

DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



ENGAGING OVERSIGHT

FY 2023 ANNUAL REPORT ON ACTIVITIES

PRESENTED BY:

DANIEL W. LUCAS

OUR MISSION

We independently audit, inspect, and investigate matters pertaining to the District of Columbia government to:



PREVENT & 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 & TRACK

Implementation of corrective actions.



OFFICE OF THE INSPECTOR GENERAL

OUR VISION



WORLD-CLASS OVERSIGHT

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



Table of Contents

Page Number

EXECUTIVE SUMMARY	<u>2</u>
THE DISTRICT OF COLUMBIA GOVERNMENT	<u>4</u>
ABOUT THE OIG	<u>6</u>
SIGNIFICANT ACTIVITIES IN FY 2023	<u>10</u>
OPERATIONAL UNITS	
<i>Audit Unit (AU)</i>	<u>11</u>
<i>Inspections and Evaluations Unit (I&E)</i>	<u>13</u>
<i>Investigations Unit (IU)</i>	<u>14</u>
<i>Medicaid Fraud Control Unit (MFCU)</i>	<u>16</u>
<i>Risk Assessment and Future Planning Unit (RAFP)</i>	<u>18</u>
SUPPORT DIVISIONS	
<i>Business Management Division</i>	<u>21</u>
<i>External Affairs Division</i>	<u>22</u>
<i>Quality Management Division</i>	<u>24</u>
<i>Executive Secretariat Division</i>	<u>25</u>
<i>Office of the General Counsel</i>	<u>26</u>
ENGAGING OUR WORKFORCE AND OUR COMMUNITY	<u>27</u>
OIG IMPACT	<u>29</u>
THE FUTURE OF OUR WORK	<u>33</u>
APPENDICES	
<i>Appendix A: Statutory Requirements</i>	<u>36</u>
<i>Appendix B: FY 2023 Publications, Press Releases, and Inspector General Testimony</i>	<u>40</u>
<i>Appendix C: FY 2023 Data</i>	<u>52</u>
<i>Appendix D: OIG FY 2023 Organizational Chart</i>	<u>55</u>
<i>Appendix E: Employee Recognition Award Winners 2022-2023</i>	<u>56</u>





MESSAGE FROM THE INSPECTOR GENERAL

It is my pleasure to present the District of Columbia Office of the Inspector General (OIG) Fiscal Year (FY) 2023 Annual Report on Activities. This report summarizes the oversight work and accomplishments of the OIG for the reporting period October 1, 2022, to September 30, 2023. During FY 2023, the OIG continued to demonstrate its adaptability and responsiveness in an ever-changing oversight environment and an increasing District budget. This report will provide an overview of how the OIG worked synergistically to maximize the economy, efficiency, and effectiveness of District programs and operations. The FY 2023 results presented in this report demonstrate a positive return on investment for the District.

As seen in Figure 1, OIG criminal investigative outcomes from the Investigations Unit and Medicaid Fraud Control Unit resulted in criminal recoveries and civil penalties. Further, findings in OIG Audits and Inspections and Evaluations reports provided recommendations to District agencies to recover overpayments, questioned costs incurred by the District that could not be supported through adequate documentation, and identified funding that could be put to better use through improved efficiencies.

Collectively, the OIG's FY 2023 body of work generated \$6 in benefits for the District for every \$1 of OIG investment.

The OIG will continue to provide oversight of the District's ever-increasing budget to help ensure the District provides its citizens with responsive, efficient, and valuable services and programs for years to come. I commend our hardworking and talented staff for their steadfast dedication to our mission and look forward to seeing the OIG continue to work collaboratively with our internal and external stakeholders to provide independent oversight while delivering timely, relevant, and impactful oversight of District programs.

Daniel W. Lucas
Inspector General

OIG's FY 2023 Return on Investment

(\$ Figures in Millions)

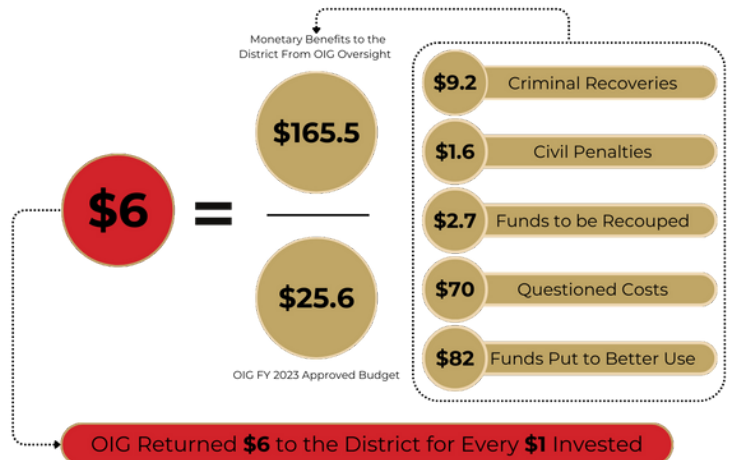


FIGURE 1: Return on Investment



EXECUTIVE SUMMARY

In FY 2023, the OIG provided effective oversight of District programs and operations through data-driven, targeted efforts.

To help District government leaders better understand and guard against corruption, mismanagement, waste, fraud, and abuse in District programs, the OIG conducts an annual risk assessment. The product of this assessment is the OIG's Annual Audit and Inspection Plan. In FY 2023, the Plan included a High-Risk List that identified 12 areas posing heightened risks to the District.

The OIG's High-Risk list is designed to inform District stakeholders of the areas of the District government that have potential weaknesses in internal controls and are at risk for corruption, fraud, waste, or abuse. District managers can leverage the OIG's High-Risk List to identify and improve the effectiveness of internal controls to ensure programs and activities under their purview achieve their objectives.

In FY 2023, OIG engagements targeted risks affecting multiple agencies and programs. This focused work provided the most significant impact on the efficiency and effectiveness of District government operations and resulted in efficiency of OIG work and effective use of OIG dollars.

The OIG's Audit and Inspections and Evaluations Units issued 12 reports and the Risk Assessment and Future Planning Unit published two Management Implication Reports, which provided recommendations to improve the economy, efficiency, effectiveness, and accountability of District resources. The OIG's Audit Unit also published 20 reports as part of the District's Annual Comprehensive Financial Review (ACFR) and the independent auditor made 11 recommendations in its management letter to the District (see Appendix B).

OIG investigations resulted in 11 indictments, 14 convictions, and three administrative actions. OIG investigations address corruption, waste, fraud, abuse, and mismanagement in District programs and operations by holding wrongdoers accountable for their actions (see Appendix B).

Areas posing heightened risks to the District:

1. Emergency procurements
2. American Rescue Plan Act (ARPA) and Infrastructure Investments and Jobs Act (IIJA)
3. Information technology procurements
4. Cybersecurity practices
5. Improper Medicaid payments
6. Entitlement programs
7. Rental and housing programs
8. District of Columbia Housing Authority activities to support affordable housing
9. Efforts to respond to and prevent drug misuse
10. District Real Property and Lease Administration
11. Gun violence prevention programs and grants; and
12. Human capital management



The OIG secured the return of more than \$10 million of lost District revenue in FY 2023

The OIG also continued to be responsive to complaints sourced from concerned stakeholders and communicated directly with District agencies. In FY 2023, the OIG responded to 256 complaints regarding District programs with sufficient evidence that the complaint is under the OIG's purview by conducting an audit, inspection, evaluation, or investigation, or by referring them to the appropriate District agency for action they deem appropriate. Additionally, the OIG made 116 recommendations to District agencies to improve policies and procedures, therefore enhancing the economy and efficiency of District operations. In doing so, the OIG secured the return of over \$10 million to the District, which allowed these funds to be available for other programs to assist residents.

This year, the OIG engaged in community and training events to increase the understanding of an OIG's role nationally, internationally, and in our community. For example, the OIG hosted the Association of Inspectors General Annual Training Conference in October of 2022. This training brought together over 350 oversight professionals from across the country and around the globe to focus on best practices in oversight. Locally, the OIG helped seniors in the District better understand fraud and services that the OIG provides. Finally, OIG staff members shared their expertise on a national level by participating on training panels for groups such as Women in Law Enforcement and the National Association for Medicaid Program Integrity.



Women in Federal Law Enforcement Panel on work of Offices of Inspectors General

Finally, the OIG opened its new headquarters located in Southeast DC, implemented its formal human capital plan to build career paths and development plans for all staff, and worked to build a formal intranet structure for better internal communication and knowledge management.

As the OIG's understanding of the District as a system and its overall risk landscape evolves, our internal and external work will continue to reflect our commitment to the District, as reflected in our FY 2023 work.

DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



THE DISTRICT OF COLUMBIA

D.C. Government

\$ 20 billion operating budget

38,000+ employees

\$10.9 billion capital budget

80+ District Agencies

1,400+ programs and activities

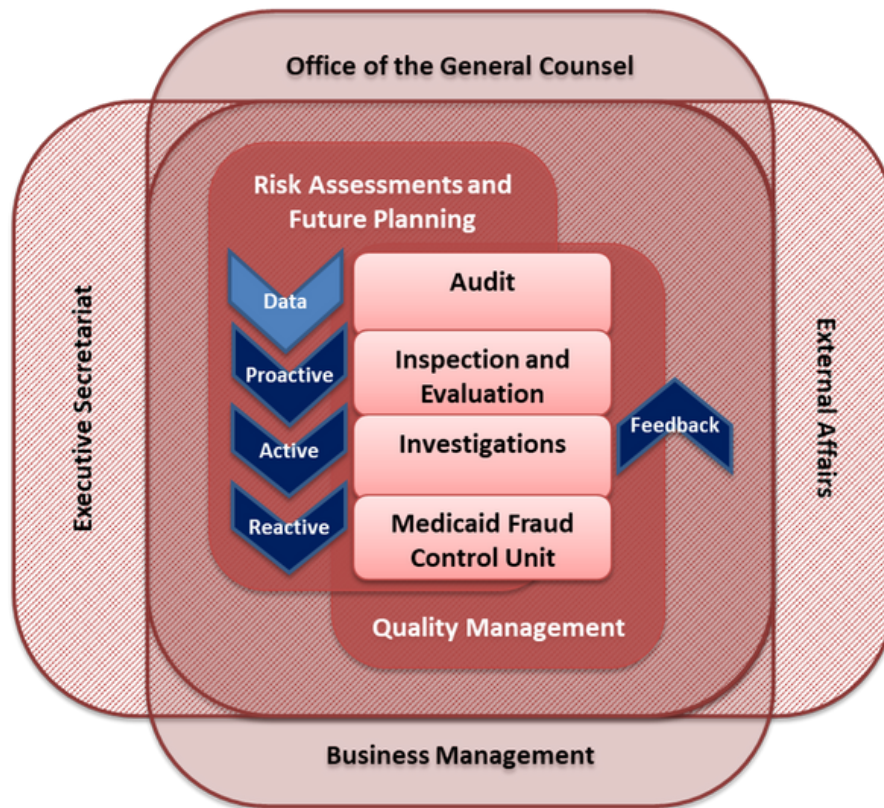
Serve

700,000 residents and businesses

DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



THE OFFICE OF THE INSPECTOR GENERAL



About the OIG

The OIG operates as a system to provide oversight of the District government, with the support divisions enabling the operational units to execute the OIG's legislative mandates. No part of this system is more important than another, nor could one operate successfully without the others. The OIG's significant activities are results of the OIG System in action.

FY 2023 Budget: \$28 million, approximately 0.1% of the District's gross budget

Employees: 130

Operational Units



Audit Unit (AU)

Conducts independent audits and attestation engagements of operations in the District government.



Inspections and Evaluations Unit (I&E)

Conducts inspections and evaluations of District programs to identify program deficiencies and recommend corrective measures to improve the oversight, management, and execution of programs, and stewardship of resources; and ensure compliance with District and federal laws, regulations, and policies.



Investigations Unit (IU)

Investigates alleged misconduct involving violations of District or federal criminal law, civil statutes, regulations, and employee standards of conduct.



Medicaid Fraud Control Unit (MFCU)

Investigates and prosecutes fraud and abuse in the administration of Medicaid programs, as well as allegations of abuse, neglect, and theft involving persons who reside in Medicaid-funded facilities or who receive Medicaid-covered services.



Risk Assessment and Future Planning Unit (RAFP)

RAFP operates the OIG's Hotline Program. It also aggregates open source, internal, and District data to identify risks to District programs and provide comprehensive intelligence to support the OIG's mission.



Support Services



Business Management (BM)

Supports the OIG's overall mission by delivering services in strategic planning, human capital management, budget, contracting and procurement, information technology, telecommunications, training, security, facility management, and organizational performance management.



Executive Secretariat (ES)

Supports the OIG in providing the highest quality written products through innovative knowledge management and communications systems. To do so, ES manages the development and review of OIG policies, correspondence, and reports, providing the organization with effective, efficient document and records management.



External Affairs (EA)

Leads the OIG's efforts for public, media, legislative, and intragovernmental affairs, ensuring the Mayor, Council, District government leaders, and the public are informed of the OIG's mission and its resulting oversight work.



Quality Management (QM)

Reviews all OIG operational products to ensure they meet the highest standards, including those defined by the Council of the Inspectors General on Integrity and Efficiency and the Government Accountability Office's *Government Auditing Standards* and *Standards for Internal Control in the Federal Government*.



Office of the General Counsel (OGC)

OGC guides all work published or performed by the OIG. OGC ensures all OIG activities and outputs comply with laws, rules, regulations, and policies by providing frank and objective legal advice. OGC advocates the OIG's legal position in disputes that arise during enforcement activities, when the District or the OIG is named as a defendant in a lawsuit, or when agency personnel or records must be produced during a lawsuit.



DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



SIGNIFICANT ACTIVITIES IN FY 2023

Operational Units

The Audit Unit

The Audit Unit (AU) conducts independent audits and attestation engagements of operations in the District government. In this vein, one of its major roles is managing the performance of the Annual Comprehensive Financial Report (ACFR) audit. The ACFR presents an independent, certified public accounting firm's opinion on whether the District's financial statements were presented fairly and in compliance with generally accepted accounting principles. Independent auditors also examined whether there were instances of noncompliance and weaknesses in internal controls that materially affected the District's financial position and operations as of the end of FY 2022.

Residents deserve to know the state of the programs and agencies they rely on for services and assistance, and how these entities can improve.

-AU Staff Member

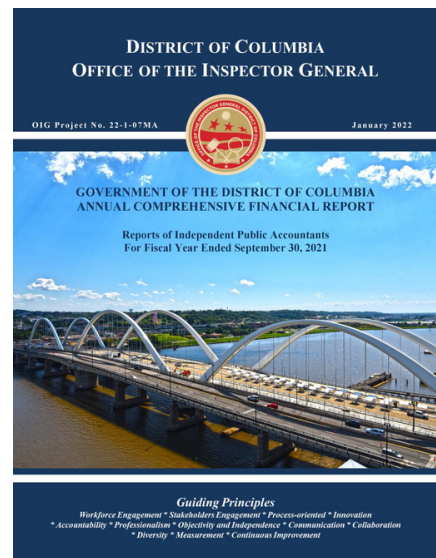
On January 31, 2023, the OIG published the District's FY 2022 ACFR audit results, marking the 26th consecutive unqualified opinion ^[1] of the District's government-wide financial statements. The independent auditors identified no material weaknesses or significant deficiencies in the District's governmental and business-type activities' financial statements. However, the Independent Auditors issued a disclaimer of opinion ^[2] on the District's aggregate discretely presented component units. During FY 22, Events DC – a discretely presented component unit of the District's ACFR – suffered a cyberattack, resulting in the inability of the Independent Auditors to obtain sufficient appropriate evidence to provide a basis for an audit opinion of Events DC's financial statements. As the Inspector General testified before the Council of the District of Columbia on February 3, 2023, the District government's reliance on information technology (IT) to initiate, authorize, record, process, or report financial transactions, requires both strong IT-related controls as well as financial controls to protect the integrity of the District's financial system.

[1] An unqualified opinion is an independent auditor's judgment that a company's financial statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles (GAAP).

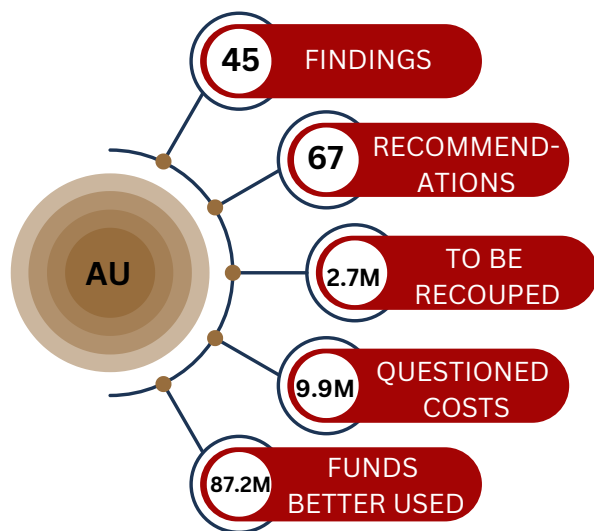
[2] A disclaimer of opinion may occur when an auditor is "unable to obtain sufficient appropriate audit evidence on which to base the opinion, and the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be both material and pervasive." Ass'n of Int'l Cer't Prof'l Accountants, Modifications to the Opinion in the Independent Auditor's Report, AU-C § 705.10 (Dec. 2021), <https://us.aicpa.org/content/dam/aicpa/research/standards/auditattest/downloadabledocuments/au-c-00705.pdf> (last visited Nov. 6, 2023).



Audit timeliness is a characteristic of good governance and financial stewardship. This year, AU's administration of the FY 2021 ACFR audit process was recognized by the Government Finance Research Center at the University of Illinois Chicago and Merritt Research Services. Specifically, the Government Finance Research Center commended the District of Columbia for its consistent high-performance in ACFR audit timeliness in comparison to other states and territories. As highlighted in the report, the OIG completed the District's FY 2021 ACFR audit within 116 days of the close of the 2021 fiscal year, compared to the median of 187 days for other states and territories. [3]



In collaboration with the External Affairs Division, AU also oversaw the *Risk Assessment of the District's US Department of Treasury Programs Funded Through the American Rescue Plan Act of 2021 (ARPA)*. The objectives of this risk assessment were to identify District ARPA resources subject to the highest risk of corruption, fraud, waste, abuse, and mismanagement; high-risk incongruences in the various federal and District ARPA laws, rules, regulations, policies, and criteria; and high-risk structural issues related to the District's ARPA funding.



AU also issued four final reports, one draft report and two close-out letters this fiscal year. The reports issued resulted in 45 findings and 67 recommendations for corrective action. The findings resulted in \$ 2.7 million of funds that the District could have recouped, \$ 9.9 million in questioned costs, and \$ 87.2 million in recommended funds that could be put to better use. AU findings and recommendations denoted programs in the District that either overspent without proper approval, or without proper budget authority or approval. Both of these issues could signal fraud, waste, abuse, and mismanagement. The OIG will monitor the corrective actions in the coming fiscal year to ensure that District programs are fiscally responsible, responsive to the community's needs, and judiciously using taxpayer dollars.

