

**OFFICIAL WRITTEN STATEMENT FOR THE RECORD
OF
DANIEL W. LUCAS, INSPECTOR GENERAL**

**BEFORE THE
COUNCIL OF THE DISTRICT OF COLUMBIA
COMMITTEE ON FINANCE AND REVENUE**

FISCAL YEAR 2014 PERFORMANCE OVERSIGHT HEARING

MARCH 11, 2015

GOOD MORNING CHAIRMAN EVANS AND MEMBERS OF THE COMMITTEE. I AM DANIEL W. LUCAS, INSPECTOR GENERAL FOR THE DISTRICT OF COLUMBIA. SEATED WITH ME ARE MS. BLANCHE BRUCE, DEPUTY INSPECTOR GENERAL; AND MS. MARIE HART, CHIEF OF STAFF. SEATED BEHIND US ARE MR. RONALD KING, ASSISTANT INSPECTOR GENERAL (AIG) FOR THE AUDITS DIVISION; MR. EDWARD FARLEY, AIG FOR THE INSPECTIONS AND EVALUATIONS DIVISION; MR. BRIAN SWEENEY, AIG FOR THE INVESTIGATIONS DIVISION; MS. SUSAN KENNEDY, DIRECTOR OF THE MEDICAID FRAUD CONTROL UNIT (MFCU); AND OTHER IMPORTANT MEMBERS OF MY STAFF THAT DIRECTLY SUPPORT THE OFFICE IN EXECUTING ITS VERY IMPORTANT MISSION.

I AM PLEASED TO TESTIFY AT THIS PERFORMANCE HEARING, WHICH COVERS THE OFFICE OF THE INSPECTOR GENERAL (OIG) ACCOMPLISHMENTS IN FY 2014, AND THE FIRST QUARTER OF FY 2015.

PERFORMANCE OVERVIEW

EACH OF THE FOUR OIG DIVISIONS – AUDIT, INVESTIGATIONS, INSPECTIONS AND EVALUATIONS, AND THE MFCU – HAVE A SEPARATE SET OF PERFORMANCE MEASURES THAT RELATE TO THE WAYS IN WHICH OUR WORK ADDRESSES OIG STATUTORY RESPONSIBILITIES AND SUPPORTS THE STRATEGIC PRIORITIES OF THE DISTRICT OF COLUMBIA. I WILL NOW PROVIDE AN OVERVIEW OF THE ACTIVITIES AND PERFORMANCE RESULTS OF EACH OF OUR FOUR DIVISIONS.

AUDIT DIVISION

THE AUDITS PERFORMED BY THE OIG INCLUDE BOTH PERFORMANCE AND FINANCIAL AUDITS TO IMPROVE BOTH THE ACCOUNTABILITY OF DISTRICT OPERATIONS AS WELL AS TO FACILITATE EFFECTIVE DECISION-MAKING. IN ADDITION, THE AUDIT DIVISION OVERSEES CONTRACTING FOR AND EXECUTION OF THE CITYWIDE FINANCIAL AUDIT, REFERRED TO AS THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR).

THE OIG HAS, AND CONTINUES TO, ASSIST DISTRICT MANAGEMENT IN ADDRESSING AND MITIGATING VARIOUS RISKS FACED BY THE DISTRICT. IN FY 2014, THE AUDIT DIVISION CONTINUED TO FOCUS ON ISSUES SURROUNDING REVENUE ENHANCEMENT, EFFICIENT USE OF RESOURCES, DELIVERY OF CITIZEN SERVICES, HUMAN CAPITAL, AND INFORMATION TECHNOLOGY.

