related to the ongoing COVID-19 Public Health Emergency, as well as risks inherent to an organization as large and complex as the District, with a mix of projects that consider high-risk and high-impact issues as well as vulnerable programs and operations.

During the reporting period, the OIG had significant accomplishments overseeing the District's \$16.9 billion of operating costs and public services. The OIG issued 13 audit and inspection reports with 105 recommendations for improving District programs and operations. These reports resulted in \$27 million in monetary benefits, including \$14.2 million in questioned costs and \$10.4 million in funds put to better use. The OIG also evaluated 97 percent of 715 Hotline contacts within 10 days of receipt, processed 1,636 referrals to the Medicaid Fraud Control Unit, opened 112 investigations, closed 162 investigations, and had a total of \$13.4 million in criminal and civil recoveries. These and other noteworthy accomplishments detailed in this report are due to the following efforts:

- Working collaboratively with District agencies and leadership to identify and reduce vulnerabilities throughout District agencies utilizing a multi-disciplinary teams approach.
- Coordinating efforts among the different OIG divisions and units to maximize synergy and increase productivity to the benefit of the District.

The OIG's accomplishments during FY 2021 reflect continued commitment to its mission, despite these unprecedented times when it is imperative to ensure that the District is in good financial health and can ensure that fraud, waste, abuse, corruption, and mismanagement in District operations and programs are identified and addressed in a timely manner.

I commend our hardworking and talented staff for their steadfast dedication to our mission, especially as we continue to serve the District's increasing budget to ensure appropriate oversight and the ultimate efficacy of the District for years to come.

I look forward to the OIG continuing to work collaboratively with our internal and external stakeholders to provide independent oversight while delivering timely, relevant, and impactful oversight of government operations for the District of Columbia and its residents.

A handwritten signature in blue ink, appearing to read 'DW Lucas', is positioned above the printed name.

Daniel W. Lucas  
Inspector General



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## EXECUTIVE SUMMARY

### EXECUTIVE SUMMARY OF ACTIVITIES

The OIG is an executive branch agency of the District of Columbia government that independently conducts audits, inspections, and investigations of government programs and operations. The OIG’s mission is to promote economy, efficiency, and effectiveness, and to prevent and detect corruption, mismanagement, waste, fraud, and abuse throughout the District government.

D.C. Code § 1-301.115a(f-2) requires the OIG to prepare an annual report summarizing its activities for the preceding fiscal year (FY). The annual report keeps the Council of the District of Columbia, Mayor, and District residents informed of the OIG’s significant oversight activities. Please see **Appendix A** for a selected list of the OIG’s statutory requirements.

#### Significant Accomplishments – Operations Division

The **Audit Unit (AU)** published 8 audit reports with 65 recommendations to improve the economy, efficiency, and effectiveness of District agencies’ operations and programs. Agencies accepted 86 percent of the audit recommendations.<sup>1</sup> These reports identified \$27 million in monetary benefits, including \$14.2 million in questioned costs and \$10.4 million in funds put to better use. AU also administered the District of Columbia *Annual Comprehensive Financial Report* (ACFR)<sup>2</sup> contract, which resulted in the publication of 24 contractor-authored reports.

The **Inspections and Evaluations Unit (I&E)** published 5 reports containing 40 recommendations for improving the efficiency and effectiveness of municipal services vital to District residents and stakeholders. Agencies agreed with 80 percent of the recommendations.

The **Investigations Unit (IU)** opened 31 investigations (8 criminal, 1 administrative, and 22 preliminary), and closed 62 investigations (42 criminal, 8 administrative, and 12 preliminary). IU also completed 12 administrative referrals related to the cases closed.<sup>3</sup> IU’s investigative receivables and recoveries totaled \$627,936.

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<sup>1</sup> OIG’s AU made a total of 71 recommendations, of which 65 were provided to District agencies for review and comment. The OIG calculates the percentage of recommendations made to District agencies for review and comment and the resulting District-agency concurrence. See **Appendix G** for more information.

<sup>2</sup> In October 2021, the Governmental Accounting Standards Board (GASB) issued its [Statement No. 98](#), which established the term “Annual Comprehensive Financial Report (ACFR)” as a replacement for the term “Comprehensive Annual Financial Report.” While adoption of GASB’s Statement is effective for fiscal years ending after December 15, 2021, the District of Columbia’s Office of the Chief Financial Officer began implementation in FY 2021.

<sup>3</sup> These referrals were made to the Board of Ethics and Government Accountability (BEGA), Office of the Attorney General for the District of Columbia (OAG), and District agencies for action deemed appropriate on completed investigations.



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The **Medicaid Fraud Control Unit (MFCU)** processed 1,636 referrals<sup>4</sup> (67 fraud and 1,569 abuse or neglect), opened 81 investigations (38 fraud and 43 abuse or neglect), and closed 100 investigations (63 fraud and 37 abuse or neglect). The MFCU accounted for \$12.8 million in total criminal and civil collections and recoveries.<sup>5</sup> The Unit made six presentations, one at a national public integrity conference and the others to local entities, all designed to increase awareness of the MFCU's investigative mission to safeguard the District's Medicaid program and its recipients.

### FY 2021 Oversight Themes

During FY 2021, based on the results of an OIG audit, inspection, or evaluation, or a retrospective look following an OIG investigation, our oversight work continued to identify areas where internal controls were inadequately designed and not operating effectively.<sup>6</sup>

Effective internal controls mitigate risks to organizations. Internal controls may also help an organization prevent fraud, or at least detect fraudulent activity sooner, thereby limiting loss to the District. District managers play a key role in the design, implementation, and operation of their respective internal control system. The OIG issues recommendations to District managers to implement or strengthen controls.

The OIG also communicates the results of an investigation through a press release or Significant Activity Report (SAR). Beyond serving as a deterrent for future misconduct, District managers can glean from the OIG's investigative outcomes where controls in their programs and operations were deficient allowing misconduct to occur. Unaddressed internal control deficiencies put the District at risk for fraud, waste, abuse, corruption, and mismanagement.

In FY 2021, the OIG's oversight work identified the following common themes of control deficiencies:

#### **Continued Control Weaknesses over the District's Financial Reporting Processes**

As discussed in detail later in this report, the OIG is responsible for contracting and overseeing independent auditors that annually audit the District's financial statements. In addition to expressing opinions on the financial statements, the independent auditors are contractually required to report on the effectiveness of internal control over financial

<sup>4</sup> For the purposes of external reporting requirements to the U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG), the MFCU considers a referral to be any contact where a lead is provided to MFCU staff, and then MFCU staff undertakes some investigative effort, legal review, or analysis. "Referrals" are not synonymous with "open investigations" or "open cases."

<sup>5</sup> The Medicaid program is jointly funded by the District and the federal government. This amount reflects actual recoveries by the District, including the District's share of global recoveries to the Medicaid program, and does not include the federal share of Medicaid program recoveries.

<sup>6</sup> U.S. GOV'T ACCOUNTABILITY OFFICE, STANDARDS FOR INTERNAL CONTROL IN THE FEDERAL GOVERNMENT, GAO-14-704G, (Sept. 2014) <https://www.gao.gov/assets/gao-14-704g.pdf>. Internal control is a process or system for assuring reliable financial reporting, compliance with laws, regulations and policies, and achievement of an organization's objectives related to operational efficiency and effectiveness. *See id.* § OV1.01.

## EXECUTIVE SUMMARY

reporting. Accordingly, the auditors reported 24 internal control weaknesses over the FY 2020 financial reporting process.

The OIG's independent auditors issued management recommendations to improve controls over District overall financial statement reporting, as well as the United Medical Center and the University of the District of Columbia financial statement reporting. The independent auditors also noted three significant deficiencies related to the D.C. Retirement Board's financial statement reporting. While the independent auditors note that their work is not designed to identify all deficiencies that may exist, those deficiencies that have been identified and the corresponding corrective actions to remediate will further improve the District's internal controls or operating effectiveness.

In all cases, if internal control weaknesses are left unmitigated, they could result in a qualified or adverse opinion on the District's financial statements; see **Appendix H** for details.

### **Ineffective Assessment and Response to Fraud Risks**

OIG investigations, and the resulting judicial outcomes, highlight schemes in which fraud had been perpetrated against District programs and operations. **Appendix K** and **Appendix L** list selected press releases that describe OIG investigative outcomes, to include a discussion on fraudulent schemes used by District employees or against District programs and operations. By communicating these investigative results, the OIG provides District managers insight into the circumstances that allowed the fraud to occur. District managers can evaluate and respond to the fraud risks highlighted by an OIG investigative outcome. In doing so, District managers can strengthen current controls to minimize the ability to override controls and lessen the opportunity to commit similar types of frauds in the future.

### **Undocumented Management Decisions**

Several OIG reports identified instances where District management decisions were either not documented or irregularly documented. Documentation is a necessary part of an effective internal control system. The U.S. Government Accountability Office (GAO) Green Book states that a minimum level of documentation is required to operate an effective internal control system.<sup>7</sup> Beyond these baseline requirements, District managers have the responsibility to determine what additional documentation may be necessary for their respective internal control system. Documenting how and why decisions are made is imperative to provide transparency of government operations, enhance accountability, reduce liability, and ensure compliance with District or federal regulations.

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<sup>7</sup> *Id.* at § OV4.08.

## EXECUTIVE SUMMARY

### Matters Requiring Management's Immediate Attention

During FY 2021, the OIG issued *Management Alert Reports* (MARs) to specific agencies and *Management Implication Reports* (MIRs) to all District agencies. Both the MARs and MIRs present matters that surfaced during the OIG's oversight work and required immediate attention. A complete list of MARs and MIRs issued during FY 2021 is included in **Appendix J**.

### Assessment and Identification of District's FY 2022 High Risk List

In addition to the above matters identified through FY 2021 oversight work, the OIG's comprehensive risk assessment process identified 11 high-risk areas of the District government with weaknesses and at risk for corruption, fraud, waste, or abuse. The FY 2022 High Risk List is available in the OIG's *FY 2022 Audit and Inspection Plan*.

### Professional Certifications Obtained by OIG Staff

The OIG personnel obtained and maintained the following professional certifications to demonstrate their professional competence:

- Certified Fraud Examiner (CFE)
- Certified Information Systems Auditor (CISA)
- Certified Inspector General (CIG)
- Certified Inspector General Auditor (CIGA)
- Certified Inspector General Investigator (CIGI)
- Certified Internal Auditor (CIA)
- Certified Public Accountant (CPA)

## EXECUTIVE SUMMARY

### FY 2021 Performance Measures

Table 1. Risk Assessment and Future Planning Division's Performance Measures

<b>OIG Hotline Program Activities</b>	
Contacts <sup>8</sup> Analyzed	715
Percentage of Contacts Evaluated within 10 Days of Receipt	97%
Number of Actionable Complaints to the RAFP Hotline <sup>9</sup>	136
Percentage of Complaints Received that are Actionable by the OIG	19%
Referrals to the Board of Ethics and Government Accountability <sup>10</sup>	13
Referrals to Other District and Federal Agencies	61
<b>OIG Data Analysis Unit Activities</b>	
Number of Products Completed in Support of Active Oversight Work	24
Number of Proactive Products Completed	13

Table 2. Operations Divisions' Performance Measures

<b>Audit Unit Activities</b>	
Reports Published – OIG Staff	8
Reports Published – Contractors <sup>11</sup>	24
Recommendations Made – OIG Staff <sup>12</sup>	65
Recommendations Accepted by Agencies	56
Percentage of Recommendations Accepted by Agencies	86%
Percentage of Final Audit Projects Completed Within 210 Business Days	50%
Total Monetary Benefits	\$27,035,529
Funds Recoupable	\$2,466,528
Questioned Costs	\$14,213,836
Funds Put to Better Use	\$10,355,165

<sup>8</sup> The OIG Hotline Program follows Council of the Inspectors General on Integrity and Efficiency (CIGIE) standards by noting all “complaints” as “contacts.” CIGIE is an independent entity established within the federal executive branch to address integrity, economy, and effectiveness issues that transcend individual government agencies and aid in the establishment of a professional, well-trained and highly-skilled workforce in over 70 federal Offices of Inspector General.