[3] Deborah A. Carroll, Ph.D. & Richard A. Ciccarone, Public vs. Private Auditors Big vs. Little Issues: What's Influencing the Timeliness of Municipal Bond Audits (2023), <https://gfrfrc.uic.edu/wp-content/uploads/sites/188/2023/05/P2302013-Municipal-Bonds-Audit-Report-FINAL.pdf> (last visited Oct. 26, 2023).



The Inspections and Evaluations Unit

This FY, I&E published two reports, one close-out letter, and two draft reports highlighting the importance of maintaining effective internal control programs and developing and employing internal control activities. The absence of programmatic controls increases the risks of fraud, waste, abuse, loss, and mismanagement of resources.



I&E's Special Evaluation of the DC Main Streets (DCMS) Grant Program reviewed the Department of Small and Local Business Development's (DSLBD) administration of the program's grant application and award processes. I&E evaluated the compliance of selected DCMS grantees with grant agreements requirements, as well as DSLBD's oversight of awarded grants, to identify improvements to mitigate the potential for fraud, waste, and abuse.

I&E found that DSLBD's grant application and award processes lacked sufficient internal controls to detect potential fraud; and DSLBD's oversight of grant administration was hampered by challenges such as staffing shortages, process deficiencies, and information technology system issues. These issues resulted in some instances of DSLBD neglecting to adequately monitor or verify expenditures, subgrants, or technical assistance and leaving the agency and District vulnerable to fraud schemes and theft/loss of resources.

The OIG issued 17 recommendations to enhance policy, procedures, and processes to increase the program's efficiency, effectiveness, and transparency. DSLBD agreed, in whole or in part, with all but two recommendations, demonstrating the I&E team's skill in identifying actions to correct previous practices, close gaps to compliance, and help the agency succeed in achieving program objectives.

Continuous improvement is the best definition of our core values; it allows the OIG to recognize when an agency has done a good job, recognized the problem, or is already working on a solution.

-I&E Staff Member

I&E conducts inspections and evaluations of District programs to identify program deficiencies and recommend corrective measures to improve the oversight, management, and execution of programs, and stewardship of resources; and ensure compliance with District and federal laws, regulations, and policies. I&E engagements provide District government leaders with an independent source of facts and analysis about agency performance, program efficiency, and the effectiveness of internal control practices.



The Investigations Unit

IU staff are committed to identifying, preventing, and deterring illegal activity against the District and pursuing all appropriate means to recoup misappropriated District funds.

In FY 2023, IU achieved three significant accomplishments that marked a turning point in enhancing efficiency and transparency:



First, IU established an analysis team comprised of financial and investigative analysts to ensure a more comprehensive investigative support system. This team has bolstered the Unit's capacity and investigative ability.



Second, IU took proactive steps to draft policies and procedures for a Body-Worn Camera program at the OIG, which if effectuated, will be an additional tool to foster trust, transparency, and accountability within the local community.



Third, IU adopted a process for reporting to the National Incident-Based Reporting System (NIBRS).^[4] This will allow the OIG to participate in national crime data reporting and to provide a more accurate and comprehensive picture to the public of criminal activities under the OIG's oversight jurisdiction.

These three accomplishments underscore IU's commitment to professionalism, transparency, and innovation as it continues to be at the forefront of evolving technology and best practices in the OIG community.

IU also secured significant penalties in several important cases, demonstrating that anyone committing fraud, waste, or public corruption in the District will be held accountable.

[4] As of January 1, 2021, the FBI's National Incident-Based Reporting System (NIBRS) became the national standard for law enforcement crime data reporting in the United States. The transition to NIBRS represents a significant shift and improvement in how reported crime is measured and estimated by the federal government. NIBRS captures detailed data about the characteristics of criminal incidents, including: a broad array of offenses; types and amount of property lost; demographic information about victims, offenders, and persons arrested; and what type of weapon, if any, was used in the incident. NIBRS data more accurately reflect the types of crime addressed by police agencies, like simple assault, animal cruelty, destruction of property, intimidation, and identity theft.



Two significant cases exemplify IU's work. In the first case, IU's efforts resulted in the prosecution and conviction of two former non-profit executives and the restitution of stolen funding to District coffers. DC Trust was a US Department of Education-funded non-profit organization created in 1999 to serve as an intermediary to connect philanthropists, government leaders, youth advocates, and business community representatives, with the goal of supporting programs benefiting District children. According to court documents, Edward Davies, former DC Trust executive director, and Earl Hamilton, former director of operations and finance, used DC Trust credit cards and a check card to make hundreds of personal purchases. Both defendants pleaded guilty to credit card fraud on November 30, 2022. Davies and Hamilton were both sentenced to prison and ordered by the court to pay restitution to the District government.^[5]

We (the OIG) work hard daily to protect the District's agencies, employees, programs, and residents from waste, fraud, abuse(s), and corruption, and WE genuinely care!
-IU Staff Member

The second focused on a case of wire fraud against the Project Empowerment Program (Program), a DC program that provides employment services to residents with employment barriers. One of the Program's recipients, Rhayda Barnes Thomas, was hired in February 2014. From May 2015 through April 2018, Barnes Thomas stole hundreds of thousands of dollars from the Program. On May 17, 2023, Barnes Thomas pleaded guilty to one count of wire fraud and was sentenced to 48 months in prison. In addition to the prison term, the court

ordered that Barnes Thomas pay restitution of \$356,110.64 and held Barnes Thomas liable for a forfeiture money judgment totaling \$318,415.^[6]

These successes demonstrate the outstanding work and professionalism of IU's staff. In fact, two IU staff members who worked on the Project Empowerment Program case received accolades from the U.S. Attorney's Office for their work. The Assistant U.S. Attorney assigned to the case said, "I have worked with hundreds of law enforcement officials during my decade with the U.S. Attorney's Office. I don't remember two more cheerful, energetic, and helpful individuals. . . DC OIG is lucky to have them."^[7]

[5] Press Release, U.S. Department of Justice, United States Attorney's Office, District of Columbia, Former Officers of DC Trust, Sentenced for Using Organization's Funds for Personal Gain (May 11, 2023), <https://www.justice.gov/usao-dc/pr/former-officers-dc-trust-sentenced-using-organization-s-funds-personal-gain> (last visited Nov. 6, 2023).

[6] Press Release, U.S. Department of Justice, United States Attorney's Office, District of Columbia, Former DC Government Employee Sentenced to Four Years in Prison for Stealing From Project Empowerment Program (Aug. 16, 2023),

[7] Email from an Assistant U.S. Attorney, Fraud, Public Corruption & Civil Rights Section, United States Attorney's Office for the District of Columbia to the Assistant Inspector General for Investigations, District of Columbia Office of the Inspector General (Sept. 29, 2023) (on file with the OIG).



The Medicaid Fraud Control Unit ^[8]

There are 53 MFCUs in the US, including the District of Columbia. The District of Columbia MFCU is unique in that it is the only jurisdiction where the MFCU resides within an office of inspector general. The MFCU achieved several positive investigative outcomes this FY.



In one case, an owner of a mental health services provider with locations in DC pled guilty to conspiracy to commit health care fraud. As detailed in the plea agreement, the owner and co-conspirators paid bribes and kickbacks to District Medicaid beneficiaries to induce the beneficiaries to visit the provider's location and paid bribes and kickbacks to others in exchange for referring District

Medicaid beneficiaries to the provider for mental health services. Based on the amount that the District Medicaid program paid to the provider for mental health services that were not delivered or procured through bribes and kickbacks, the actual loss to the District's Medicaid program was approximately \$3,343,781. Additionally, during the course of the investigation, the MFCU and its partners found the owner had also fraudulently obtained an Economic Injury Disaster Loan of \$150,000 paid through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). As part of the plea agreement, the provider will be required to forfeit and pay restitution in the full amount of the loss, which the parties agree is at least \$3,493,681.

In many instances the MFCU is the last line of defense against Medicaid fraud, waste, and abuse and a voice for patients being exploited, neglected, or abused. MFCU serves the Medicaid community in DC and looks after this community's best interest.

-MFCU Staff Member

In another case, the MFCU successfully investigated and prosecuted a member of the public who gained unauthorized access to a family member's debit card. The victim suffered from cognitive impairments and was hospitalized at a DC skilled nursing home facility. In total, the defendant obtained more than \$51,000 from the victim, who

[8] The DC Office of the Inspector General Medicaid Fraud Control Unit receives 75 percent of its funding from the U.S. Department of Health and Human Services under a grant award totaling \$ 3,481,428 for Federal FY 2023. The remaining 25 percent, totaling \$ 1,160,476 for FY 2023, is funded by the District of Columbia.

was unable to make decisions for himself or to communicate meaningfully. The defendant ultimately pled guilty to a felony count of financial exploitation of a vulnerable adult or elderly person, and was sentenced to 24 months in prison, suspended, 5 years of probation, and ordered to pay \$51,886.31 in restitution. This particular case highlighted the close coordination between the MFCU and other District agencies – namely the Department of Aging and Community Living’s Adult Protective Services – that collectively work to safeguard some of the District’s most vulnerable residents. It also highlighted the MFCU’s ability to prosecute cases using staff designated as Special Assistant United States Attorneys in coordination with the U.S. Attorney’s Office for the District of Columbia.

Like other OIG units, the MFCU also showed itself to be a force for good in its community. The MFCU partnered with the U.S. Department of Justice's Elder Justice Initiative to participate in several events to inform District residents about elder/vulnerable adult abuse, neglect, and exploitation. The MFCU participated in a presentation on World Elder Abuse Awareness Day with its partners to discuss this critical topic and attended Mayor Bowser's 12th Annual Senior Symposium at Ballou Senior High School School. The MFCU's participation in this event was featured in the Department of Justice's Annual Report to Congress on Department of Justice Activities to Combat Elder Fraud and Abuse. [9]



The MFCU also shared its expertise through presentations at several additional community events, in nursing homes, and at national conferences this year, including the National Association of Medicaid Fraud Control Units.