AUDIT DIVISION PERFORMANCE MEASURES

TO MEASURE AUDIT DIVISION PERFORMANCE, WE REPORT ON POTENTIAL MONETARY BENEFITS IDENTIFIED AND THE NUMBER OF REPORTS ISSUED. THE

AUDIT DIVISION GOALS IN FY 14 WERE TO ISSUE 28 REPORTS AND IDENTIFY \$25 MILLION IN POTENTIAL MONETARY BENEFITS. IN FY 14, THE AUDIT DIVISION ISSUED 34 FINAL AUDIT REPORTS AND IDENTIFIED \$42 MILLION IN POTENTIAL MONETARY BENEFITS. COMPARING \$42 MILLION IN POTENTIAL MONETARY BENEFITS AGAINST THE \$3 MILLION IN COSTS TO OPERATE THE AUDIT DIVISION, RESULTS IN A RETURN ON INVESTMENT OF \$14 FOR EACH DOLLAR INVESTED. THE AUDIT DIVISION CONDUCTED AUDITS IN 29 PERCENT OF THE DISTRICT'S AGENCIES/OFFICES (OUR TARGET WAS 25 PERCENT).

TO IDENTIFY SPECIFIC POTENTIAL BENEFITS FOR IMPLEMENTING RECOMMENDATIONS, THE OIG INCLUDES A SCHEDULE IN EACH AUDIT REPORT THAT LISTS EACH BENEFIT BY TYPE AND RECOMMENDATION, AND DESCRIBES EACH BENEFIT AS ECONOMY AND EFFICIENCY, INTERNAL CONTROL, COMPLIANCE, OR PROGRAM RESULTS. FOR FY 2014, THE AUDIT DIVISION MADE 164 RECOMMENDATIONS TO DISTRICT MANAGEMENT.

AUDITS CONDUCTED DURING FY 14 INCLUDED THE FOLLOWING:

REVENUE ENHANCEMENT

AUDIT OF COMMERCIAL MORTGAGE RECORDATION AT THE OFFICE OF TAX AND REVENUE, [OIG REPORT NO. 11-2-27AT](#), ISSUED ON APRIL 2, 2014:

OUR AUDIT IDENTIFIED THAT THE OFFICE OF THE CHIEF FINANCIAL OFFICER (OCFO) LACKED ADEQUATE MANAGEMENT CONTROLS TO ENSURE THAT COMMERCIAL RECORDATION OF: (1) SIMILAR PURCHASE MONEY REFINANCING TRANSACTIONS WERE CONSISTENTLY

ADMINISTERED AND TAXED; (2) TAX PAYMENTS WERE PROPERLY COLLECTED AND EXEMPTIONS WERE PROPERLY SUPPORTED; (3) SECURITY INTEREST INSTRUMENTS CLEARLY STATED THE AMOUNT OF DEBT SECURED FOR RECORDATION TAX PURPOSES; AND (4) THAT GOVERNANCE INCORPORATED TIMELY IMPLEMENTATION OF LEGISLATIVE CHANGES, EFFECTIVE MONITORING OF PROCESSES, AND AUDIT MECHANISMS. THE OFFICE OF TAX AND REVENUE (OTR) LACKED ADEQUATE CONTROLS TO MINIMIZE THE RISK OF UNDETECTED TAX FRAUD AND ERRORS.

AS A RESULT, OTR MAY HAVE FAILED TO COLLECT \$24.8 MILLION IN COMMERCIAL RECORDATION TAX REVENUES.

THE OIG DIRECTED 21 RECOMMENDATIONS TO OCFO. THE RECOMMENDATIONS FOCUSED ON STRENGTHENING INTERNAL CONTROLS, IMPROVING PROCESSES, AND TRAINING RESPONSIBLE PERSONNEL TO ENHANCE THE EFFECTIVENESS OF THE DISTRICT'S COLLECTION OF COMMERCIAL MORTGAGE RECORDATION TAXES.