<sup>9</sup> Actionable complaints are defined as those that allege corruption, fraud, waste, abuse, or mismanagement within the District of Columbia government. These numbers do not include separate referrals/contacts received by the captured in Table 2 on the following page.

<sup>10</sup> This figure includes referrals sent directly from RAFP, as well as referrals made to BEGA as the result of IU work. RAFP is the conduit for all OIG referrals to BEGA.

<sup>11</sup> These reports were deliverables of an OIG contract. See **Appendix H** for a complete list of all contractor-authored reports issued in FY 2021.

<sup>12</sup> The OIG's *Close Out Letter: Audit of the District Procurement During the COVID-19 Public Health Emergency* made 6 recommendations but did not request management's response. These recommendations are omitted from the percentage of AU recommendations accepted by agencies. See **Appendix G** for more details.

## EXECUTIVE SUMMARY

### Inspections and Evaluations Unit Activities

Reports Published	5
Recommendations Made	40
Recommendations Accepted by Agencies	32
Percentage of Recommendations Accepted by Agencies	80%
Percentage of Final I&E Projects Completed Within 210 Business Days	20%

### Investigations Unit Activities

Total Investigative Receivables and Recoveries	\$627,936
Restitutions, Orders, and Fines	\$282,080
Referrals for Civil Recoupment	\$345,856
Investigative Activities	
Investigations Opened	31
Investigations Closed	62
Cases Presented to the USAO <sup>13</sup> for Prosecution	6
Cases Accepted by the USAO for Prosecution	4
Convictions	1
Subpoenas Served	61
Significant Activity Reports Issued	0
Civil Referrals to the D.C. Office of the Attorney General	6
Referrals to the Board of Ethics and Government Accountability	4
Referrals to District Agencies	2
Search Warrants	0
Percentage of Investigations Closed that Resulted in a Criminal, Civil, Administrative Action or Monetary Outcome	20%

### Medicaid Fraud Control Unit Activities

Total Criminal and Civil Recoveries	\$12,816,226
Criminal Recoveries	\$1,594,645
Global Civil Case Monetary Recoveries <sup>14</sup>	\$1,783,108
Criminal and Civil Collections	\$9,438,473
Referrals/Contacts to MFCU	1,636
Investigative Activities	
Criminal Fraud Cases Opened	38
Abuse, Neglect, or Financial Exploitation Cases Opened	43
Criminal Fraud Cases Closed	63
Abuse, Neglect, or Financial Exploitation Cases Closed	37
Cases Presented to the USAO for Prosecution	13

<sup>13</sup> United States Attorney's Office.

<sup>14</sup> This category involves any civil case in which the District and other states are party to the litigation. The OIG's Medicaid Fraud Control Unit works global cases jointly with other state Medicaid Fraud Control Units.

## EXECUTIVE SUMMARY

<b>Medicaid Fraud Control Unit Activities (continued)</b>	
Cases Accepted by the USAO for Prosecution	13
Criminal Convictions/Indicted/Charged	13
Subpoenas Served	15
Civil Referrals to the D.C. Office of the Attorney General	0
Civil Referrals Accepted by the D.C. Office of the Attorney General	0
Resolutions by the D.C. Office of the Attorney General	1
Global and Non-Global Civil Dispositions	10
Referrals to District Agencies	10
Search Warrants	2
Percentage of Investigations Closed that Resulted in a Criminal, Civil, Administrative Action or Monetary Outcome	14%

Table 3. Quality Management Division's Performance Measures

<b>Quality Assurance Review Activities</b>	
Number of Quality Assurance Review (QAR) Reports Issued	8
Number of QAR Projects Planned for Fiscal Year	8
Number of QAR Projects Completed	8
Percentage of Planned QAR Projects Completed	100%
Number of QAR Projects Completed Within 10 Business Days	50%
Recommendations Made to OIG Units	79
Recommendations Accepted by OIG Units	77
Percentage of Recommendations Accepted by Units	97%

Table 4. Business Management Division's Performance Measures

<b>Business Management Activities</b>	
Number of Meetings Attended to Market the OIG to ANCs <sup>15</sup>	0
Percentage of Meetings Attended to Market the OIG to ANCs	0%
Number of Contract Payments in Compliance with the Quick Payment Act	96
Percentage of Contract Payments in Compliance with the Quick Payment Act	100%
Percentage of FTEs <sup>16</sup> with Completed Annual Performance Evaluations	100%

Table 5. Office of the General Counsel's Performance Measures

<b>Office of the General Counsel Activities</b>	
Number of Freedom of Information Act (FOIA) Requests	36
Number of FOIA Requests Processed Within 15 Business Days	31
Percentage of FOIA Requests Processed Within 15 Business Days	86%

<sup>15</sup> Advisory Neighborhood Commissions.<sup>16</sup> Full-time equivalent employees.



## EXECUTIVE SUMMARY

<b>Office of the General Counsel Activities (continued)</b>	
Number of Legal Sufficiency Reviews	171
Number of Legal Sufficiency Reviews Completed Within 10 Business Days	168
Percentage of Legal Sufficiency Reviews Completed Within 10 Business Days	98%
Number of OGC Recommendations Made to OIG Units	236
Number of OGC Recommendations Accepted by OIG Units	236
Percentage of OGC Recommendations Accepted by OIG Units	100%

## ORGANIZATIONAL OVERVIEW

### AGENCY OVERVIEW

This section presents an overview of the OIG's organizational system and the FY 2021 accomplishments of each division within the agency.

#### Organizational System

The OIG is organized as a system to ensure full operational capacity while uniquely linking all divisions and units within the agency (see Figure 1 below and **Appendix B** for more detail on the OIG's overall organization and structure).

Figure 1. D.C. OIG Organizational Model



#### Risk Assessment and Future Planning Division

The Risk Assessment and Future Planning Division (RAFP) evaluates risk related to corruption, mismanagement, waste, fraud, and abuse within the District. RAFP also assists the OIG in building the right capabilities to mine data for insights which enables the agency to make proactive, knowledge-driven decisions. RAFP leads the development of the OIG's annual audit and inspection plan and provides analytical outputs to the Operations Division for action deemed appropriate.

#### Operations Division

The Operations Division consists of four externally-focused units within the OIG.

The **Audit Unit (AU)** conducts audits of District agencies, programs, functions, and activities. In addition, AU monitors and oversees the audit process for the District of Columbia *Annual Comprehensive Financial Report (ACFR)*.

## ORGANIZATIONAL OVERVIEW

The **Inspections and Evaluations Unit (I&E)** conducts inspections and special evaluations which provide decision makers with objective, thorough, and timely evaluations of District government agencies and programs.

The **Investigations Unit (IU)** investigates allegations of misconduct involving violations of District or federal criminal law, civil statutes, regulations, and employee standards of conduct.

The **Medicaid Fraud Control Unit (MFCU)**, certified by the U.S. Department of Health and Human Services on March 1, 2000, investigates and prosecutes Medicaid provider fraud as well as fraud in the administration of the Medicaid program. The Unit also investigates allegations of abuse, neglect, and financial exploitation involving persons who reside in Medicaid-funded facilities or who receive Medicaid-covered services. However, on December 20, 2020, the Consolidated Appropriations Act of 2021, Section 207, Division CC, amended provisions of the Social Security Act to allow MFCUs to investigate and prosecute abuse and neglect of persons who are receiving Medicaid in noninstitutional or other settings.<sup>17</sup>

### Quality Management Division

The Quality Management Division (QM) ensures all outputs from the Operations Division comply with OIG policies, professional standards, and best practices. QM oversees all OIG activities to maintain a desired level of excellence while ensuring the OIG's long-term success through customer satisfaction, innovation, and continuous quality improvement. QM also manages the agency-wide performance measurement, analysis, and reporting processes to support data-based decision making and ensure the timely completion of statutorily-mandated performance reports.

### Business Management Division

The Business Management Division (BM) supports the OIG's mission by establishing policies and controls and delivering services to support the goals and objectives of other divisions. BM, the OIG's internal operating division, includes the following units and programs: (1) Facilities; (2) Contracts and Procurement; (3) Information Technology; (4) Human Resources; (5) Administrative Services; (6) Records Management; and (7) Communications and Public Relations. BM ensures all OIG Divisions and Units have the tools needed to prevent and detect corruption, mismanagement, waste, fraud, and abuse while ensuring that best practices are followed under regulations, and holds the agency to the same standards of accountability as the OIG expects of other District agencies.

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<sup>17</sup> U.S. DEP'T OF HEALTH & HUM. SERVS, *State Fraud Policy Transmittal 2020-1; Expanded Authority for Cases of Patient Abuse or Neglect in Noninstitutional Settings: Frequently Asked Questions* (Sept. 17, 2021), <https://www.hhs.gov/guidance/document/expanded-authority-cases-patient-abuse-or-neglect-noninstitutional-settings-frequently>.

## ORGANIZATIONAL OVERVIEW

### Office of the General Counsel

The Office of the General Counsel (OGC) ensures all activities undertaken by the OIG comport with laws, rules, regulations, and policies. Further, OGC provides in-house legal services by ensuring OIG operations, activities, and communications conform to applicable legal requirements, rendering forthright and objective legal advice to protect the OIG against legal liability, and advocating the OIG's legal position in disputes.

## ORGANIZATIONAL HIGHLIGHTS

### CORE MISSION AREAS

#### Audit Unit

The Audit Unit (AU) focuses its resources on programs and initiatives that pose serious challenges and risks for the District. The OIG designs audits to mitigate those risks and assesses the results of budgeted programs to ensure they are achieving expected results. AU conducts performance audits and also monitors, assesses, and reports on the status of an agency's implementation of recommended (and agreed to) corrective actions from prior audits to determine whether actions taken have addressed the noted deficiencies. Much of the benefit from audit work is the effective resolution of findings and recommendations. See **Appendix C** for AU's organizational chart and structure.

#### Annual Comprehensive Financial Report

The OIG is required by law to enter into a contract, not exceeding more than 5 consecutive fiscal years, with an independent auditor to audit the District's financial statements annually. In FY 2021, the independent auditor, McConnell & Jones LLP, conducted the audit under a 1-year contract with 4 option years.

The District of Columbia *Annual Comprehensive Financial Report* (ACFR) contains the District's financial statements and an independent, certified public accounting firm's opinion about whether the financial statements were presented fairly and in compliance with generally accepted accounting principles. The report also presents whether there were instances of noncompliance and/or weaknesses in internal controls which materially affected the District's financial position and operations as of the end of the fiscal year. As part of the ACFR audit process, the independent auditors produce various reports covering specific District components, funds, and programs. See **Appendix H** for a complete list of reports produced as a result of the ACFR contract.

The OIG established the ACFR Committee to monitor and oversee the audit process. The Committee monitors and oversees the reliability and integrity of the Office of the Chief Financial Officer (OCFO) financial reporting process and systems of internal controls for finance, accounting, and legal compliance. It also monitors the performance of the District's independent auditors and facilitates communication among the independent auditors, the Executive Office of the Mayor, the D.C. Council, OCFO, and other District management officials. AU leadership chairs the ACFR Committee.

On January 31, 2021, the OIG published the District's FY 2020 ACFR, marking the 24<sup>th</sup> consecutive unqualified opinion of the District's financial statements. The independent auditors identified no material weaknesses or significant deficiencies related to the District's overall financial statements.

## ORGANIZATIONAL HIGHLIGHTS

### Progress and Performance

The OIG audited District agencies and published eight audit reports which identified improper payments, best practices, process flaws, and internal control weaknesses. The audit reports offered 65 recommendations to improve operations, address deficiencies, and ensure District agencies operate efficiently and effectively. District agencies accepted 86 percent of the recommendations offered. These audit reports had considerable impact in terms of funds to be recouped and improvements in District agencies. Table 6 summarizes AU's FY 2021 performance data.