[9] U.S. Department of Justice, Annual Report to Congress on Department of Justice Activities to Combat Elder Fraud and Abuse, <https://www.justice.gov/media/1319976/dl?inline=> (last visited Nov. 6, 2023).

The Risk Assessment and Future Planning Unit

This FY, the Hotline Program saw a 27 percent increase in complaints over FY 2022 but was still able to promptly evaluate and determine a course of action within 10 days for 95 percent of all complaints received.

In FY 2023, RAFP issued two Management Implication Reports (MIR) to District agencies. The first warned that agencies' failure to submit contracts for approval by the Council as required by law may impact the District's Annual Comprehensive Financial Report. The second MIR discussed cybersecurity risks that may negatively impact the District's ability to conduct operations and the need for agencies to have a Cyber Incident Response Plan in place to address cybersecurity attacks.

RAFP also published an updated High-Risk List as part of the FY 2024 Audit and Inspection Plan, ensuring that the OIG focuses its resources on the most impactful engagements to combat corruption, fraud, waste, abuse, and mismanagement.

Finally, in FY 2023, RAFP increased the OIG's data analytics capability to better support ongoing audits, inspections, and investigations. The OIG used RAFP's advanced data analytics to help properly scope the objectives of engagements to ensure the most significant impact and improve the outcomes of OIG work. Data science continues to provide the OIG with the ability to provide more impactful audits, inspections, and investigative outcomes.

RAFP's data analytics support is illustrated in the following charts prepared in support of the OIG's Audit of the District of Columbia Agencies' Overtime Usage during FY 2021 published in early FY 2024.

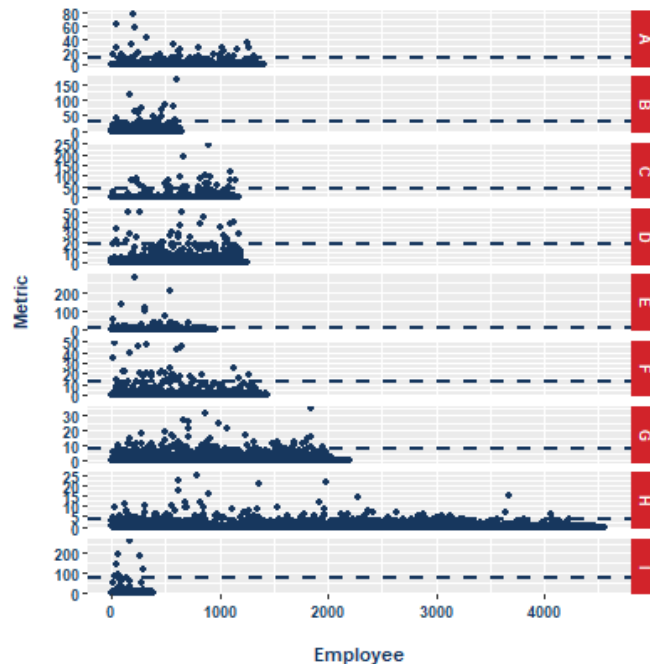


202-724-TIPS (8477)
hotline.
inspectorgeneral@
dc.gov
[Complaint Form](#)

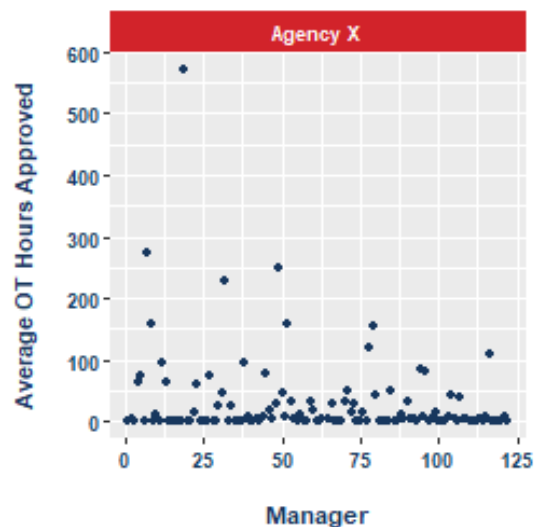
RAFP operates
the OIG's
Hotline
Program, which
allows
stakeholders to
submit
complaints of
corruption,
waste, fraud,
abuse, and
mismanagement
directly to the
OIG.



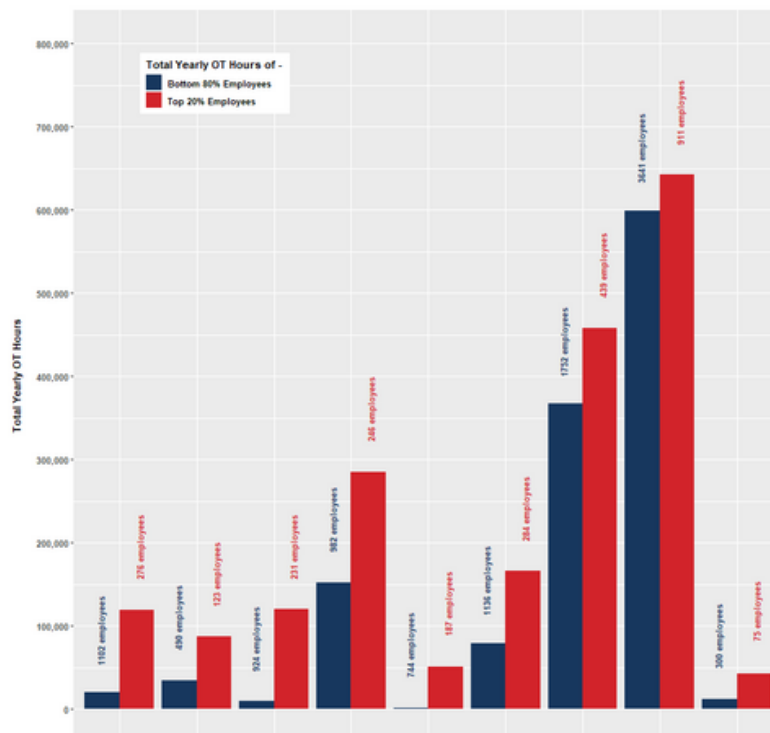
Using data points such as the ratio of an employee's overtime pay to their base salary, the frequency an employee reported overtime, and the percentage of an agency's overtime the employee accounted for, RAFP developed a predictive analytics model using unsupervised machine learning to identify potential outliers at each of the agencies reviewed.



District regulations require overtime to be approved by a supervisor. After identifying potential outliers in individual overtime usage, RAFP analyzed the supervisors who approved those overtime hours. The following chart depicts the average overtime hours approved by each supervisor in FY 2021 for the nine agencies we evaluated.



Finally, RAFP analyzed the distribution of overtime across an agency. As detailed in our audit report, the District’s collective bargaining agreements (CBAs) and agencies’ policies generally state overtime should be equally distributed among staff when possible. The following chart compares the overtime reported by the top 20% of staff to the bottom 80%. This supports the audit finding in our Audit of the District of Columbia Agencies’ Overtime Usage report that: “At the nine District agencies evaluated, we found that overtime was inequitably distributed among eligible employees.”



The Audit Unit used the analysis RAFP conducted in support of this engagement to scope the audit objectives, guide the review of agency policies and procedures, and to support overall audit findings.

Support Divisions

Business Management

During FY 2023, the Business Management Division had three notable accomplishments.

First, after multiple years of planning and building, the OIG finally opened its new headquarters in Southeast in July 2023. This new facility has all specialized training and meeting spaces required of our law enforcement officers while providing a comfortable working environment for non-law enforcement staff, with increased security features, and advanced technological abilities to meet the OIG's growing mission.



Second, the Business Management Division was assigned several new full-time employees to build out both its Human Resources (HR) Unit and its Contracts & Procurement Unit. These new FTEs increased the OIG's efficiency and effectiveness and ensured the timely delivery of services so operational units could best meet their mission objectives.

Finally, demonstrating its commitment to being a world-class employer, the OIG

began to implement its Human Capital Plan. The HR Unit worked with all senior leaders to assess staffing and develop unit/division-specific staffing plans. The plans will be finalized next FY, and OIG will begin assessing employees' skills to build career paths and development plans for all staff.

External Affairs

The External Affairs Division (EA) leads the OIG's efforts for public, media, legislative, and intragovernmental affairs, ensuring the Mayor, Council, District government leaders, and the public are informed of the OIG's mission and its resulting oversight work. During FY 2023, EA had three major achievements that assisted the OIG in accomplishing longstanding strategic initiatives.



EA led the OIG's advocacy efforts on Bill 24-0129, the "Inspector General Enhancement Act of 2021," now DC Law 24-0289, effective March 10, 2023. The law addresses longstanding disparities between the OIG's independent criminal investigation mission codified in 1995^[10] and its corresponding law enforcement authorities codified in 1999.^[11] Previously, the OIG had sought to address this issue though legislative efforts in 2001^[12] and 2016^[13] – both of which expired before they could be acted on by the Council.

EA also prepared the Inspector General's October 5, 2022 testimony for the Committee on Government Operations and Facilities public hearing on the OIG's Fiscal Year 2022 Procurement Risk Assessment and Associated Reports. During this hearing, the Inspector General presented the results of the OIG's three procurement risk assessment reports issued in FY 2022 and related ACFR audit findings, all of which impacted the District's procurement system. Through this testimony, the Committee on Government Operations and Facilities received an overview of the OIG's findings and how they impacted various areas of the District's procurement system to inform the Committee's oversight efforts.

[10] See District of Columbia Financial Responsibility and Management Assistance Act of 1995, § 303, Pub. L. No. 104-8, 109 Stat. 97, 150 (1995).