SPENDING AND EFFICIENT USE OF RESOURCES

AUDIT OF THE ELIGIBILITY DETERMINATION PROCESS FOR ALLIANCE AND MEDICAID PARTICIPANTS, PART II, [OIG REPORT NO. 10-1-16HT\(A\)](#), ISSUED ON SEPTEMBER 19, 2014:

OUR AUDIT IDENTIFIED THAT IMPROPER CLAIMS PAYMENTS TOTALING \$22.4 MILLION, AND QUESTIONABLE COSTS TOTALING \$11.5 MILLION,

WERE MADE BY THE DEPARTMENT OF HEALTH CARE FINANCE (DHCF) ON BEHALF OF ALLIANCE AND MEDICAID PARTICIPANTS WHO DID NOT MEET INCOME OR RESIDENCY ELIGIBILITY REQUIREMENTS. ALLIANCE AND MEDICAID PARTICIPANTS ARE REQUIRED TO REPORT ACCURATELY AND SUBSTANTIATE THEIR INCOME, RESIDENCY, AND IDENTITY WHEN APPLYING FOR OR RECERTIFYING THEIR ELIGIBILITY FOR MEDICAL ASSISTANCE. THESE CONDITIONS MOST LIKELY OCCURRED BECAUSE ALLIANCE AND MEDICAID PARTICIPANTS PROVIDED FALSE STATEMENTS OF INCOME, IDENTITY, AND RESIDENCY TO THE DEPARTMENT OF HUMAN SERVICES (DHS) ECONOMIC SECURITY ADMINISTRATION (ESA), AND DHS WAS INEFFECTIVE IN PREVENTING OR DETECTING ELIGIBILITY AUTHORIZATION ERRORS.

AS A RESULT, THE DISTRICT COULD HAVE PROVIDED MEDICAID SERVICES TOTALING OVER \$33 MILLION TO INELIGIBLE INDIVIDUALS.

THE OIG DIRECTED 12 RECOMMENDATIONS TO THE DEPARTMENT OF HUMAN SERVICES TO ADDRESS DEFICIENCIES INCLUDING: (1) CONFIRMING WHETHER THE ALLIANCE AND MEDICAID PARTICIPANTS IDENTIFIED WERE INELIGIBLE, RECEIVED MEDICAL ASSISTANCE BENEFITS IMPROPERLY, AND PROVIDED FALSE ELIGIBILITY CRITERIA TO THE ECONOMIC SECURITY ADMINISTRATION; (2) ENSURING APPROPRIATE ACTIONS ARE TAKEN TO ADDRESS FRAUD AND INELIGIBILITY; (3) PROMOTING COMPLIANCE TO ENSURE ONLY ELIGIBLE PARTICIPANTS

RECEIVE MEDICAL ASSISTANCE BENEFITS; AND (4) IMPROVING THE ELIGIBILITY CRITERIA VERIFICATION PROCESS.

DELIVERY OF CITIZEN SERVICES

AUDIT OF CONSTRUCTION MANAGEMENT AT THE DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION, [OIG NO. 11-2-28KA\(B\)](#), ISSUED ON JUNE 17, 2014:

OUR AUDIT IDENTIFIED THAT THE DEPARTMENT OF TRANSPORTATION (DDOT) DID NOT PROVIDE EFFECTIVE MANAGEMENT OVERSIGHT FOR THE ADMINISTRATION OF CONSTRUCTION PROJECTS. SPECIFICALLY, DDOT DID NOT ESTABLISH ADEQUATE PROJECT DOCUMENTATION SYSTEMS AND MAINTAIN REQUIRED CONTRACT DOCUMENTATION AS IDENTIFIED IN THE DDOT CONSTRUCTION MANAGEMENT MANUAL (CMM). DDOT DID NOT PROVIDE CONSTRUCTION MANAGERS (CMs) WITH THE NECESSARY GUIDANCE AT PROJECT START-UP TO IMPLEMENT DOCUMENTATION SYSTEMS THAT ACCURATELY, COMPLETELY, AND TIMELY RECORD PROJECT ACTIVITIES, AS REQUIRED BY THE CMM. THESE CONDITIONS OCCURRED BECAUSE DDOT DID NOT FORMALLY ROLL-OUT ITS STANDARD OPERATING PROCEDURES (DDOT CMM) THAT WERE PUBLISHED IN MAY 2010, AND DID NOT AMEND EXISTING CONSTRUCTION MANAGEMENT CONTRACTS TO INCORPORATE THE CMM.