Table 6. Summary of AU FY 2021 Performance Data

Audit Unit Activities	
Reports Published – OIG Staff	8
Reports Published – Contractors	24
Recommendations Made – OIG Staff <sup>18</sup>	65
Recommendations Accepted by Agencies	56
Percentage of Recommendations Accepted by Agencies	86%
Total Monetary Benefits	\$27,035,529
Recoupable Funds	\$2,466,528
Questioned Costs	\$14,213,836
Funds Put to Better Use	\$10,355,165

### Significant Projects

OIG audit reports published in FY 2021 focused on issues related to controls over the use of force incidents at the D.C. Department of Corrections, the efficient and effective use of the Housing Production Trust Fund (HPTF), and controls over administering employee benefits and processing benefits for payments. See **Appendix G** for a complete list of the OIG's FY 2021 audit reports and the number of recommendations in each report.

Highlights from selected FY 2021 AU projects include:

#### **DOC's Current Procedures for Receiving, Investigating, and Resolving Use of Force Incidents Are Not Operating Effectively, July 2, 2021**

The OIG found that while the D.C. Department of Corrections (DOC) primarily used an administrative oversight process to review and document use of force incidents, its current procedures did not effectively identify and address noncompliance with its use of force requirements. Specifically, DOC needs to establish additional monitoring controls and develop performance measures to ensure that use of force incidents are documented wholly and accurately; staff and witnesses provide required written statements; and

<sup>18</sup> The OIG's *Close Out Letter: Audit of the District Procurement During the COVID-19 Public Health Emergency* made 6 recommendations but did not request management's response. These recommendations are omitted from the percentage of AU recommendations accepted by agencies. See **Appendix G** for more details.



## ORGANIZATIONAL HIGHLIGHTS

supervisors timely review incidents and update the tracking database. The OIG made 11 recommendations for DOC to: (1) provide constructive feedback to its staff for improvement as appropriate; (2) design appropriate disciplinary and corrective actions, as needed; and (3) ensure staff compliance with the use of force requirements, including mandatory training.

### **DHCD Did Not Effectively and Efficiently Use the Housing Production Trust Fund to Produce Affordable Housing Units for Extremely Low-Income Households, September 30, 2021**

The District uses the Housing Production Trust Fund (HPTF) as a primary tool to produce and preserve affordable housing. While the OIG found that D.C. Department of Housing and Community Development (DHCD) met or exceeded its statutory goals for disbursing HPTF resources to produce and preserve affordable housing for very low-income and low-income households, DHCD did not meet the statutory goal for extremely low-income households. The OIG made 20 recommendations to address inadequate internal controls to reduce the risks of periodic monitoring activities not being conducted, allowable rents exceeding rent limits, and past due loans not being identified for collection activities. The OIG's recommendations to DHCF include \$26,866,528 in potential monetary benefits.

### **DCHR Designed Controls Over Employee Benefits but Certain Controls Were Not Operating Effectively, September 30, 2021**

In addition to their regular salary, qualified District employees earn fringe benefits, which include life and health insurance, savings and retirement plans, and leave benefits such as paid family leave. The D.C. Department of Human Resources (DCHR) designed policies and procedures for District agencies to follow when administering employee benefits and processing benefits for payments. However, the OIG found that District agencies did not always follow District laws, rules and regulations, and policies and procedures in administering employee benefits and processing benefits for payments. The OIG identified instances where controls in place did not adequately reduce the risks of inaccurate benefit payments or identify and correct errors in a timely manner. The OIG made 27 recommendations for DCHR to identify and address noncompliance and control weaknesses. These recommendations will help DCHR to achieve its strategic objectives efficiently and effectively; provide reasonable assurance that employee benefits are accurately paid to eligible employees; and prevent, detect, and correct improper payments.

## **Inspections and Evaluations Unit**

The OIG's Inspections and Evaluations Unit (I&E) focuses its resources on conducting inspections and evaluations to highlight needs for corrective measures that improve operations, address deficiencies, and ensure compliance with District and federal laws, regulations, and policies. I&E engagements provide senior District government managers with an independent

## ORGANIZATIONAL HIGHLIGHTS

source of facts and analysis about agency performance, program efficiency, and the effectiveness of quality assurance procedures.

I&E also conducts contract and grant reviews to: (1) determine whether there are any terms or conditions unfavorable to the District or in conflict with best practices or applicable criteria; (2) assess whether parties to the contract/grant have effectively operationalized administration of key terms; and (3) assess whether the District maintains proper oversight of deliverables required by the contract/grant. These reviews also look for vulnerabilities to fraud, waste, abuse, mismanagement, and inefficiency.

I&E conducts its projects in accordance with quality standards promulgated by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Performance indicators of the overall effectiveness of I&E's work include the number of projects completed, findings identified, recommendations made, recommendations agreed to by an inspected entity, and, ultimately, the subsequent improvements in agency or program operations. The findings developed during inspections may also lead to referrals to the OIG's Investigations Unit or Audit Unit. See **Appendix D** for I&E's organization chart and structure.

### Progress and Performance

In FY 2021, I&E published 5 reports that presented a total of 40 recommendations for improving the efficiency and effectiveness of municipal services vital to District residents and stakeholders. District agencies accepted 80 percent of the recommendations offered. Table 7 summarizes I&E's FY 2021 performance data.

Table 7. Summary of I&E FY 2021 Performance Data

Inspections & Evaluations Unit Activities	
Reports Published – OIG Staff	5
Recommendations Made	40
Recommendations Accepted by Agencies	32
Percentage of Recommendations Accepted by Agencies	80%

### Significant Projects

I&E's FY 2021 projects focused on evaluating key District organizations to improve the efficiency and effectiveness of services vital to District residents and other stakeholders. I&E completed projects in the following agencies: Office of the State Superintendent of Education, D.C. Public Schools, Office of Contracting and Procurement, Department of Behavioral Health, and Department of Health.

See **Appendix I** for a complete list of the OIG's FY 2021 reports and the number of recommendations in each report.

## ORGANIZATIONAL HIGHLIGHTS

Highlights from selected FY 2021 I&E projects include:

### **Office of the State Superintendent of Education and D.C. Public Schools: Evaluation of Compliance with the Healthy Schools Act Health Education Requirements, November 23, 2020**

The D.C. Council enacted the Healthy Schools Act (HSA) in 2010 in an effort to improve the health and wellness of students attending District of Columbia schools. The HSA applies to both D.C. Public Schools (DCPS) and D.C. Public Charter Schools. It establishes standards and requires oversight of health-related aspects of school operations, including school nutrition, the farm-to-school program, physical education and activity, environmental literacy, and health education.

The OIG conducted this project to assess the extent to which the Office of the State Superintendent of Education (OSSE) and DCPS have implemented key provisions in HSA curriculum standards that focus on health education and HIV/AIDS.

The OIG's recommendations aimed to help schools prioritize meeting the health education requirements and ensure they address all topics within the educational standards; improve the data OSSE uses to measure compliance and ensure that OSSE, DCPS, and their school partners use collected data to improve the quality of health education; and clarify questions schools and Local Education Agencies<sup>19</sup> may have about the HSA.

### **Office of Contracting and Procurement and Department of Behavioral Health: Evaluation of Contracting Procedures, July 7, 2021**

The Department of Behavioral Health (DBH) "provides prevention, intervention, and treatment services and supports for children, youth, and adults with mental and/or substance use disorders including emergency psychiatric care and community-based outpatient and residential services."<sup>20</sup> In FY 2020, DBH received approximately \$40 million to spend on contractual services in furtherance of its mission, an increase of nearly 32 percent from the previous year.

DBH and OCP work together to provide health services to District residents with mental illness and/or substance use disorders. DBH determines the District's needs for health services, while OCP contracts with the vendors who provide those services. The OIG found deficiencies in contracting practices, such as executing contract documentation that contained flawed or missing information and not designating contract administrators timely. Also, DBH did not have adequate internal controls to monitor contract

<sup>19</sup> An LEA is "an entity that operates public elementary and secondary schools. DCPS is its own LEA and each charter network is its own LEA; each LEA sets its own sets of policies and oversees implementation of federal and state policies." OFF. OF THE STUDENT ADVOC., TRYING TO NAVIGATE PUB. SCH. IN THE DISTRICT OF COLUMBIA?, 3 [https://sboe.dc.gov/sites/default/files/dc/sites/sboe/MULTIMEDIA\\_content/OSA%20Go-To%20Guide%20%28WEB%29.pdf](https://sboe.dc.gov/sites/default/files/dc/sites/sboe/MULTIMEDIA_content/OSA%20Go-To%20Guide%20%28WEB%29.pdf) (last visited Nov. 10, 2021).

<sup>20</sup> *About DBH*, D.C. DEP'T OF BEHAVIORAL HEALTH, <https://dbh.dc.gov/page/about-dbh> (last visited Nov. 12, 2021).

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compliance or vendor performance, which at times led to payment issues including overpayments to vendors. Finally, OCP did not have a consistent method for resolving vendors' payment disputes.

The OIG made 12 recommendations to DBH and OCP to: (1) help strengthen the control environment to better monitor contract compliance and vendor performance, and (2) clarify duties and responsibilities both within and between their agencies, so that they will be able to more efficiently and effectively provide contracted health services to vulnerable District residents diagnosed with mental illness and/or substance use disorders.

### **Department of Behavioral Health and D.C. Health: Evaluation of the District's Opioid Crisis Response Program, September 2, 2021**

The OIG identified this engagement because of the health and public safety issues associated with the opioid epidemic, the significant increase in funding to address the issue, and previous audit findings regarding the District's ability to manage opioid program funds and resources.<sup>21</sup> The objectives of this engagement were to assess whether the District of Columbia is: (1) effectively managing the opioid program funds and resources; (2) conducting training and distributing naloxone kits at identified levels; and (3) meeting the goals of the LIVE. LONG. D.C. Plan.<sup>22</sup>

Overall, the OIG found DBH has corrected issues identified during a previous compliance review conducted by the U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA).<sup>23</sup> However, DBH's internal and external communication was strained and adversely impacting the operation of the grant management and sub-recipients' programs. In addition, DBH lacked a grant management system, and not all DBH grants management staff members operate from the same grant manual.

With respect to the naloxone distribution program, D.C. Health (DC Health) was meeting opioid prevention training and naloxone distribution goals, but its HIV/AIDS, Hepatitis, STD, TB Administration and Prevention and Intervention Services Division had vacant

<sup>21</sup> During 2017 and 2018, DBH received \$4 million in grant funding from the federal government for the District's Opioid Targeted Strategy Project. In January 2019, the Washington Post reported that DBH officials had failed to implement numerous initiatives outlined in the grant funding. Peter Jamison, *Federal officials launch audit of D.C. government's opioid grant spending*, WASH. POST (Jan. 16, 2019), [https://www.washingtonpost.com/local/dc-politics/federal-officials-launch-audit-of-dc-governments-opioid-grant-spending/2019/01/16/1e0cbf86-1922-11e9-8813-cb9dec761e73\\_story.html](https://www.washingtonpost.com/local/dc-politics/federal-officials-launch-audit-of-dc-governments-opioid-grant-spending/2019/01/16/1e0cbf86-1922-11e9-8813-cb9dec761e73_story.html).

<sup>22</sup> In December 2018, and updated in March 2019, Mayor Bowser announced LIVE. LONG. D.C., the District's new Strategic Plan to Reduce Opioid Use, Misuse, and Related Deaths. The plan outlines seven strategic goals to address the opioid crisis and includes over \$22 million in funding.

<sup>23</sup> From January 15, 2018, to January 17, 2018, SAMHSA conducted a compliance review at DBH of Strategic Targeted Response (STR) grant funds. On July 24, 2019, SAMHSA notified DBH that it had not complied with federal requirements regarding "pass-through" grant responsibilities and submitted eight recommendations to DBH. Letter from Jack Goldberg, Dir., Off. of Fin. Advisory Servs. (OFAS), Substance Abuse & Mental Health Servs. Admin. (SAMHSA) to Barbara J. Bazron, Acting Dir., D.C. Dep't of Behavioral Health (Jul. 24, 2019).