[11] DC Council, Office of the Inspector General Powers Amendment Act of 1998, B12-622, (DC 1999), https://lims.dccouncil.us/downloads/LIMS/6186/Signed_Act/B12-0622-SignedAct.pdf.

[12] DC Council, Office of the Inspector General Independence and Law Enforcement Amendment Act of 2001, B14-0314, (D.C. 2001), <https://lims.dccouncil.us/downloads/LIMS/10425/Introduction/B14-0314INTRODUCTION.pdf>.

[13] DC Council, Comprehensive Inspector General Independence and Empowerment Amendment Act of 2016, B21-0813, (D.C. 2016), <https://lims.dccouncil.us/downloads/LIMS/36178/Introduction/B21-0813-Introduction.pdf>.



Additionally, EA partnered with external experts to help the District understand and respond to the emergency procurement finding reported in the FY 2022 ACFR Audit Management Recommendations Report.^[14] EA and its experts facilitated a comprehensive overview of the conditions leading to the ACFR audit finding, which the District used to prepare a corrective action plan designed to implement the ACFR auditor’s recommendations.

Finally, in accordance with the OIG’s statutory mandate to provide a means for keeping District leaders “currently informed about problems and deficiencies relating to the administration of

[District] programs and operations,”^[15] EA worked with various Council Committee staff at the start of the new Council Period to connect the OIG’s work with the Council Committee’s oversight responsibilities. Through this recurring engagement, EA helped facilitate a broader understanding of issue areas and potential legislative remedies to improve the economy, effectiveness, and efficiency of District agency programs and operations under Council Committees’ purview.

The impact of these engagements is highlighted in the OIG’s work with the Council’s Committee on Housing. Through EA’s engagement efforts, the Committee elected to introduce legislative amendments to improve the oversight and accountability of agencies under its purview, including those found in Bill 25-0202, the “Fiscal Year 2024 Budget Support Act of 2023,” which included a requirement in Section 2142 for the DC Housing Authority (DCHA) to produce auditable financial statements on an annual basis and for the OIG to conduct a financial audit of DCHA’s financial statements.



[14] OIG No. 22-1-26MA(a), Finding 2022-14, <https://oig.dc.gov/sites/default/files/Reports/OIG%20No.%2022-1-26MA%28a%29%20ACFR%20Management%20Letter.pdf> (last visited Nov. 6, 2023)."

[15] DC Code § 1-301.115a (a-1)(3).

Quality Management

In FY 2023, QM completed 26 quality assurance reviews of OIG oversight work products. In addition, QM had three major accomplishments this FY.



First, QM conducted an OIG-wide pilot of the Internal Control Assessment Program (ICAP) tool in preparation for deployment to District agencies. ICAP will proactively assess and strengthen internal control systems, thereby helping minimize risks of fraud, waste, abuse, mismanagement, and corruption in District programs and operations.

We ensure all policies, procedures, and standards are met to produce the most accurate, credible information for the public and decision makers in the District.
-QM Staff Member



Also in FY 2023, QM finalized its Standards Guide and drafted the OIG Enterprise Risk Management (ERM) Policies and Procedures. These documents will provide a roadmap for day-to-day ERM operations and reinforce the standards expected of employees in identifying and mitigating risks facing the OIG.



Finally, to identify and address opportunities for improvement at the OIG and in its core work processes, QM drafted two surveys: the Organizational Assessment Survey and the Customer Satisfaction Survey. The surveys are planned for rollout early in FY 2024.

The ICAP enables District agencies to proactively assess and address issues in their internal control systems to ensure they are adequately designed and operating effectively to prevent and detect corruption, fraud, waste, abuse, and mismanagement in District government operations and programs. This year, QM developed a plan of action to help District agencies assess their internal controls. Additionally, QM developed a risk matrix and training to help District agencies understand the program and how to engage the OIG for assistance.

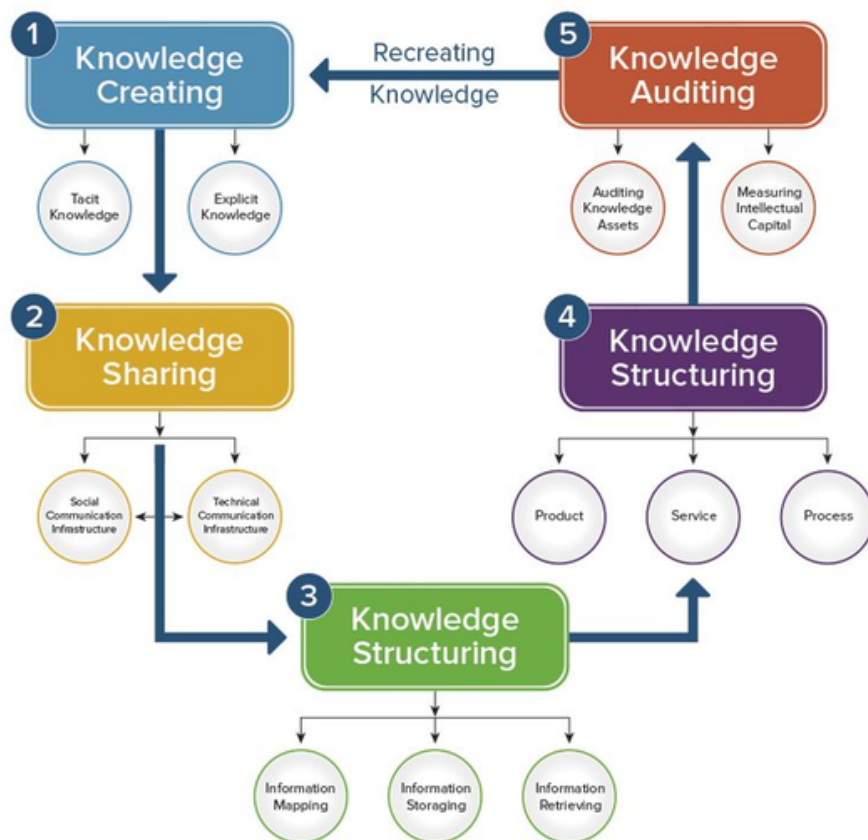


The Executive Secretariat

During FY 2023, ES finalized and implemented the OIG Knowledge Management System (KMS), which facilitates the exchange of knowledge and communication through transformative information technology solutions across OIG staff and District citizens. As part of this effort, ES established an internal Microsoft Teams channel to serve as the OIG's intranet, allowing instant communication among divisions and providing well-organized repositories of information at staffs' fingertips. In addition, ES began automating workflows throughout the OIG in order to make the flow of tasks, documents, and information across differing independently-performed OIG activities, more efficient.

ES also filled key vacant positions for continued success in the KMS project and overall document and records management.

Knowledge Management Lifecycle



The Office of the General Counsel

This FY, OGC continued to address agency needs, meet statutory response times, and provide litigation support to OAG in producing discovery responses, even while facing a smaller-than-normal staffing allocation. OGC continued its commitment to supporting the OIG’s mission by working with the utmost efficiency to provide services to each division and unit.



In FY 2023 OGC received 21 FOIA requests. The median response time was eight days, and 95% of responses were processed within the 15-day statutory time frame.



"Accountability" most defines the OIG's mission and the value it brings to the District. Accountability is crucial to ensuring that District agencies operate ethically and efficiently. The OIG's role in auditing, evaluating, and investigating government activities aligns closely with the principle of holding individuals and organizations responsible for their actions, which ultimately contributes to the integrity and transparency of the government's operations. This fosters trust in public institutions and ensures they serve the public effectively.

-OIG Staff Member



DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



ENGAGING OUR WORKFORCE AND OUR COMMUNITY

ENGAGING OUR WORKFORCE AND OUR COMMUNITY

The OIG is committed to being an engaged and supportive partner for its staff, the surrounding community, and the law enforcement field as a whole. In FY 2023, OIG hosted the Association of Inspectors General (AIG) Annual Training Conference. The DC Inspector General led a multi-jurisdictional conference committee of local OIGs to develop the conference program. The AIG is the inspector general community's nonprofit membership organization, promoting excellence through rigorous quality standards and professional development. The Annual Training Conference provides innovative training opportunities to investigators, auditors, lawyers, inspectors and evaluators, IG leadership, and military personnel. As the host, the OIG had the opportunity to introduce OIGs from across the U.S. to the District and its OIG's unique mission.



The conference theme was Making an Impact, and the OIG aimed to do just that through the conference training agenda. Throughout two and a half days, the OIG presented cutting-edge training and panels on subjects integral to the success of governing entities, such as behavioral ethics, auditing cybersecurity, fraud, bribery, and

using technology to ensure procurement integrity. Over one-third of OIG staff attended this conference to learn how to apply innovative techniques and best practices to work for the District.

Mayor Bowser welcomed over 350 oversight practitioners at the conference kick off. Mayor Bowser discussed the importance of a strong, independent OIG, and how an effective and collaborative relationship between elected officials and the OIG can ultimately benefit those they represent. As in years past, the OIG is committed to professional development for its staff. Fraudsters are continually developing increasingly complex fraud schemes, and the OIG can only meet its mission for the District if its staff is a step ahead of those committing fraud. By investing in staff training, such as certifications from the Association of Certified



Fraud Examiners, digital forensics from the Federal Law Enforcement Training Center (FLETC), and assessing internal controls, the OIG can maximize civil recoupments and criminal recoveries or monetary benefits for the District.

DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



OIG IMPACT

THE IMPACT OF OUR WORK

Overseeing the economic, efficiency, and effectiveness of the District government is a complex task, but one the exemplary staff at the OIG have proven more than capable of fulfilling. The OIG's broad oversight mission requires oversight of both the District's resource inflows – revenues – and the corresponding activities of District programs and operations – expenditures – to deliver goods and services to District residents and visitors.