AS A RESULT, THE INADEQUATE OR UNDOCUMENTED PROJECT ACTIVITY EXPOSED THE DISTRICT TO UNNECESSARY RISK.

THE OIG DIRECTED FIVE RECOMMENDATIONS TO DDOT THAT FOCUSED ON: (1) DEVELOPING AND IMPLEMENTING A PROCESS TO ESTABLISH A DOCUMENTATION SYSTEM AT PROJECT START-UP THAT WOULD BEST FIT EACH PROJECT; (2) IMPROVING COMMUNICATIONS AND ENFORCING CONTRACTOR COMPLIANCE WITH CONTRACT TERMS AND CONDITIONS; (3) ESTABLISHING PROCEDURES TO INVOLVE THE INFRASTRUCTURE PROJECT MANAGEMENT ADMINISTRATION IN DEVELOPING CONTRACT DELIVERABLES THAT ARE BEST-SUITED FOR EACH PROJECT; AND (4) IMPROVING THE ADMINISTRATION OF CONSTRUCTION CONTRACTS.

AUDIT DIVISION OUTREACH ACTIVITIES

THE AUDIT DIVISION PUBLISHED A GUIDE ON INTERNAL CONTROLS FOR AGENCY MANAGERS AND EMPLOYEES, ENTITLED *THE PROCESS OF INTERNAL CONTROL*. THE GOALS OF THE GUIDE ARE TO PROMOTE AWARENESS, PROVIDE DEFINITIONS AND OBJECTIVES OF INTERNAL CONTROLS, AND TO HIGHLIGHT RESPONSIBILITIES UNDER APPLICABLE FEDERAL AND DISTRICT LAWS. THE AUDIT DIVISION STAFF ALSO PUBLISHED FIVE ARTICLES THAT WERE PUBLISHED IN PROFESSIONAL AUDITING PERIODICALS.

INSPECTIONS AND EVALUATIONS DIVISION

THE INSPECTIONS AND EVALUATIONS DIVISION (I&E) PROVIDES OBJECTIVE, THOROUGH, AND TIMELY ASSESSMENTS OF THE MANAGEMENT AND KEY OPERATIONS OF DISTRICT AGENCIES. I&E PRIMARILY FOCUSES ON AGENCIES THAT ARE RESPONSIBLE FOR SERVICE DELIVERY AND AGENCIES WHERE SIGNIFICANT PROBLEMS MAY COME TO THE ATTENTION OF THE MAYOR (EOM),

MEMBERS OF THE COUNCIL OF THE DISTRICT OF COLUMBIA (COUNCIL), AND OTHER STAKEHOLDERS. THE RECOMMENDATIONS I&E PROVIDE TO AGENCY HEADS TYPICALLY CALL FOR CORRECTIVE MEASURES TO ENSURE THAT DISTRICT AND FEDERAL LAWS, REGULATIONS, AND POLICIES ARE FOLLOWED; THAT DEFICIENCIES ARE ADDRESSED; AND THAT OPERATIONS ARE IMPROVED.

I&E'S PERFORMANCE MEASURES

TO MEASURE I&E'S PERFORMANCE OVER THE FISCAL YEAR, THE OIG REPORTS ON THE NUMBER OF REPORTS ISSUED. I&E'S PERFORMANCE GOAL FOR FY 2014 WAS TO ISSUE 10 REPORTS. I&E MET THIS GOAL BY PUBLISHING 10 REPORTS: 4 REPORTS OF INSPECTION (ROIs); 3 REPORTS OF SPECIAL EVALUATION; 2 MANAGEMENT ALERT REPORTS (MARs); AND A SUMMARY OF COMPLIANCE ACTIVITIES. I&E'S WORK ENCOMPASSED A BROAD RANGE OF PROJECTS, WHICH INCLUDED INSPECTIONS OF SENIOR WELLNESS FACILITIES OPERATED UNDER THE ADMINISTRATION OF THE OFFICE ON AGING, A SPECIAL EVALUATION OF THE DEPARTMENT OF YOUTH REHABILITATION SERVICES, AND TWO MARS TO THE DEPARTMENT OF GENERAL SERVICES PROTECTIVE SERVICES DIVISION.