## ORGANIZATIONAL HIGHLIGHTS

positions, and not all pharmacies that participate in the naloxone pharmacy pilot program submit monthly reports due to internet access constraints. The report presented 5 findings and 10 recommendations to assist DBH and DC Health in strengthening their management of opioid program funds and resources, and to improve training related to the District's opioid crisis response program.

### Investigations Unit

The OIG's Investigations Unit (IU) investigates allegations of misconduct involving employee standards of conduct and violations of District or federal criminal law, civil statutes, and regulations. IU reports may include findings and recommendations regarding program weaknesses, contracting irregularities and other institutional problems discovered as a result of OIG-initiated complaints or investigations. See **Appendix E** for IU's organizational chart and structure.

### Progress and Performance

In FY 2021, IU opened 31 investigations (8 criminal, 1 administrative, and 22 preliminary) and closed 62 investigations (42 criminal, 8 administrative, and 12 preliminary).<sup>24</sup> IU also completed 12 administrative referrals as follows: BEGA (4); OAG-Civil (6); District agencies (2). In addition, four of six criminal cases presented to the United States Attorney's Office (USAO) for the District of Columbia were accepted for prosecution. These investigations may result in criminal convictions for fraud, bribery, conspiracy to commit bribery, bank fraud, and money laundering. Cases resolved in FY 2021 primarily addressed allegations of public corruption, procurement fraud, and financial and general crimes. Investigative recoveries and civil recoupments totaled \$627,936.

Due to the COVID-19 pandemic, judicial proceedings in both the United States District Court for the District of Columbia and the Superior Court of the District of Columbia were largely postponed with exceptions for certain criminal and juvenile delinquency proceedings.<sup>25</sup> In addition, as a result of crimes committed at the United States Capitol on January 6, 2021, the USAO prioritized staff to assist with the prosecution of the more than 600 individuals charged.

Table 8 summarizes IU's FY 2021 performance data.

Table 8. Summary of IU FY 2021 Performance Data

Investigations Unit Activities	
Total Investigative Receivables and Recoveries	\$627,936
Restitutions, Orders, and Fines	\$282,080
Referrals for Civil Recoupment	\$345,856

<sup>24</sup> Cases closed include cases that were opened in previous fiscal years.

<sup>25</sup> These proceedings occurred by teleconferencing or video teleconferencing.

## ORGANIZATIONAL HIGHLIGHTS

### Investigations Unit Activities (continued)

Investigative Activities	
Investigations Opened	31
Investigations Closed	62
Cases Presented to the USAO for Prosecution	6
Cases Accepted by the USAO for Prosecution	4
Convictions	1
Subpoenas Served	61
Significant Activity Reports Issued	0
Civil Referrals to the D.C. Office of the Attorney General	6
Referrals to the Board of Ethics and Government Accountability	4
Referrals to District Agencies	2
Search Warrants	0

### Significant Projects

In FY 2021, IU and its federal and local law enforcement partners engaged in the following types of investigations and activities:

- Criminal Investigations
- Administrative Investigations
- Civil Referrals

Summaries of selected IU FY 2021 investigative activity are detailed below.

### Criminal Investigations

When investigative findings indicate criminal conduct, the OIG is required by law to present them to the USAO or the appropriate local prosecuting agency for action. When a case is referred for prosecutorial consideration, the investigation proceeds under the guidance and direction of an Assistant U.S. Attorney or local prosecutor, often in conjunction with other law enforcement partners, such as the Federal Bureau of Investigation (FBI) and federal OIGs. The investigative findings also are used to determine whether civil action is appropriate in addition to or in lieu of criminal prosecution.

#### *A Member of the Public Sentenced for Paying Bribes to District and Federal Government Employees*

In 2013 and 2014, Charles M. Thomas made approximately \$53,000.00 in payments to an employee of the Office of the State Superintendent of Education (OSSE). In return, the OSSE employee provided Mr. Thomas with information needed to create fraudulent invoices reflecting the provision of early intervention services that Mr. Thomas's company did not provide. In summary, the OSSE employee used her official position to



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cause \$179,999.00 in payments to be made to Mr. Thomas's company for work that was not performed.

From 2010 to 2015, Mr. Thomas provided a U.S. Department of Housing and Urban Development (HUD) employee with tickets to sporting events, travel, cash, and other items worth more than \$50,000.00, in exchange for the HUD employee providing Mr. Thomas and his company with non-public information about pending HUD contracts. Mr. Thomas provided a second HUD employee with tickets to sporting events, designer handbags, cash, and other items, worth more than \$23,000.00, in exchange for non-public information about contracts.

In May 2018, Mr. Thomas pled guilty to one count of conspiracy to commit bribery and two counts of conspiracy to pay gratuities and violate the Procurement Integrity Act. As part of his plea agreement, Mr. Thomas is required to pay restitution to OSSE in the amount of \$179,999.00. Mr. Thomas also must pay a forfeiture money judgment in the same amount. On August 31, 2021, Mr. Thomas was sentenced to 14 months in prison. Following his prison term, Mr. Thomas will be placed on 2 years of supervised release.<sup>26</sup>

### ***Members of the Public Sentenced for Bank Fraud and Conspiracy to Laundering of Monetary Instruments***

From June 2016 through February 2017, Sierra Nicole Walker, a.k.a. Nicole Walker, a.k.a. Ciara Walters, engaged in a conspiracy to commit bank fraud and to launder the resulting criminal proceeds, including fraudulently negotiating a District of Columbia government check in the amount of \$166,540.00 intended for a District vendor.

On August 24, 2017, Walker pled guilty to conspiracy to commit bank fraud and conspiracy to laundering of monetary instruments, in violation of 18 U.S.C. § 1349 and 18 U.S.C. § 1956(h). On September 17, 2021, Walker was sentenced to 5 years of supervised probation, a forfeiture money judgement in the amount of \$2,342,547.57, and ordered to pay \$200.00 in court assessment fees for defrauding the Department of Human Services (DHS) and members of the public.

From October 2017 through August 2018, Samson Afolabi, a member of the public, engaged in a conspiracy to commit bank fraud and to launder the resulting criminal proceeds. Specifically, Afolabi fraudulently obtained stolen checks intended for third-parties, established sham corporations and bank accounts in the name of the third-parties, and then deposited the stolen checks in bank accounts controlled by Afolabi and co-conspirators.

On March 25, 2021, Afolabi pled guilty to one count of conspiracy to launder monetary instruments, in violation of 18 U.S.C. § 1956(h). On September 30, 2021, Afolabi was sentenced to 3 years of supervised probation, a forfeiture money judgement in the amount

<sup>26</sup> Press Release, U.S. Dep't of Justice, Businessman Sentenced to 14 Months in Prison for Paying Bribes to Federal and D.C. Employee (Aug. 31, 2021), <https://www.justice.gov/usao-dc/pr/businessman-sentenced-14-months-prison-paying-bribes-federal-and-dc-employees>.

## ORGANIZATIONAL HIGHLIGHTS

of \$152,692.08, and ordered to pay a \$100 court assessment fee for defrauding DHS and members of the public. In addition, the court ordered Afolabi and co-defendant Kelvin Otunyo to pay restitution in the amount of \$73,804.57.

### ***A Member of the Public Sentenced for Fraud***

From June 7, 2014, through December 9, 2017, Anthony Hillard, a member of the public, submitted fraudulent claims to obtain unemployment compensation benefits from the Department of Employment Services (DOES).

On January 31, 2020, Mr. Hillard, pled guilty to one count of second-degree felony fraud. On September 21, 2021, Mr. Hillard was sentenced to ninety (90) days incarceration (suspended); 1-day supervised release (suspended); 1-year supervised probation; and ordered to pay \$100 to the Victims of Violent Crime Compensation Act fund for defrauding DOES. In addition, the court ordered Mr. Hillard to pay restitution in the amount of \$17,775.00.

### **Civil Referrals**

When the USAO declines prosecution in a criminal investigation, IU can request the OAG pursue civil recoupment of improperly received funds.

#### ***Former District Government Employee Improperly Received Compensation***

In FY 2021, IU referred an investigation to the OAG Civil Enforcement Section for civil recoupment action against a former District government employee who received compensation from the District of Columbia Public Schools (DCPS). The OIG received an investigative report from DCPS that the DCPS employee engaged in outside employment which conflicted with his official government duties and responsibilities, interfered with his regular working hours, and used government time for other than official business/government approved activities. Specifically, from July 22, 2020, to November 30, 2020, the DCPS employee was employed as an assistant principal for DCPS while simultaneously employed as a principal for the Providence Public Schools. As a result of his actions, the DCPS employee improperly received compensation from DCPS totaling \$45,828.00. DCPS terminated the employee.

#### ***Former District Government Employee Improperly Received Paid Family Leave Hours***

In FY 2021, IU referred an investigation to the OAG Civil Enforcement Section for civil recoupment action against a former District government employee who received Paid Family Leave (PFL) hours while employed at the Department of Youth Rehabilitation Services (DYRS). The OIG investigation revealed that the DYRS employee applied for PFL and was approved to receive 320 hours. The DYRS employee submitted false information to DYRS, indicating that his father needed care and treatment for cancer; however, OIG investigators determined that the medical facility the DYRS employee identified as providing the treatment does not provide cancer treatment. OIG

## ORGANIZATIONAL HIGHLIGHTS

investigators also determined that the DYRS employee forged the signature of a nurse practitioner to certify the medical condition on the PFL application. The DYRS employee used all the PFL hours from April 20, 2018, to July 7, 2018. As a result of his actions, the DYRS employee improperly received PFL benefits totaling \$7,860.92. On June 2, 2021, the OIG also referred this matter to the Board of Ethics and Government Accountability.

### *Members of the Public Improperly Received District Government Benefits*

In FY 2021, IU referred two investigations to the OAG Civil Enforcement Section for civil recoupment action against four (4) members of the public who improperly received unemployment insurance (UI) compensation benefits from DOES. The OIG investigations revealed that the members of the public applied for and received UI benefits to which they were not entitled. The investigations found that the individuals submitted false unemployment claims to DOES indicating they were unemployed, when in actuality they were employed. As a result of their actions, the members of the public improperly received UI benefits totaling \$14,412.00; \$22,989.00; \$25,863.00; and \$46,723.00, respectively.

### **Medicaid Fraud Control Unit**

The OIG's Medicaid Fraud Control Unit (MFCU) is the single identifiable entity within the District of Columbia responsible for investigating and prosecuting (i.e., referring for prosecution) healthcare providers that defraud the Medicaid program. In addition to provider fraud, MFCU also investigates misuse of patient funds and criminal abuse and neglect of persons who reside in Medicaid-funded healthcare facilities (such as hospitals, nursing homes, and residences for adults with cognitive disabilities or mental illness). On December 27, 2020, the MFCU's authority to investigate abuse and neglect was expanded to include persons who are receiving Medicaid in noninstitutional or other settings. The HHS-OIG annually recertifies MFCU and exercises oversight over its performance and compliance with federal requirements. See **Appendix F** for MFCU's organizational chart and structure.

### **Progress and Performance**

MFCU received 1,636 referrals ranging from reports of changes in the condition of nursing home residents to allegations of serious assaults and provider fraud. The overwhelming majority (1,569) pertained to patient abuse, neglect, or financial exploitation; 43 referrals were sufficient to open an investigation. Meanwhile, 67 referrals alleged Medicaid fraud, leading MFCU to open 38 investigations. MFCU received \$1,783,108 in recoveries from 10 global civil settlements for the District.

## ORGANIZATIONAL HIGHLIGHTS

MFCU's current open cases include criminal fraud and civil investigations. MFCU also monitors hundreds of *qui tam* cases<sup>27</sup> and makes determinations along with the OAG as to whether to intervene. As of September 2021, MFCU was monitoring approximately 302 *qui tam* cases. Table 9 summarizes MFCU's FY 2021 performance data.