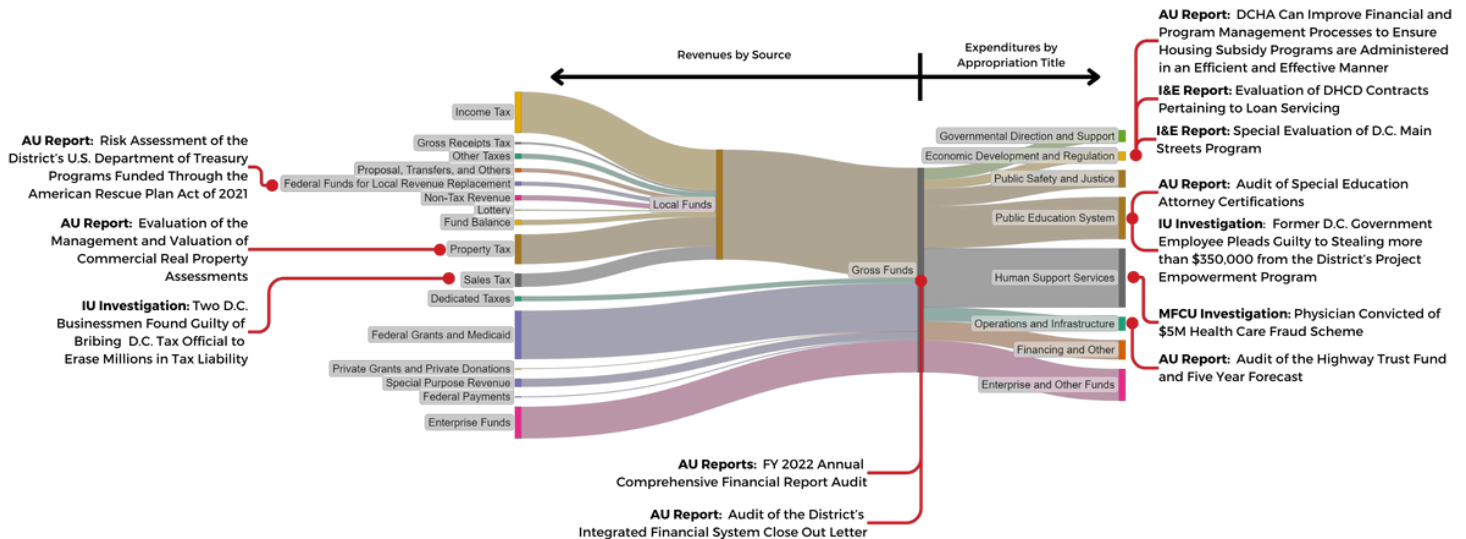


FIGURE 2: Outcomes

As seen in Figure 2, selected OIG FY 2023 outputs and outcomes were mapped to specific revenue and expenditure categories to give an appreciation for how the OIG's oversight work engages the entirety of the District government.

While these outputs and outcomes are important, the real positive impact to the District is seen though a collaborative approach to reducing risks identified through this work. Making reasonable and achievable recommendations, as well as identifying trends and significant risks before fraud, abuse, waste, or mismanagement occurs, enables the OIG to help address risks of fraud within District programs. Additionally, by collaborating with agencies to identify weak internal control policies and practices, the OIG is assisting agencies and programs to increase individual accountability, and ultimately reduce levels of fraud.

Our work here is essential because we are preventing the fraud, waste, and abuse of the DC citizens' hard-earned tax dollars that should be used for government and grant programs to better the lives of District residents.

-OIG IU Employee

The OIG used all the tools at its disposal to drive positive changes to District programs during FY 2023. The OIG's work had a clear positive impact on the transparency, efficiency, and effectiveness of District agencies in FY 2023, as proven by the agencies themselves, which agreed with 72 percent of the recommendations the OIG made to improve their programs.

The OIG also transferred 205 of the complaints received in FY 2023 to an OIG operational unit for possible investigative, audit, inspection, or evaluation work. The transfer of complaints to OIG operational units indicates that our marketing and outreach in the community are working, and we are creating an effective environment for District residents to bring credible allegations of corruption, fraud, waste, abuse, and mismanagement for OIG action.

In FY 2023, the OIG's operational units identified the following fraud trends through their work:

- Increase in reported identity theft schemes across District government programs;
- A lack of intentionally developed and documented internal control programs;
- A lack of effective contract oversight;
- Overspending without proper budget authority; and
- Program applicants providing fraudulent information or eligible applicants failing to use Program funds as allowed.

Figure 3 on the next page depicts the OIG's findings and trends identified during the OIG's operational work.

Our audit of DCHA identified a lack of financial and program management processes, coupled with ineffective procurement processes. Because of that, DCHA failed to use \$60.89 million in funding resources to provide rental assistance for District low-income households during FY 2020.

Had we not completed this audit, DCHA would not be made aware of the conditions that exist and been provided with recommendations/solutions to correct the deficiencies identified.

-AU Staff Member



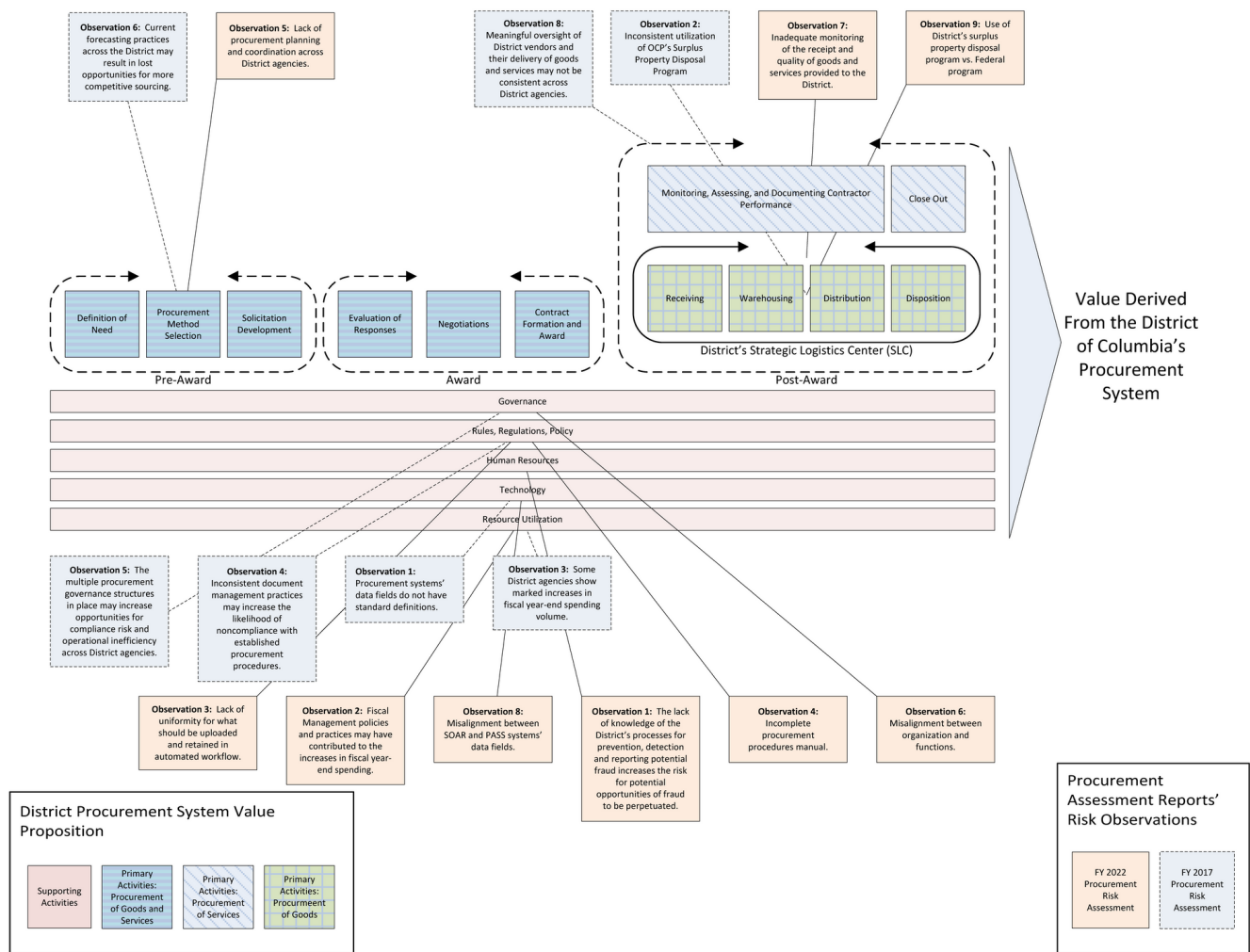


FIGURE 3: Findings and Trends

DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



THE FUTURE OF OUR WORK

THE FUTURE OF OUR WORK

Government programs are complex and ensuring they meet the needs of District residents while conforming to all appropriate laws and regulations takes deliberate, coordinated effort over multiple annual reporting cycles. Through the OIG's annual Comprehensive Risk Assessment Process, the High Risk List, and regular OIG recommendation monitoring and tracking, the OIG is able to ensure that our engagements specifically address the areas of District government that have potential weaknesses in internal controls and are at risk for corruption, fraud, waste, or abuse. Our system of assessing risk, prioritizing and targeting the greatest risk areas, and monitoring and tracking OIG recommendations regularly ensures that OIG engagements are not single events, but part of a deliberate oversight engagement process to ensure the economy and effectiveness of District programs.

Oversight work must change as quickly as fraud schemes do—and sometimes faster. The OIG is committed to being proactive. To that end, the future of the OIG's success depends on two variables: first, investing in staff members through training to create a high-quality, innovative workforce that is up-to-date on the most recent and relevant trends in fraud, waste, abuse, and mismanagement; and second, using automation and technology to advance work quicker and more efficiently than before.