WHILE I&E'S PERFORMANCE IS PRIMARILY MEASURED BY THE NUMBER OF FINAL REPORTS ISSUED, OVERALL EFFECTIVENESS IS INDICATED BY THE FINDINGS IDENTIFIED, THE RECOMMENDATIONS MADE TO AGENCY MANAGERS, AND IMPROVEMENTS THAT AGENCIES MAKE TO OPERATIONS IN RESPONSE TO THOSE RECOMMENDATIONS. I&E'S FY 14 REPORTS CONTAINED 45 FINDINGS AND 110 ACTIONABLE RECOMMENDATIONS AIMED AT MITIGATING DEFICIENCIES AND ENHANCING DISTRICT GOVERNMENT OPERATIONS.

TO ENSURE A CONTINUED EFFORT TO MITIGATE DEFICIENT CONDITIONS NOTED IN ITS REPORTS, I&E MONITORS AGENCIES' COMPLIANCE WITH PUBLISHED RECOMMENDATIONS PRIMARILY USING COMPLIANCE FORMS, WHICH ARE SENT TO THE INSPECTED ENTITY UPON PUBLICATION OF THE FINAL OIG REPORT. I&E ASKS AGENCIES TO FURNISH AN INITIAL RESPONSE 60 DAYS AFTER THE DATE OF REPORT PUBLICATION; THEREAFTER, I&E USES THE CONTACT INFORMATION PROVIDED TO SEND TARGETED REQUESTS FOR ADDITIONAL INFORMATION, IF NEEDED, TO THE RESPONSIBLE MANAGER AT THE INSPECTED ENTITY. AS IT LAST DID IN SEPTEMBER 2014, I&E WILL PERIODICALLY PUBLISH A SUMMARY REPORT OF COMPLIANCE ACTIVITIES, WHICH IS DISTRIBUTED TO MEMBERS OF THE EOM, COUNCIL, AND CONGRESS.

REPORTS OF SPECIAL EVALUATION

I&E PUBLISHED THREE REPORTS OF SPECIAL EVALUATION IN FY 2014. THE FIRST, SENT TO THE DEPARTMENT OF YOUTH REHABILITATION SERVICES (DYRS), ADDRESSED DYRS'S OVERSIGHT OF YOUTHS WHO ARE COMMITTED TO ITS CUSTODY AND IN COMMUNITY-BASED PLACEMENTS, WHICH COULD BE THEIR OWN HOME, A FOSTER HOME, OR A STRUCTURED RESIDENTIAL SETTING THAT IS STAFFED 24-HOURS PER DAY. THE REPORT MADE A TOTAL OF 17 RECOMMENDATIONS TO DYRS IN OPERATIONAL AREAS SUCH AS OVERSIGHT OF DYRS CASE MANAGERS, COLLECTION AND ANALYSIS OF DATA PERTAINING TO YOUTH ABSCONDENCES, AND PROTOCOLS THAT SHOULD BE FOLLOWED BY DYRS EMPLOYEES, FACILITY OPERATORS, AND PARENTS/GUARDIANS OF YOUTHS.

IN DECEMBER 2013, I&E PUBLISHED A REPORT OF SPECIAL EVALUATION ENTITLED *FIRE AND EMERGENCY MEDICAL SERVICES FAILS TO ADDRESS CRITICAL STAFFING SHORTAGES*. I&E CONDUCTED THIS SPECIAL EVALUATION IN THE AFTERMATH OF A SIGNIFICANT STAFFING SHORTAGE ON DECEMBER 31, 2012, THAT SIGNIFICANTLY IMPEDED THE ABILITY OF FEMS TO RESPOND TIMELY TO DISPATCHED CALLS FOR ASSISTANCE. I&E FOUND, AMONG OTHER THINGS, THAT STAFFING SHORTAGES REGULARLY CAUSED FEMS LEADERSHIP TO PLACE VEHICLES OUT OF SERVICE, OR DOWNGRADE THE TYPE OF SOME SERVICE AMBULANCE PROVIDED, FROM ADVANCED LIFE SUPPORT TO BASIC LIFE SUPPORT.