Table 9. Summary of MFCU FY 2021 Performance Data

<b>Medicaid Fraud Control Unit Activities</b>	
Total Financial Recoveries	\$12,816,226
Criminal Recoveries	\$1,594,645
Global Civil Case Monetary Recoveries	\$1,783,108
Criminal and Civil Collections	\$9,438,473
Referrals to MFCU	1,636
Investigative Activities	
Fraud Investigations Opened	38
Abuse, Neglect, or Exploitation Investigations Opened	43
Fraud Investigations Closed	63
Abuse, Neglect, or Exploitation Investigations Closed	37
Cases Presented to the USAO for Prosecution	13
Cases Accepted by the USAO for Prosecution	13
Criminal Convictions/Indicted/Charged	13
Subpoenas Served	15
Civil Referrals to the D.C. Office of the Attorney General	0
Referrals Accepted by D.C. Office of the Attorney General	0
Resolutions by D.C. Office of the Attorney General	1
Global and Non-Global Civil Dispositions	10
Referrals to District Agencies	10
Search Warrants	2

In FY 2021, MFCU staff participated in six presentations, one at a national program integrity conference and the others to local entities, to heighten public awareness of the OIG and MFCU. MFCU participated in monthly meetings with the Department of Health Care Finance (DHCF) and several other external partners which have an organizational interest in preventing and deterring healthcare fraud. These include the FBI, USAO, other Offices of Inspectors General, Managed Care Organizations, the Department on Disability Services, and the District of Columbia Department of Aging and Community Living.

In addition, MFCU participated in weekly meetings with the District's Long-Term Care Ombudsman and the Health Regulation and Licensing Administration of the District's Department of Health to share information and referrals regarding the abuse, neglect, and financial exploitation of District residents living in long-term care facilities such as nursing homes, assisted living and community residents.

<sup>27</sup> *Qui tam* cases are lawsuits filed by private entities under the federal, state, and local False Claims Acts on behalf of governments including the District.

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### Significant Projects

MFCU conducted the following types of investigations in FY 2021:

- Criminal Health Care Investigations
- Civil Health Care Investigations
- Criminal Abuse, Neglect, and Financial Exploitation Investigations

Summaries of selected FY 2021 investigative activities in MFCU are detailed below. See **Appendix L** for a list of selected MFCU's FY 2021 outcomes available on the OIG website.

### Criminal Health Care Investigations

#### *Charlotte Besumbu Etongwe*

On September 9, 2020, Charlotte Besumbu Etongwe, a home health aide, pled guilty to one count of Health Care Fraud (18 U.S.C. § 1347). As part of her plea agreement, Etongwe admitted to submitting false timesheets to various home health agencies alleging that she had worked 22 hours or more in 1 day. She also admitted to filing false timesheets showing that she worked overlapping hours, that is, allegedly providing services for different people at the same time. In these ways and others, Etongwe caused the Medicaid program to issue payments for services not rendered. On May 17, 2021, Etongwe was sentenced to 60 months of supervised probation and ordered to perform 100 hours of community service, with a restitution amount of \$358,970.00, forfeiture in the amount of \$92,426.00, and a fine of \$100. The OIG has requested that Etongwe be excluded from participation in all federal health care programs for 5 years.

#### *Janet Olatimbo Akindipe*

On October 1, 2020, Janet Olatimbo Akindipe, a home health aide and a National Institutes of Health (NIH) employee, pled guilty to one count of Health Care Fraud (18 U.S.C. § 1347). As part of her plea agreement, Akindipe admitted to submitting false timesheets to various home health agencies alleging that she had worked 24 hours or more in 1 day. She also admitted to filing timesheets showing that she provided services to Medicaid beneficiaries when, in fact, she was traveling outside of the country or working at NIH. In these ways and others, Akindipe caused the Medicaid program to issue payments for services not rendered. On January 22, 2021, Akindipe was sentenced to 13 months in prison and 36 months of supervised probation with a restitution amount of \$269,808.00, forfeiture in the amount of \$119,773.00, and a fine of \$100. The OIG has requested that Akindipe be excluded from participation in all federal health care programs for 5 years.

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### *Folashade Adufe Horne*

On February 17, 2021, Folashade Adufe Horne, a home health aide and Howard University Hospital (HUH) employee, pled guilty to one count of Health Care Fraud (18 U.S.C. § 1347). As part of her plea agreement, Horne admitted to submitting false timesheets to various home health agencies alleging that she had worked 24 hours or more in 1 day. She also admitted to filing timesheets showing that she provided services to Medicaid beneficiaries when, in fact, she was traveling outside of the country or working at HUH. In these ways and others, Horne caused the Medicaid program to issue payments for services not rendered. On May 12, 2021, Horne was sentenced to 13 months in prison and 36 months of supervised probation with a restitution amount of \$373,564.00, forfeiture in the amount of \$267,567.00, and a fine of \$100. The OIG has requested that Horne be excluded from participation in all federal health care programs for 5 years.

### **Civil Health Care Investigations**

#### *Kimberly Renee West*

On December 8, 2020, Kimberly Renee West, a Direct Support Professional for individuals with intellectual and developmental disabilities, entered into a Deferred Sentencing Agreement (Agreement) and pled guilty to one count of Financial Exploitation of a Vulnerable Adult or Elderly Person (D.C. Code § 22-933.01(a)(3)). Sentencing was deferred. Under the Agreement, West agreed to perform 48 hours of verified community service in the District within 6 months and to pay restitution to the victim in the amount of \$237.09. The OIG has requested that West be excluded from participation in all federal health care programs for 3 years.



## ORGANIZATIONAL HIGHLIGHTS

### ENABLING MISSION AREAS

This section presents the roles, responsibilities, and FY 2021 accomplishments of the OIG's organizational components supporting its core mission areas. The section also presents significant hearings, testimonies, external awards, and meetings with oversight bodies that occurred during the reporting period.

#### Risk Assessment and Future Planning Division

The Risk Assessment and Future Planning Division (RAFP) consists of the Hotline Program and the Data Analysis Unit (DAU). RAFP is the focal point of the OIG's Strategic Goal to *proactively identify and reduce vulnerabilities that could lead to corruption, fraud, waste, abuse, and mismanagement that impacts the District of Columbia*. RAFP works across OIG operational units to provide a unified view of District operations; identify and prioritize risks; assist in identifying audits, inspections, and investigations; and to eliminate duplicative efforts and provide focus for the OIG's limited resources.

##### Hotline Program

The OIG Hotline Program serves as the single point for intake and initial analysis of allegations of corruption, fraud, waste, abuse, and mismanagement within District government operations and programs. The Hotline Program receives allegations from multiple sources, to include phone calls, email, fax, postal mail, and walk-in complaints. The Hotline Program also reviews and analyzes all allegations to determine the appropriate actions to take for resolution.

During FY 2021, the Hotline Program received 715 complaints, referred 74 complaints to other District or federal agencies, assisted 425 complainants with the proper avenue of redress to remedy their issues, and recommended 58 complaints for investigation or inclusion in the OIG's *FY 2022 Audit and Inspection Plan*. During this period, the Hotline Program determined a course of action within 10 days of receipt of a complaint 97 percent of the time, improving on the previous year's performance and meeting RAFP's FY 2021 performance goal.

##### Data Analysis Unit (DAU)

The DAU is the primary data analytics operation for the OIG, with a mission to provide analytical case support to ongoing investigations, audits, and inspections and to proactively identify risk and instances of corruption, fraud, waste, abuse, and mismanagement throughout the District government.

During FY 2021, the DAU provided analytical case support for 24 OIG investigations, identified risk areas throughout the District government in support of the OIG Risk

## ORGANIZATIONAL HIGHLIGHTS

Committee,<sup>28</sup> and completed 13 proactive projects with 38 percent leading to the initiation of an investigation, audit, or inspection.

### Quality Management Division

The Quality Management Division (QM) ensures that agency operations are:

- Adhering to internal control policies, procedures, and standards.
- Complying with professional and quality standards of performance.
- Carried out economically, efficiently, and effectively.

In supporting the OIG's mission, QM employs a systematic process of: (1) involving all OIG employees in innovation, customer satisfaction, and continual improvement of work processes, products, and services to ensure the OIG's long-term success; (2) maximizing the efficiency, effectiveness, transparency, and accountability of OIG operations to maintain the desired level of excellence; (3) ensuring OIG work processes provide timely, high-quality products that promote improvement in District government programs and operations; (4) collaborating with all divisions to define, track, and report performance measures for each strategic objective; (5) implementing an effective visual performance metrics dashboard to facilitate data-driven, fact-based decision-making; (6) coordinating peer reviews for the Audit, Inspections and Evaluations, and Investigations Units to provide a formal, objective assessment of their operations; and (7) conducting benchmarking studies to determine how the Audit, Inspections and Evaluations, and Investigations Units compare to those of other OIGs.

QM develops and utilizes best practices for government oversight to ensure:

- The OIG budget is linked to the agency's strategic goals and objectives.
- OIG resources are targeted to address high-risk areas identified by RAFF.
- High-quality products and services are delivered to OIG stakeholders.
- Stakeholder feedback on the quality of OIG products is obtained and used for continual improvement.
- The best employees are recruited, trained, retained, and motivated.

QM accomplished the following in FY 2021:

- Issued 7 quality assurance reports with 79 recommendations for improvement to the Operations Division's units and a 97 percent acceptance rate.
- Reviewed 18 reports and documents for compliance with quality standards prior to distribution to external parties.

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<sup>28</sup> The OIG Risk Committee, consisting of RAFF and Operations Units, prepares the OIG's Annual Audit and Inspection Plan and conducts a systemic review and evaluates risks to the District. These risks are identified through an iterative process that includes: feedback received from elected officials; survey responses from District agency leaders and Council staff; a comprehensive review of District agency budget and performance information; analysis of OIG hotline contacts; and coordination with other District oversight practitioners.

## ORGANIZATIONAL HIGHLIGHTS

- Collected, analyzed, and disseminated a monthly key performance indicators (KPIs) and workload measures (WLMs) tracker to OIG divisions and units for internal and external reporting purposes.
- Coordinated the implementation of Phase I of the OIG's *Enterprise Risk Management* (ERM) framework as a part of the agency-wide Organizational Performance Excellence (OPEX).
- Refined a District-wide Internal Control Assessment Program (ICAP) and related tools to enable District agencies to proactively assess and address issues in their internal control systems. ICAP helps ensure internal controls are adequately designed and operating effectively to prevent and detect corruption, fraud, waste, abuse, and mismanagement in District operations and programs.

### Business Management Division

The Business Management Division (BM) ensures all OIG operational divisions and units have the tools needed to prevent and detect corruption, mismanagement, waste, fraud, and abuse, while ensuring that District rules and regulations are followed. BM helps facilitate agency-wide initiatives in these ways:

- Providing safe and secure working environments.
- Providing necessary tools for staff to accomplish OIG's goals.
- Recruiting highly qualified and motivated staff.
- Providing high-quality administrative support services to all OIG components.
- Ensuring the OIG engages with the media, community, and other external stakeholders.
- Ensuring the OIG budget is linked to strategic goals and objectives, and followed per District rules and regulations.
- Ensuring all OIG staff members have the technology needed to complete their mission and goals in the most effective and efficient manner.
- Ensuring all records for the OIG are maintained, archived, and destroyed in accordance with its approved records retention schedule.

BM facilitated these initiatives in FY 2021:

### COVID Pandemic Response

As the COVID pandemic continued through most of this fiscal year, BM played a major role responding to the pandemic in a systematic way. Additionally, when the District initialized its Return to Work program, BM worked to enable OIG staff to return to in-person work effectively, efficiently, and safely.

BM continued to do the following for the OIG:

- Hosted table-top continuity of operations (COOP) exercises for the leadership team.

## ORGANIZATIONAL HIGHLIGHTS

- Completed the Executive Office of Mayor (EOM) return to work readiness preparations and safety checks.
- Hosted Live Chats twice a week to ensure the OIG staff could ask and have questions answered in real time, regarding the OIG's response and work during the pandemic.
- Published a weekly staff newsletter focused on COVID related data and issues.

### Strategic Public Relations and Communication

The OIG's Strategic Public Relations and Marketing Plan has two goals:

1. Increase customers using OIG services.
2. Enhance OIG's reputation through strategic public relations campaigns to shape the way customers think of our work.