We produce quality, unbiased, fact based information that should be utilized to a greater extent in objective decision making on behalf of the District residents.

-QM Staff Member

The OIG will continue to be forward-thinking and assess the fraud presented within the District, and use its resources to tackle schemes that put the District most at risk.



DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL



APPENDICIES

APPENDIX A:

Statutory Requirements

DC Code § 1-301.115a(f-2) requires the OIG to prepare an annual report, by December 1 each year, summarizing its activities during the preceding fiscal year. This statute 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 US[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;"
Section (a)(3)(H)	"Pursuant to a contract described in [Section (a)(4)], audit the complete financial statement and report on the activities of the District government for [the] fiscal year . . ."

RESPONSIBILITIES CONTINUED

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 the provisions of this chapter."
Section (f)	"[R]eport expeditiously to the [United States] Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of Federal or District criminal law."



RESPONSIBILITIES CONTINUED

Section (f-5)	<p>“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 . . .”</p>
---------------	--



APPENDIX B:

Publications, Press Releases, and Inspector General Testimony

REPORTS: AUDIT

TITLE	DATE
<u>Closeout Letter - Audit of Special Education Attorney Certifications</u>	09/25/2023
<u>Closeout Letter - Audit of the District Integrated Financial System</u>	09/20/2023
<u>Audit of the West End Library and Fire Maintenance Fund</u>	08/01/2023
<u>DC Highway Trust Fund Examination of the Forecast Statements</u>	05/19/2023
<u>DOES Struggled to Handle Surge in Unemployment Insurance Claims During April 2020 through September 30, 2021</u>	04/06/2023
<u>OCP Did Not Implement Internal Controls Over Warehouse Operations as the District Emergency Response Plan Required</u>	4/05/2023
<u>Evaluation of the Management and Valuation of Commercial Real Property Assessments</u>	11/30/2022
<u>DCHA Can Improve Financial and Program Management Processes to Ensure Housing Subsidy Programs are Administered in an Efficient and Effective Manner</u>	10/25/2022



REPORTS: ANNUAL COMPREHENSIVE FINANCIAL REPORTS (ACFR) ^[16]

(NOTE: All ACFR Reports were published on January 31, 2023)

TYPE	TITLE	OPINION OR FINDINGS
Government-Wide Financial Statements	<u>FY 2022 ACFR Audit Opinion</u>	Unqualified Opinion with a Disclaimer of Opinion on the District's Aggregate Discretely Presented Component Units, Included 6 material weakness findings of internal control over financial reporting at Events DC
Government-Wide Financial Statements	<u>FY 2022 ACFR Management Recommendations</u>	14 Findings
Proprietary Fund/Blended Component Unit	<u>Not-for-Profit Hospital Corporation/United Medical Center Financial Statements (With Independent Auditor's Report) For Fiscal Years Ended 2022 and 2021</u>	Unqualified Opinion

[16] D.C. Code §§ 1-301.115a(a)(3)(H) and (a)(4)(A) (2023) mandate the Inspector General, on behalf of the District, enter into a contract with an independent auditor to audit the District's financial statements (collectively referred to as the ACFR). As part of the OIG's contract, the independent auditor is required to issue an audit opinion on: (1) whether the ACFR fairly presents the District's financials; and (2) whether the results of the District's FY operations are in accordance with Generally Accepted Accounting Principles (GAAP). The OIG's independent auditor is also required to issue an opinion as to whether there were any instances of noncompliance and/or weaknesses in internal controls, which materially affected the District's financial position and operating results as of the end of the fiscal year. In order to render an opinion on the District's ACFR, the independent auditors must audit the District's government-wide financial statements, as well as the financial statements of the District's component units, and separate fund financial statements.



REPORTS: ACFR CONTINUED

TYPE	TITLE	OPINION OR FINDINGS
Proprietary Funds	<u>Office of Lottery and Gaming Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Proprietary Funds	<u>Unemployment Compensation Fund Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Fiduciary Fund	<u>Other Post-Employment Benefits Fund Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Fiduciary Fund	<u>Teachers' Retirement Fund and Police Officers and Fire Fighters' Retirement Fund Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Fiduciary Fund	<u>Teachers' Retirement Fund and Police Officers and Fire Fighters' Retirement Fund Compliance Report For Fiscal Year 2022</u>	1 Finding (Prior Year)

REPORTS: ACFR CONTINUED

TYPE	TITLE	OPINION OR FINDINGS
Component Unit	<u>Health Benefit Exchange Authority Financial Statements (With Independent Auditor's Report) for Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Component Unit	Washington Convention and Sports Authority	N/A ^[17]
Component Unit	<u>Green Finance Authority Financial Statements (With Reports of Independent Public Accountants) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Component Unit	<u>Housing Finance Agency Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Component Unit	<u>University of the District of Columbia Basic Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion

[17] As reported in the FY 2022 ACFR Audit Opinion, the OIG's independent auditors were unable to obtain sufficient appropriate audit evidence from the Washington Convention Center and Sports Authority (Events DC) due to a cybersecurity event. As a result the OIG's independent auditors were unable to render an opinion on Events DC FY 2022 financial statements.



REPORTS: ACFR CONTINUED

TYPE	TITLE	OPINION OR FINDINGS
Component Unit	<u>University of the District of Columbia Management Recommendations for Fiscal Year 2022</u>	3 Findings
Blended Component Units	<u>Tobacco Settlement Financing Corporation Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Other Fund	<u>Emergency and Non-Emergency Number Telephone Calling Systems Fund Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Other Fund	<u>Home Purchase Assistance Program Fund 0602 Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Other Fund	<u>Highway Trust Fund Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion

REPORTS: ACFR CONTINUED

TYPE	TITLE	OPINION OR FINDINGS
Other Fund	<u>529 College Savings Program Trust Participant and Administrative Fund Financial Statements and Management's Discussion and Analysis for Fiscal Years 2022 and 2021</u>	Unqualified Opinion
Other Fund	<u>401(a) Defined Contribution Plan Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion and 1 Finding (Significant Deficiency)
Other Fund	<u>457(b) Deferred Compensation Plan Financial Statements (With Independent Auditor's Report) For Fiscal Years 2022 and 2021</u>	Unqualified Opinion

REPORTS: RISK ASSESSMENTS

TITLE	DATE
<u>Risk Assessment of the District's U.S. Department of Treasury Programs Funded Through the American Rescue Plan Act of 2021</u>	02/17/2023

REPORTS: INSPECTIONS AND EVALUATIONS

TITLE	DATE
<u>Closeout Letter - District Contracted Services</u>	09/11/2023
<u>Special Evaluation of DC Main Streets Program</u>	02/17/2023
<u>DHCD Evaluation of Loan Servicing Contracts</u>	12/23/2022



REPORTS: RISK ASSESSMENT AND FUTURE PLANNING

TITLE ^[18]	DATE
<u>Management Implication Report: Contracts in Excess of \$1 Million Awarded Without Council Approval: Potential Impact on the Fiscal Year (FY) 2023 Annual Comprehensive Financial Report (ACFR).</u>	07/25/2023
<u>Management Implication Report: Cybersecurity Management Practices</u>	02/24/2023

REPORTS: INVESTIGATIONS

TITLE	DATE
<u>Management Implication Report – District Agencies Reporting Requirements of Criminal Violations and Administrative Inquiries into Potential Criminal Violations</u>	02/24/2023

[18] An OIG MIR is issued to inform multiple District agencies of a matter that surfaced during our work and are publicly available on our website.



PRESS RELEASES

TITLE	DATE
<u>Former District of Columbia Fire/EMS Employee Sentenced in Bribery Scheme Involving Undelivered Goods</u>	09/29/2023
<u>Florida Man Pleads Guilty to Defrauding DC Mortgage Assistance and Foreclosure Prevention Program</u>	09/18/2023
<u>Federal Jury Convicts Holy Health Care Services, LLC Program Administrator for a Health Care Fraud Scheme</u>	08/16/2023
<u>Former DC Government Employee Indicted on Charges of Fraudulently Claiming District Residency to Obtain Benefits</u>	08/16/2023
<u>Former DC Government Employee Sentenced to Four Years in Prison for Stealing from Project Empowerment Program</u>	08/16/2023
<u>Maryland Man Pleads Guilty to Attempted Witness Tampering in Relation to Healthcare Fraud Conspiracy</u>	08/04/2023
<u>Owner of Health Care Company Pleads Guilty to Federal Charge for Conspiracy to Commit Health Care Fraud</u>	07/13/2023
<u>DC Man Sentenced for Financial Exploitation of a Family Member</u>	06/20/2023
<u>The District of Columbia Office of the Inspector General to Take Part in a Forum on World Elder Abuse Awareness Day</u>	06/13/2023
<u>Two DC Businessmen Found Guilty of Bribing DC Tax Official To Erase Millions in Tax Liability</u>	06/07/2023



PRESS RELEASES CONTINUED

TITLE	DATE
<u>Fraud Alert: District of Columbia Office of the Inspector General (OIG) Telephone Numbers Used in Scam</u>	05/25/2023
<u>Former DC Government Employee Pleads Guilty to Stealing more than \$350,000 from the District's Project Empowerment Program</u>	05/17/2023
<u>Former Mental Health and Community Residence Facility Director Sentenced for Financial Exploitation of a Vulnerable Adult and Elderly Person</u>	05/12/2023
<u>Maryland Man Sentenced for Defrauding the DC Medicaid Program</u>	05/11/2023
<u>Former Officers of DC Trust, Sentenced for Using Organization's Funds for Personal Gain</u>	05/11/2023
<u>Local Dentist and Hygienist Charged With Offenses Related to Healthcare Fraud and False Claims to DC Medicaid</u>	04/20/2023
<u>DC Doctor Arrested for Unlawfully Distributing Opioids</u>	04/12/2023
<u>The District of Columbia Office of the Inspector General is Moving</u>	03/15/2023
<u>A federal jury convicted a physician today for a \$5 million health care fraud scheme</u>	03/10/2023