I&E'S THIRD REPORT OF SPECIAL EVALUATION FOCUSED ON PARKING AND AUTOMATED TRAFFIC ENFORCEMENT TICKET ISSUANCE PRACTICES AND HAD TWO PRIMARY OBJECTIVES: TO (1) ASSESS THE ADEQUACY AND CLARITY OF POLICIES AND PROCEDURES GOVERNING THE ISSUANCE OF TICKETS, AND (2) PRESENT ACTIONABLE RECOMMENDATIONS FOR IMPROVING THE ACCURACY AND EFFICIENCY OF THE DISTRICT'S TICKET ISSUANCE PROCESSES. I&E IS CURRENTLY WORKING ON PART II OF THIS SPECIAL EVALUATION, WHICH IS EXAMINING THE TICKET ADJUDICATION, APPEALS, AND PAYMENT AND COLLECTIONS PROCESSES.

MANAGEMENT ALERT REPORTS (MARS)

I&E ISSUES MARS TO AGENCY HEADS AND THE CITY ADMINISTRATOR WHEN INSPECTORS BELIEVE MATTERS REQUIRE IMMEDIATE OR PRIORITY ATTENTION. IN FY 2014, I&E PUBLISHED TWO MARS, BOTH OF WHICH WERE SENT TO THE

DEPARTMENT OF GENERAL SERVICES (DGS) WHILE I&E WAS RE-INSPECTING ITS PROTECTIVE SERVICES DIVISION. IN MAY 2014, I&E PUBLISHED A MAR ENTITLED *PATROL OPERATIONS SPECIAL POLICE OFFICERS MAY POSE A RISK TO THE DISTRICT WHEN PROVIDING LAW ENFORCEMENT SERVICES OUTSIDE OF THEIR JURISDICTION*. THE MAR RECOMMENDED, AMONG OTHER THINGS, THAT THE DIRECTOR OF DGS REQUEST A FORMAL LEGAL OPINION FROM THE OFFICE OF THE ATTORNEY GENERAL (OAG) THAT DEFINED THE PROTECTIVE SERVICE DIVISION (PSD) JURISDICTION AND ALL SITUATIONS IN WHICH PATROL OPERATIONS SPECIAL POLICE OFFICERS ARE AUTHORIZED TO OPERATE OUTSIDE OF THAT JURISDICTION, IF AT ALL. DGS RECEIVED THAT ADVISORY OPINION IN OCTOBER 2014, AND THE OFFICE OF RISK MANAGEMENT IS CURRENTLY CONDUCTING A RISK ASSESSMENT OF THOSE ELEMENTS OF PSD OPERATIONS CITED IN THE MAR.

I&E ALSO PUBLISHED A MAR IN JULY 2014 REGARDING SECURITY GAPS AT ONE JUDICIARY SQUARE.

I&E CONTINUES TO MONITOR DGS'S PROGRESS TOWARD FULLY IMPLEMENTING THE RECOMMENDATIONS AND MITIGATING THE CONDITIONS NOTED IN BOTH OF THESE MARS.

REPORTS OF RE-INSPECTION

IN CONJUNCTION WITH ITS GOAL TO INSPECT ALL SIX SENIOR WELLNESS CENTERS THAT ARE OPERATED UNDER THE ADMINISTRATION OF THE OFFICE ON AGING, I&E PUBLISHED REPORTS OF INSPECTION OF FOUR OF THE SIX CENTERS

IN FY 2014. REPORTS ON THE FINAL TWO SENIOR WELLNESS CENTERS WERE PUBLISHED EARLIER THIS FISCAL YEAR.