During FY 2021, the OIG began the following initiatives in furtherance of these goals:

- Developed training videos on the OIG's mission and purpose for the following customer groups: residents/taxpayers, media, vendors, and District focus groups.
- Transformed the OIG website to improve content, usability and access.
- Received approval from OCA and DCHR to host an annual online District-wide training for all employees.

Additionally, the OIG looked for innovative ways to continue its outreach initiatives given the COVID pandemic.

### Facility Relocation

In FY 2018, the OIG began work, in collaboration with the Department of General Services (DGS), to move its facility to a more conducive space for its law enforcement mission. That initiative continued successfully this year, and the OIG and DGS completed a lease for the OIG at 100 M Street, S.E. The OIG also completed a full architectural design, AV design, IT design, and furniture selection for a projected move date of March 2022.

### Significant Hearings and Testimonies

The Inspector General (IG) testified at the following hearings in FY 2021:

On July 14, 2021, the IG testified before the Committee on Government Operations and Facilities during its Public Oversight Roundtable on Emergency Procurements During the Public Health Emergency.

On July 14, 2021, the IG testified before the Committee on Government Operations and Facilities during its Public Hearing on Bill 24-0129, the "Inspector General Enhancement

## ORGANIZATIONAL HIGHLIGHTS

**Act of 2021.”** In FY 2021, the OIG worked with the Mayor and Council Chairman to introduce legislation that, when enacted, would bring OIG criminal investigator law enforcement authorities in congruence with the OIG’s independent criminal investigative mission. As of the date of this report, [Bill 24-0129](#) is undergoing Council review.

On June 16, 2021, the IG testified before the Committee on Government Operations and Facilities during its Budget Oversight Hearing on the OIG’s FY 2022 Budget.

On February 25, 2021, the IG testified before the Committee on Government Operations and Facilities during its Performance Oversight Hearing on the OIG’s FY 2020 Performance.

On February 3, 2021, the IG testified before the Committee of the Whole during its Public Oversight Hearing on the FY 2020 Annual Comprehensive Financial Report (ACFR) formerly referred to the Comprehensive Annual Financial Report.

### Significant Meetings with Oversight Bodies

- The IG met quarterly with the Mayor, Council Chairman, City Administrator, and the Attorney General. During those meetings, the IG provided District leaders with an overview of ongoing projects, solicited feedback on future projects, and discussed any other matters of interest.
- The OIG and BEGA leaders met to discuss matters of mutual interest and resolve any oversight overlap. District employees are required to “immediately and directly report credible violations of the District Code of Conduct and violations of [Chapter 18 of the District Personnel Manual (DPM)]” to BEGA, the OIG, or both.<sup>29</sup>

### Knowledge Management Infrastructure

During FY 2021, the OIG continued its efforts to build a knowledge management infrastructure to store and enhance accessibility to OIG information, policies, procedures and governance tools in a secure framework to ensure knowledge is shared freely throughout the agency. In concert with this effort, the OIG began to explore incorporating District enterprise datasets into its secure infrastructure in order to allow OIG staff to query and perform analytics to proactively identify corruption, fraud, waste, abuse, and mismanagement. While this effort continues into FY 2022, the OIG is making significant strides to leverage both internal OIG data as well as District agency data to allow the OIG to leverage its finite resources to provide the greatest amount of oversight to District programs and operations.

### Triennial Peer Review

The OIG is required to undergo a peer review by an entity not affiliated with the OIG of its standards, policies, procedures, operations, and quality controls, no less than once every three years. The OIG’s Audit Unit, Inspections and Evaluations Unit, and the Investigations Unit are

<sup>29</sup> DIST. OF COLUMBIA DEP’T OF HUMAN RESOURCES, ELECTRONIC DISTRICT PERSONNEL MANUAL (DPM) § 1801.1, <https://edpm.dc.gov/> (last visited Nov. 17, 2021).

## ORGANIZATIONAL HIGHLIGHTS

evaluated against standards promulgated by GAO Government Auditing Standards and the CIGIE Quality Standards.

The OIG underwent its last peer review in August 2018. A copy of the OIG's 2018 Peer Review Opinion, issued by the Association of Inspectors General (AIG), may be found in OIG's Fiscal Year 2018 Report on Activities.

In FY 2021, the OIG initiated the planning for its next peer review. However, due to impacts of the COVID-19 pandemic, standards promulgated by GAO and CIGIE adjusted the triennial peer-review requirements. As a result, the OIG's will undergo its next peer review by the AIG in calendar year 2022.

## APPENDICES

### Appendix A. Selected OIG Statutory Requirements

D.C. Code § 1-301.115a(f-2) requires the OIG to prepare an annual report, by December 1<sup>st</sup> each year, summarizing its activities during the preceding fiscal year. This legislation also outlines the OIG's purpose and specific responsibilities.

#### PURPOSE

- Section (a-1)(1) “Conduct and supervise audits, inspections[,], and investigations relating to the programs and operations of District government departments and agencies, including independent agencies;”
- Section (a-1)(2) “Provide leadership and coordinate and recommend policies for activities designed to promote economy, efficiency, and effectiveness and to prevent and detect corruption, mismanagement, waste, fraud, and abuse in District government programs and operations . . .”
- Section (a-1)(3) “Provide a means for keeping the Mayor, Council, and District government department and agency heads fully and currently informed about problems and deficiencies relating to the administration of these programs and operations and the necessity for and progress of corrective actions.”

#### RESPONSIBILITIES

- Section (a)(3)(A) “Conduct independent fiscal and management audits of District government operations; ”
- Section (a)(3)(C) “Serve as principal liaison between the District government and the U.S. [Government Accountability] Office; ”
- Section (a)(3)(D) “Independently conduct audits, inspections, assignments, and investigations [requested by the Mayor] . . . and any other audits, inspections[,], and investigations [deemed] necessary or desirable in the Inspector General's judgment;”
- Section (a)(3)(E) “Annually conduct an operational audit of all procurement activities carried out pursuant to this chapter . . .;”
- Section (a)(3)(F)(i) “Forward to the appropriate authority any report, as a result of any audit, inspection[,], or investigation conducted by the office, identifying misconduct or unethical behavior . . .”
- Section (a)(3)(F)(ii) “Forward to the Mayor, within a reasonable time of reporting evidence of criminal wrongdoing to the Office of the U.S. Attorney or other law enforcement office, any report regarding the evidence, if appropriate; ”

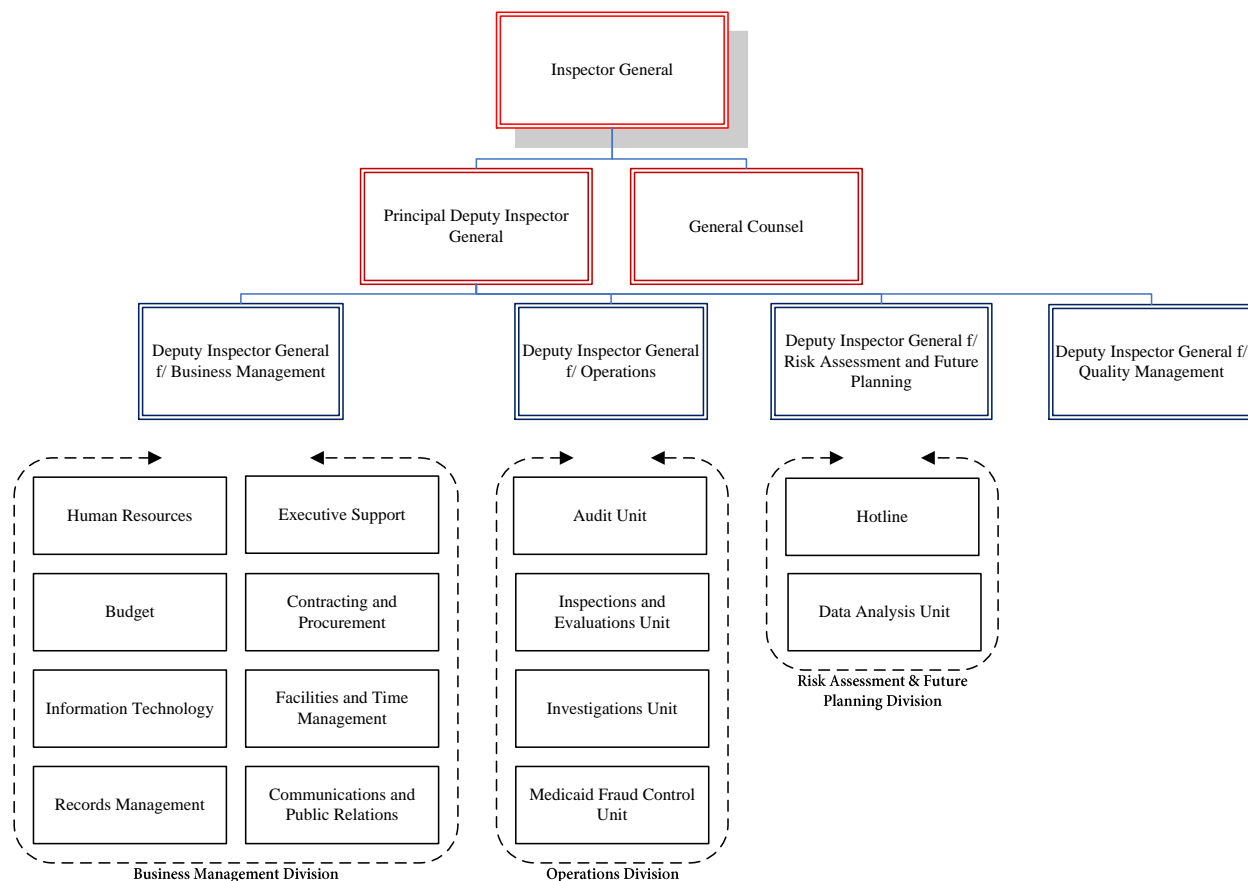


## APPENDICES

- Section (a)(3)(H) “Pursuant to a contract described in [Section (a)(4) of this subsection], audit the complete financial statement and report on the activities of the District government for [the] fiscal year . . .”
- Section (a)(3)(I) “Not later than 30 days before the beginning of each fiscal year . . . and in consultation with the Mayor, the Council, and the Authority, establish an annual plan for audits to be conducted . . . during the fiscal year . . .”
- Section (a)(3)(J) “[C]onduct investigations to determine the accuracy of certifications made to the Chief Financial Officer . . . of attorneys in special education cases brought under the Individuals with Disabilities Education Act in the District of Columbia.”
- Section (a)(4)(A) “[E]nter into a contract with an auditor who is not an officer or employee of the [OIG] to . . . [a]udit the financial statement and report described in paragraph (3)(H) . . . for [the] fiscal year . . .”
- Sections (d)(1) & (2) “[C]ompile for submission to the . . . Mayor and the Council . . . at least once every fiscal year, a report setting forth the scope of the Inspector General’s operational audit, and a summary of all findings and determinations made as a result of the findings. [The report shall include] any comments and information necessary to keep . . . the Mayor and the Council informed of the adequacy and effectiveness of procurement operations, the integrity of the procurement process, and adherence to provisions of this chapter.”
- Section (f) “[R]eport expeditiously to the Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of Federal or District criminal law.”
- Section (f-5) “A peer review of the [OIG’s] audit, inspection[,] and investigation sections’ standards, policies, procedures, operations, and quality controls shall be performed no less than once every 3 years by an entity not affiliated with the [OIG]. Any final report shall be distributed to the Mayor [and] the Council . . .”