PRESS RELEASES CONTINUED

TITLE	DATE
<u>Maryland Man Sentenced to Prison for Defrauding Medicaid in a Scheme Involving Personal Care Services</u>	03/07/2023
<u>Former Direct Support Professional Sentenced For Financial Exploitation of Three District Vulnerable Adults</u>	02/16/2023
<u>Former Officers of Non-Profit Dedicated to Helping Children Plead Guilty to Using Organization's Funds for Personal Gain</u>	11/30/2022
<u>Maryland Man Pleads Guilty to Defrauding Medicaid of More than \$700,000 in Scheme Involving Personal Care Services</u>	11/28/2022
<u>DC Government Employee Charged With Submitting False Documentation Claiming District Residency to Obtain Benefits</u>	11/25/2022
<u>Silver Spring Dentist Sentenced to More Than Two Years in Federal Prison for Scheme to Fraudulently Obtain Medicaid Funds by Recruiting Medicaid Beneficiaries Through the Payment of Kickbacks and Bribes</u>	11/18/2022
<u>Former Employee of DC Project Empowerment Program Indicted on Fraud and Other Federal Charges</u>	10/04/2022



TESTIMONY

TITLE	DATE
<u>Budget Oversight Hearing on the Office of the Inspector General's FY 2024 Budget (March 28, 2023).</u>	03/28/2023
<u>OIG FY 2022 Performance Oversight Hearing Testimony -- Committee on Executive Administration and Labor</u>	03/01/2023
<u>FY 2022 Annual Comprehensive Financial Report (February 2, 2023).</u>	02/02/2023
<u>Committee on Government Operations and Facilities Public Hearing on OIG Fiscal Year 2022 Procurement Risk Assessment and Related Reports</u>	10/05/2022



APPENDIX C: OIG FY 2023 Data

HOTLINE DATA	TOTALS
Complaints Received	2600
Number of Actionable Complaints	256
Number of Actionable Complaints transferred to OIG Operational Units	205

AUDIT, INSPECTIONS AND EVALUATIONS DATA	TOTALS
Number of Final Reports (for public release)	12
Number of Draft ^[19] Reports (provided to an agency for comments)	3
Number of Recommendations Made to Agencies	116
Number of Recommendations Agreed to by Agencies	95
Total Monetary Benefits	\$152,633,744

[19] In accordance with Government Auditing Standards and Quality Standards for Inspections and Evaluations, draft reports are prepared by the OIG and transmitted to District management officials to obtain formal comments on the OIG's findings, conclusions, and recommendations. These formal comments are then incorporated into a publicly-available final report.



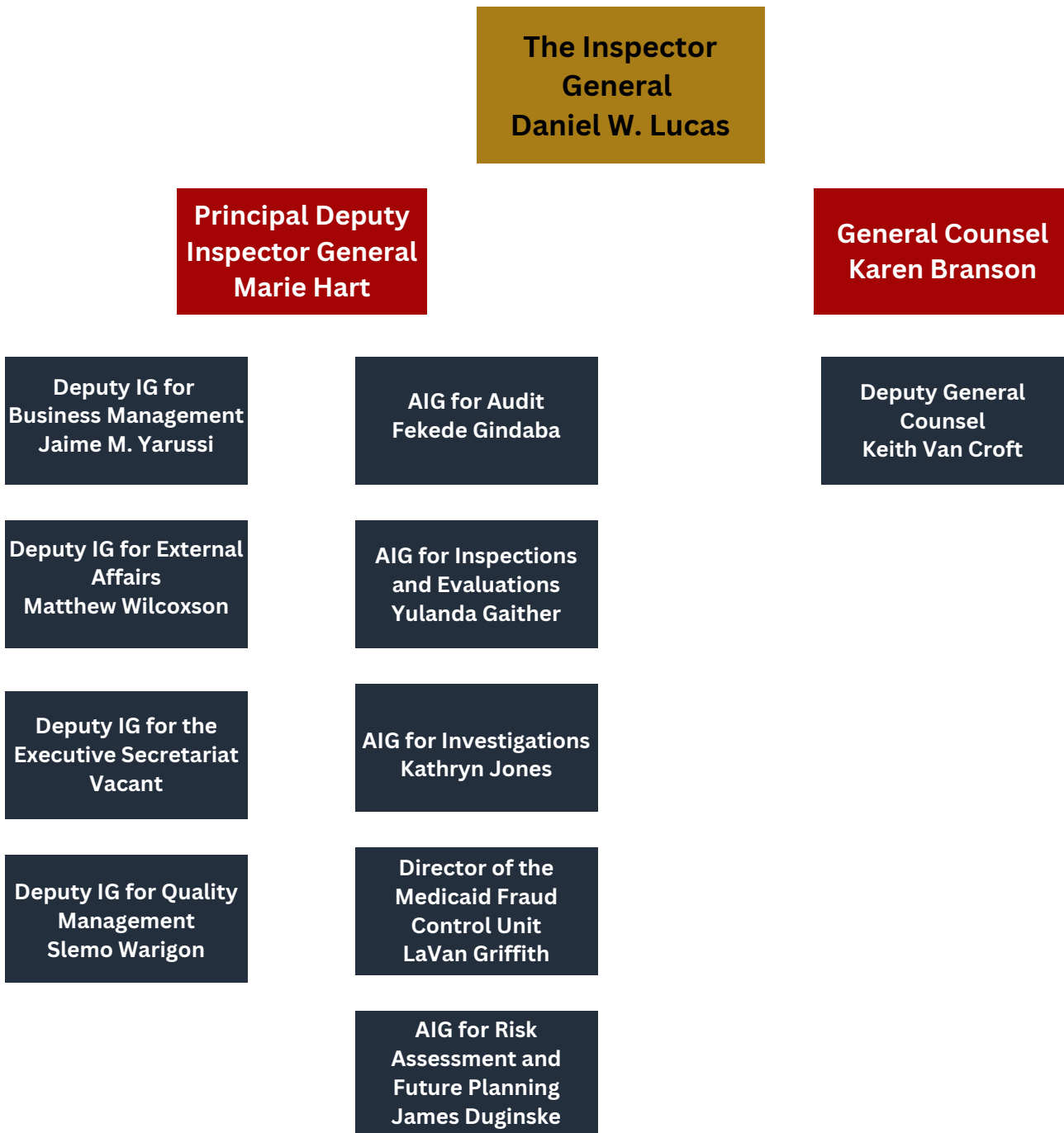
INVESTIGATIONS DATA	TOTALS
Total Criminal Recoveries	\$9,201,546.48
Total Civil Recoveries	\$1,609,400.36
Total Administrative Actions	3
Total Indictments	11
Total Number of Convictions	14
Number of Open Investigations (as of 10/1/2022)	216
Number of Investigations Opened During FY 2023	193
Number of Investigations Closed During FY 2023	134

USE OF FORCE REPORTING ^[20]	TOTALS
Number of Use of Force Incidents	0
Description of Use of Force	n/a
Use of Force Investigations	0
Use of Force Investigations Resulting in Disciplinary Action	0

[20] D.C. Law 24-289 added a requirement for the OIG to report on all use-of-force incidents by OIG employees who conduct investigations of alleged felony violations and possesses law enforcement authorities as defined in D.C. Code § 1-301.115a (f-1).



APPENDIX D: OIG FY 2023 Organizational Chart



APPENDIX E:

Employee Recognition Award Winners

2022-2023

2022:

- Jane Drummey – Excepted Service and Managerial Supervisory Staff Leadership Award
- Alvin Layne – Career Service Leadership Award
- Elliott Taylor – Creativity Award
- Towanda Mitchell and Atoina Cassidy – Collaboration Award
- Bianca Duckett – Respect for Others Award
- Jaime Yarussi – Von Steuben Employee of the Year Award

2023:

- Jaime Yarussi – Excepted Service and Managerial Supervisory Staff Leadership Award
- Jason Facci – Career Service Leadership Award
- Alyssa Wischerth – Creativity Award
- Sanaz Etminan -- Innovation Award
- Atonia Cassidy -- Support Services Excellence Award
- John Burke -- Operational Excellence Award
- The Business Management Division – Collaboration Award
- Michele Carter – Respect for Others Award
- Alvin Layne – Von Steuben Employee of the Year Award



DISTRIBUTION LIST (via email)

The Honorable Muriel Bowser, Mayor, District of Columbia, Attention: Betsy Cavendish

Mr. Kevin Donahue, City Administrator, District of Columbia

Mr. Barry Kreiswirth, General Counsel and Senior Policy Advisor, 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 At-Large 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

The Honorable Robert C. White, Jr., At-Large Councilmember, Council of the District of Columbia

The Honorable Brianne K. Nadeau, Ward 1 Councilmember, Council of the District of Columbia

The Honorable Brooke Pinto, Ward 2 Councilmember, Council of the District of Columbia

The Honorable Matthew Frumin, Ward 3 Councilmember, Council of the District of Columbia

The Honorable Janeese Lewis George, Ward 4 Councilmember, Council of the District of Columbia

The Honorable Zachary Parker, Ward 5 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

Ms. Lindsey V. Parker, Chief of Staff to Mayor Muriel Bowser

Ms. Susana Castillo, Director, Office of Communications, Executive Office of the Mayor

Ms. Nyasha Smith, Secretary to the Council



District of Columbia
OFFICE of the INSPECTOR GENERAL

100 M Street, S.E.
Suite 1000
Washington, DC 20003
202-727-2540
<https://oig.dc.gov>

A world class Office of Inspector General that is customer
focused, and sets the standard for oversight excellence!