## APPENDICES

### Appendix B. OIG Organizational Chart and Structure

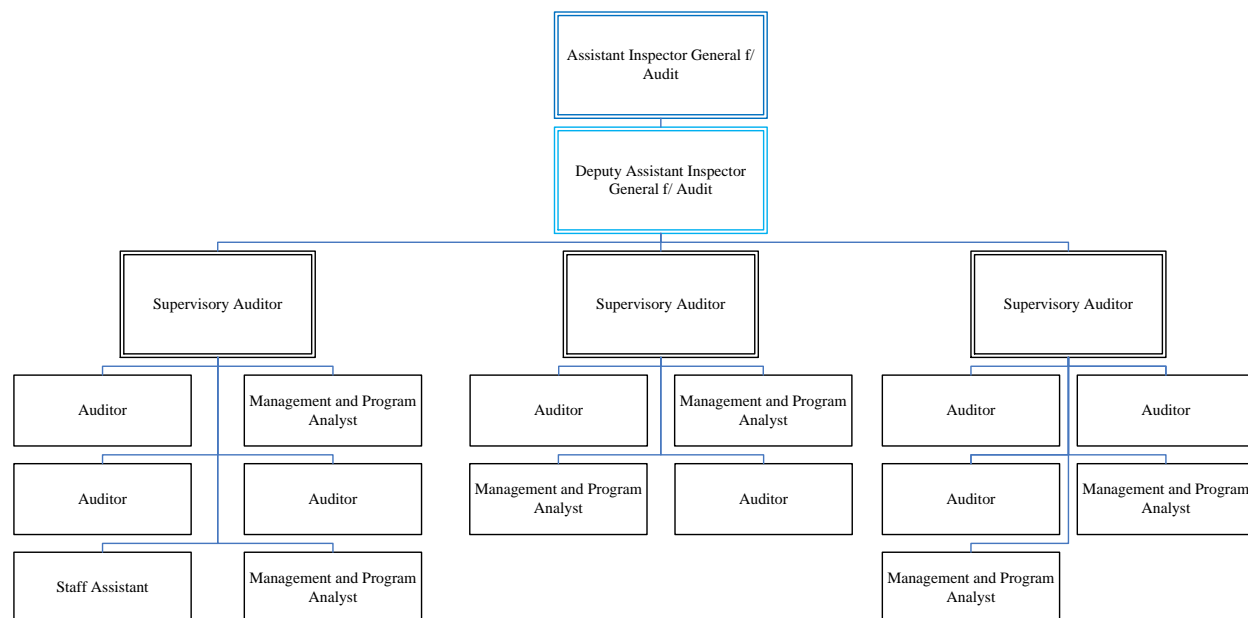


### Organizational Structure

The OIG is led by the Inspector General, who is immediately supported by the Principal Deputy Inspector General and the General Counsel. The Principal Deputy Inspector General oversees the day-to-day operations of the OIG and provides leadership and direction to the OIG's four Deputy Inspectors General. The Deputy Inspectors General each lead a specific division, which comprise the system by which the OIG has been arranged to execute its mission. The General Counsel oversees the Office of the General Counsel and provides leadership and direction to the OIG's Deputy and Associate General Counsel.

## APPENDICES

### Appendix C. Audit Unit Organizational Chart and Structure

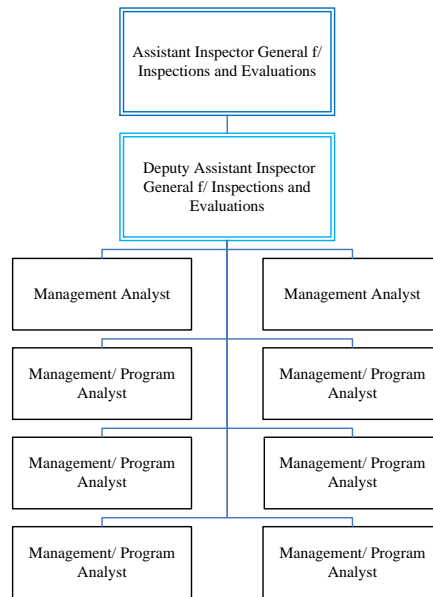


#### Organizational Structure

The Assistant Inspector General for Audits (AIGA), the Deputy Assistant Inspector General for Audits (DAIGA), and three Supervisory Auditors manage the AU. The AIGA sets policy; the DAIGA provides leadership and direction for AU; and Supervisory Auditors supervise the day-to-day projects and activities of audit staff. Organization for branch staffing is according to tactical operational needs, which gives AU the flexibility to respond to unexpected requests while matching staff and projects based on need.

## APPENDICES

### Appendix D. Inspections & Evaluations Unit Organizational Chart and Structure

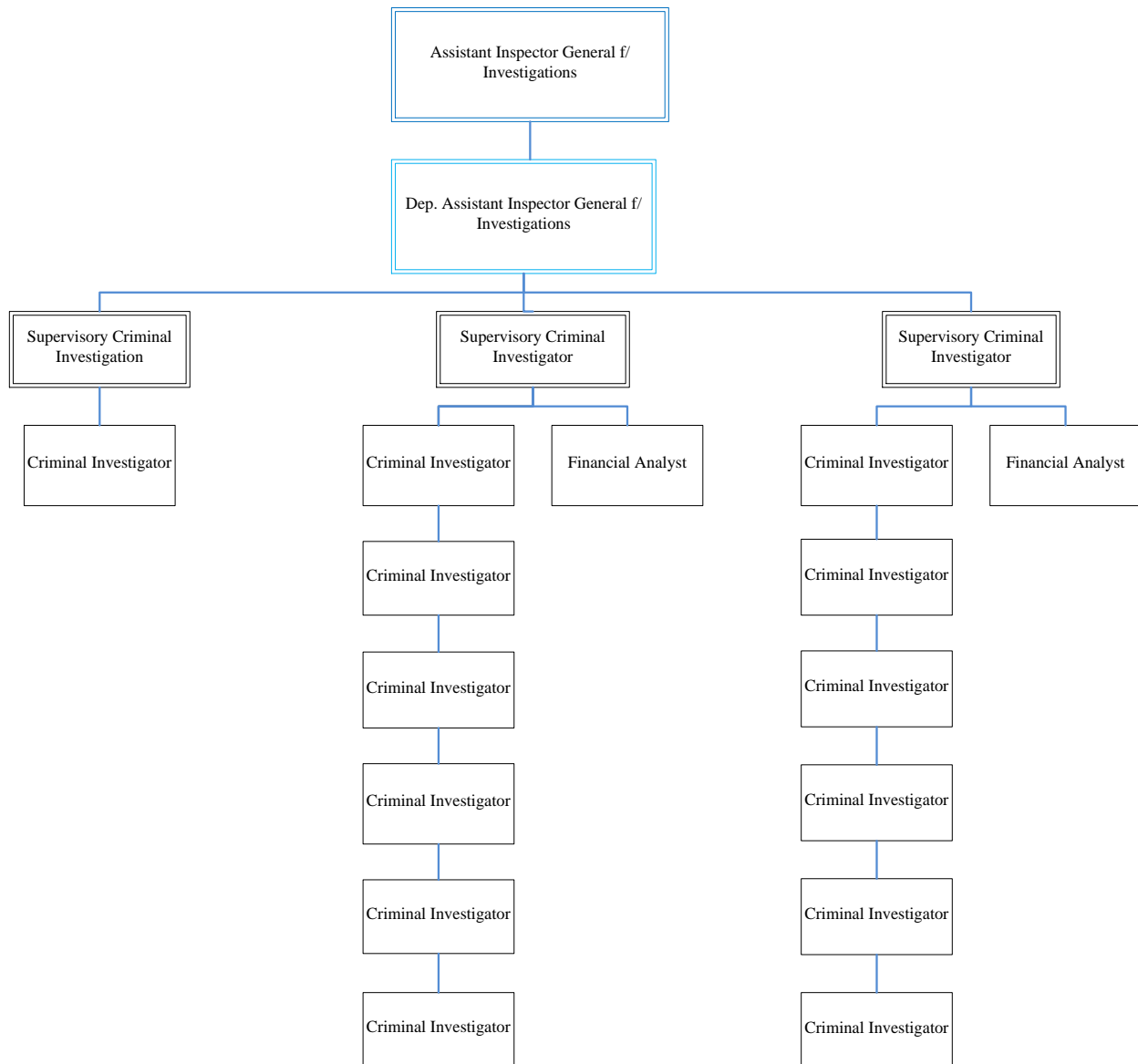


#### Organizational Structure

I&E is managed by the Assistant Inspector General for Inspections and Evaluations (AIGIE), and the Deputy Assistant Inspector General for Inspections and Evaluations (DAIGIE). The AIGIE sets policy and project priorities and provides leadership and direction to the unit. The DAIGIE manages the unit's day-to-day operations and administrative activities, coordinates management analysts' project activities, identifies and delivers professional development opportunities, and monitors and evaluates each analyst's performance.

## APPENDICES

### Appendix E. Investigations Unit Organizational Chart and Structure

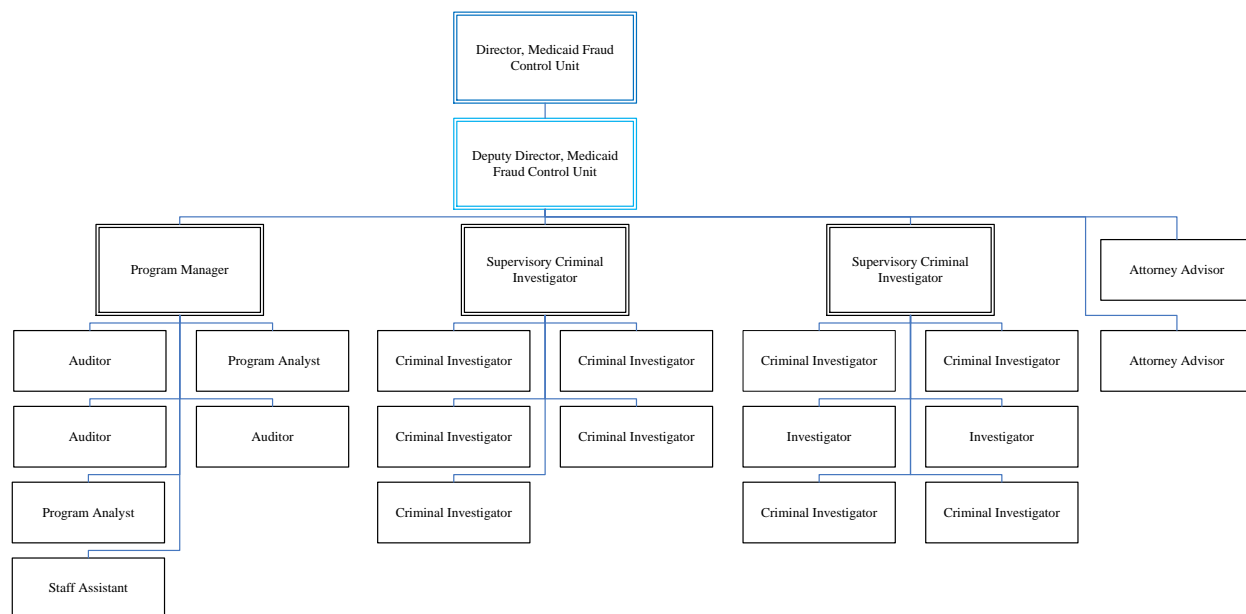


#### Organizational Structure

The Assistant Inspector General for Investigations (AIGI), the Deputy Assistant Inspector General for Investigations (DAIGI), and three Supervisory Special Agents (SSAs) manage IU. The AIGI sets policy and provides leadership for the unit. The DAIGI supervises the Supervisory Special Agents, estimates workloads, and outlines anticipated problems to be resolved and investigative objectives. SSAs supervise criminal investigators' day-to-day activities.

## APPENDICES

### Appendix F. Medicaid Fraud Control Unit Organizational Chart and Structure



#### Organizational Structure

The Director, Deputy Director, two Supervisory Special Agents (SSAs), and a Supervisor Program Manager manage MFCU. The Director provides leadership and direction for the Unit, including establishing the Unit's goals and operational policies under the OIG's strategic framework. The Deputy Director supervises the Unit's two SSAs, Program Manager, and two attorney-advisors. The two MFCU attorney-advisors are designated as Special Assistant United States Attorneys (SAUSAs).<sup>30</sup> The SSAs oversee the day-to-day activities of two investigative teams, and the Program Manager supervises the team composed of auditors, program analysts, and a staff assistant.

<sup>30</sup> MFCU SAUSAs, working within the United States Attorney's Office for the District of Columbia's Superior Court Section, prosecute selected MFCU cases under the OIG's authority found in D.C. Code § 4-804(b).

## APPENDICES

### Appendix G. Audit Unit Reports and Recommendations (In-House)

Agency	Title	Report Date	Recommendations Made	Recommendations Accepted	Potential Monetary Benefits
DGS, OCFO	Audit of the West End Library and Fire Station Maintenance Fund	November 19, 2020	7	7	\$169,001
OCP	Close Out Letter: Audit of the District Procurement During the COVID-19 Public Health Emergency	May 12, 2021	6 <sup>31</sup>	n/a	\$0
DOC	DOC's Current Procedures for Receiving, Investigating and Resolving Use of Force Incidents are Not Operating Effectively	July 26, 2021	11	11	\$0
OAG, OCFO	Audit of the Attorney General Restitution Fund Income and Expenditures for the Period October 1, 2019, through September 30, 2020	August 2, 2021	n/a	n/a	\$0
DGS, OCFO	Audit of the West End Library and Fire Station Maintenance Fund Activities for the Year Ending September 30, 2020	September 16, 2021	n/a	n/a	\$0
DHCD	DHCD Did Not Effectively and Efficiently Use the Housing Production Trust Fund to Produce Affordable Housing Units for Extremely Low-Income Households	September 30, 2021	20	12	\$26,866,528
DCHR	DCHR Designed Controls Over Employee Benefits but Certain Controls Were Not Operating Effectively	September 30, 2021	27	26	\$0

**Note 1:** In addition to the above reports, on September 30, 2021, the OIG issued one written product for both AU and I&E recommendation follow-up work, entitled the *FY 2021 OIG Recommendation Follow-up Report*.

**Note 2:** In FY 2020, the OIG issued its report entitled *Prime Contractor for the Streetcar Program Billed and Received \$5.2 Million in Improper Payments from the District*, on September 23, 2020. In FY 2021, following the report's release, the OIG worked with representatives from DDOT to better understand the initial report's recommendations. DDOT revised its agreement with the report's recommendations, and the OIG subsequently memorialized *DDOT's Revised Response to OIG Report No. 19-2-22KA* on November 5, 2020.

<sup>31</sup> The close-out letter did not request management's response and is omitted from AU activity calculations.



## APPENDICES

### Appendix H. Audit Unit Reports and Recommendations (Contract)

Agency	Title	Report Date	Recommendations Made	Recommendations Accepted
DHCD	Home Purchase Assistance Program Fund (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
OUC	District of Columbia E911/E311 Fund Financial Statements (Together With Independent Auditor's Report) for Fiscal Years End September 30, 2020 and 2019	January 29, 2021	n/a	n/a
Green Finance Authority	District of Columbia Green Finance Authority Financial Statements (Together With Reports of Independent Public Accountants) for Fiscal Year Ended September 30, 2020	January 29, 2021	n/a	n/a
OCFO	District of Columbia 401(a) Defined Contribution Plan Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
OCFO	District of Columbia 457(b) Deferred Compensation Plan Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
OCFO	The District of Columbia's Comprehensive Annual Financial Report, Report of Independent Public Accountants for Year Ended September 30, 2020	January 29, 2021	n/a	n/a
OCFO	District of Columbia Management Recommendations Report for Fiscal Year (FY) 2020	January 29, 2021	16	16
UDC	University of the District of Columbia Basic Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
UDC	University of the District of Columbia Management Recommendations Report for Fiscal Year (FY) 2020	January 29, 2021	2	2

**APPENDICES**

Agency	Title	Report Date	Recommendations Made	Recommendations Accepted
UMC	Not-For-Profit Hospital Corporation United Medical Center Financial Statements (With Independent Auditor's Report) For Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
UMC	Not-For-Profit Hospital Corporation United Medical Center Management Recommendations Report for Fiscal Year (FY) 2020	January 29, 2021	6	6
Events DC	Washington Convention and Sports Authority T/A Events DC Financial Statements (Together with Independent Auditor's Report) For Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
Events DC	Washington Convention and Sports Authority Best Practice Recommendation Report for Fiscal Year (FY) 2020	January 29, 2021	1	1
HBX	District of Columbia Health Benefit Exchange Authority Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DC Lottery	Office of Lottery and Gaming Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DCHA	Housing Finance Authority Agency Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
OCFO	Tobacco Settlement Financing Corporation Financial Statements (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DOES	Unemployment Compensation Fund Financial Statements (Together With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a

**APPENDICES**

<b>Agency</b>	<b>Title</b>	<b>Report Date</b>	<b>Recommendations Made</b>	<b>Recommendations Accepted</b>
OCFO	District of Columbia Other Post-Employment Benefits Fund Financial Statements (Together With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DDOT	District of Columbia Highway Trust Fund Financial Statements (Together With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DCRB	District of Columbia Teachers' Retirement Fund and Police Officers and Fire Fighters' Retirement Fund Financial Statements and Schedules (With Independent Auditor's Report) for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	n/a	n/a
DCRB	Teachers' Retirement Fund and Police Officers and Firefighters' Retirement Fund Compliance Report Under Government Auditing Standards (with Independent Auditor's Report thereon) for Fiscal Year Ended September 30, 2020	January 29, 2021	3	3
OCFO	District of Columbia 529 College Savings Program Trust Participant and Administrative Funds Financial Statements Management Discussion and Analysis for Fiscal Years Ended September 30, 2020 and 2019	January 29, 2021	0	0
DDOT	District of Columbia's Highway Trust Fund: Report on the Examination of the Forecasted Statements of Estimated Funding and Uses Together with Independent Accountant's Report for Fiscal Years 2021-2025 With Actual Audited Figures for Fiscal Year 2020	April 8, 2021	0	0

## APPENDICES

### Appendix I. Inspections & Evaluations Unit Reports and Recommendations

Agency	Title	Report Date	Recommendations	Recommendations Accepted	Potential Monetary Benefits
OSSE, DCPS	<a href="#">Evaluation of Compliance with the Healthy Schools Act Health Education Requirements</a>	November 23, 2020	12	8	\$0
OSSE, DHS	<a href="#">Inspection of the Child Care Subsidy Voucher Program</a>	February 8, 2021	6	6	\$0
OSSE	<a href="#">Assessment of OSSE's Oversight of Local Education Agencies' and Community-Based Organization's Residency Verification Processes for Preschool and Prekindergarten Education Programs</a>	May 19, 2021	0	0	\$0
DBH, OCP	<a href="#">Evaluation of Contracting Procedures</a>	July 7, 2021	12	9	\$0
DBH, DC Health	<a href="#">Evaluation of the District of Columbia's Opioid Crisis Response Program</a>	September 2, 2021	10	9	\$0

**Note:** In addition to the above reports, on September 30, 2021, the OIG issued one written product for both AU and I&E recommendation follow-up work, entitled the [FY 2021 OIG Recommendation Follow-up Report](#).

## APPENDICES

### Appendix J. OIG Management Alert Reports and Management Implication Reports

The OIG issues management alert reports (MARs) to inform a specific agency's management of a matter that surfaced during the OIG's work (audit, inspection, evaluation, or investigation) that requires immediate attention. MARs are one of the ways in which the OIG keeps District leaders fully and currently informed about problems and deficiencies related to their programs and operations.<sup>32</sup> Due to the sensitive nature of the matters, MARs are not made public.

Agency	Subject	Matters Discussed	Date Issued
DCRB	Management Alert Report (MAR) 21-OPS-001 – Oversight and Management of the District of Columbia Retirement Board (DCRB)	The OIG brought to the attention of the DCRB Board systemic risk factors that may have contributed to significant deficiencies identified by the OIG's Independent Auditors during the FY 2020 and FY 2019 ACFR Audit.	May 3, 2021

The OIG issues management implication reports (MIRs) to inform multiple District agencies of a matter that surfaced during the OIG's oversight work. MIRs are publicly available on the OIG website.

Agency	Subject	Matters Discussed	Date Issued
Multiple	<a href="#">Management Implication Report (MIR) – Agencies Undertaking External Audits and Conducting Inquiries into Potential Criminal Violations</a>	The OIG brought to the attention of District agencies their requirements to: (1) provide advance notification and resulting final reports of all external audits, in accordance with D.C. Code 1-301.115(a)(3)(B) and (2) request that District agencies conducting administrative investigations into potential criminal violations coordinate with the OIG in order to avoid jeopardizing a potential criminal investigation.	February 23, 2021

<sup>32</sup> D.C. Code § 1.301.115a(a-1)(3).

## APPENDICES

### Appendix K. Selected Investigative Outcomes

Agency	Press Release/Significant Activity Report Title	Date
OSSE	<a href="#">Businessman Sentenced to 14 Months in Prison for Paying Bribes to Federal and D.C. Employees</a>	August 31, 2021
DC Trust	<a href="#">Former Leaders of the DC Trust, a Non-Profit Dedicated to Helping Children, Charged with Using Organization's Funds for Personal Gain</a>	December 4, 2020
OCFO	<a href="#">Former Office of Tax and Revenue Head of Collections Sentenced for Paying Bribes to OTR Official to Help Consulting Client</a>	December 3, 2020
DDS	<a href="#">Former DC Government Employee Sentenced to 12 Months and a Day in Prison for Fraud Scheme that Cost Government More Than \$880,000</a>	November 24, 2020

## APPENDICES

### Appendix L. Selected Medicaid Fraud Control Unit Outcomes

Press Release	Date
Maryland Woman Pleads Guilty to Defrauding Medicaid Out of Hundreds of Thousands of Dollars	July 31, 2021
Maryland Woman Pleads Guilty to Defrauding Medicaid -- Admitted She Received Over \$813,000 Through False Dental Billing	May 24, 2021
Maryland Woman Sentenced to Prison for Defrauding Medicaid Program Out of Hundreds of Thousands of Dollars	May 12, 2021
Owners and Former Employee of Health Care Company Facing Federal Charges for Allegedly Paying Kickbacks to Patients	April 2, 2021
Former Personal Care Aide Pleads Guilty to Defrauding the D.C. Medicaid Program of \$370,000	February 26, 2021
Howard University Employee Pleads Guilty to Healthcare Fraud Government Continues Crackdown on People Who Defraud Medicaid	February 25, 2021
Maryland Woman Sentenced for Committing Health Care Fraud; Government Continues Crackdown on People Who Defraud Medicaid	January 22, 2021
Former Mental Health Community Residential Facility Administrator Arrested and Former Aide for Disabled Residents Pleads Guilty in Two Separate Case Involving Financial Exploitation of Elderly and Vulnerable Adults	December 10, 2020



## DISTRIBUTION LIST

The Honorable Muriel Bowser, Mayor, District of Columbia, Attention: Betsy Cavendish  
 Mr. Kevin Donahue, City Administrator, District of Columbia  
 Mr. Barry Kreiswirth, General Counsel, City Administrator, District of Columbia  
 The Honorable Phil Mendelson, Chairman, Council of the District of Columbia  
 The Honorable Kenyan R. McDuffie, Chair Pro Tempore and Ward 5 Councilmember, Council of the District of Columbia  
 The Honorable Anita Bonds, At-Large Councilmember, Council of the District of Columbia  
 The Honorable Christina Henderson, At-Large Council Member, Council of the District of Columbia  
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 The Honorable Janeese Lewis George, Ward 4 Councilmember, Council of the District of Columbia  
 The Honorable Charles Allen, Ward 6 Councilmember, Council of the District of Columbia  
 The Honorable Vincent C. Gray, Ward 7 Councilmember, Council of the District of Columbia  
 The Honorable Trayon White, Sr., Ward 8 Councilmember, Council of the District of Columbia  
 Mr. John Falcicchio, Chief of Staff and Deputy Mayor for Planning and Economic Development, Executive Office of the Mayor  
 Ms. LaToya Foster, Director, Office of Communications, Executive Office of the Mayor (via email)  
 Ms. Nyasha Smith, Secretary to the Council



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