FY 2015 INSPECTION ACTIVITIES

IN FY 2015, ONGOING I&E PROJECTS INCLUDE INSPECTIONS OF THE OFFICE ON RETURNING CITIZENS AFFAIRS AND THE OAG CHILD SUPPORT SERVICES DIVISION. MORE DETAILED INFORMATION REGARDING PLANNED AND ONGOING I&E PROJECTS CAN BE FOUND IN THE OIG'S ANNUAL AUDIT AND INSPECTION PLAN, WHICH IS POSTED ON OUR WEBSITE AT OIG.DC.GOV.

THUS FAR IN FY 15, I&E HAS PUBLISHED THREE REPORTS, WHICH CAN ALSO BE FOUND ON OUR WEBSITE.

INVESTIGATIONS DIVISION

IN FY 2014, THE INVESTIGATIONS DIVISION CONDUCTED BOTH CRIMINAL INVESTIGATIONS, MANY OF WHICH RESULTED IN PROSECUTIONS AND SIGNIFICANT ADMINISTRATIVE INVESTIGATIONS, WHICH RESULTED IN RECOMMENDATIONS TO THE DISTRICT AGENCIES INVOLVED. WE BELIEVE THAT THESE OUTCOMES SERVE AS SIGNIFICANT DETERRENENTS TO OFFICIAL MISCONDUCT.

INVESTIGATIONS DIVISION PERFORMANCE MEASURES

TO MEASURE THE INVESTIGATION DIVISION'S PERFORMANCE OVER FY 14, THE OIG REPORTS ON THE PROCESSING TIME OF COMPLAINTS RECEIVED, THE TIME TO COMPLETE A PRELIMINARY INVESTIGATION, AND THE TIME TO ISSUE A REFERRAL LETTER TO THE APPROPRIATE DISTRICT DEPARTMENT OR AGENCY.

FOR FY 14, THE INVESTIGATIONS DIVISION: (1) EVALUATED 100% OF ITS COMPLAINTS WITHIN 10 DAYS OF RECEIPT; (2) COMPLETED 98% OF PRELIMINARY INQUIRIES WITHIN 30-WORKING DAYS AFTER ASSIGNMENT TO AN INVESTIGATOR; AND (3) PROVIDED 100% OF REFERRAL LETTERS TO THE APPROPRIATE DISTRICT DEPARTMENT OR AGENCY WITHIN 10-WORKING DAYS.

CRIMINAL INVESTIGATIONS

THE INVESTIGATION DIVISION OPENED 74 CRIMINAL INVESTIGATIONS AND PRESENTED 63 CRIMINAL CASES TO THE UNITED STATES ATTORNEY'S OFFICE FOR THE DISTRICT OF COLUMBIA (USAO), 29 OF WHICH WERE ACCEPTED FOR PROSECUTION. CRIMINAL INVESTIGATIONS THAT ARE DECLINED BY THE USAO GENERALLY RESULT IN A CIVIL REFERRAL TO THE OAG. FOR FY 2014, THE OIG REFERRED 26 CASES TO THE OAG TO INITIATE CIVIL PROCEEDINGS. OUR CRIMINAL INVESTIGATIONS RESULTED IN 40 ARRESTS, 1 INDICTMENT, AND 41 CONVICTIONS. THE SENTENCES INCLUDED IMPRISONMENT, HOME DETENTION, PROBATION, COMMUNITY SERVICES, RESTITUTION, AND FINES. IN ADDITION, INDIVIDUALS CONVICTED AS A RESULT OF INVESTIGATIONS DIVISION INVESTIGATIONS WERE ORDERED TO PAY A TOTAL OF \$2,213,609.56 IN RESTITUTION. OUR SPECIAL AGENTS WORKED A NUMBER OF THESE CRIMINAL INVESTIGATIONS JOINTLY WITH OTHER LAW ENFORCEMENT AGENCIES, INCLUDING THE USAO, THE FEDERAL BUREAU OF INVESTIGATION (FBI), THE U.S. DEPARTMENT OF LABOR (DOL) OIG, THE U.S. SECRET SERVICE (USSS), THE U.S. DEPARTMENT OF JUSTICE (DOJ) OIG, AND THE METROPOLITAN POLICE DEPARTMENT (MPD).

CRIMINAL INVESTIGATIONS THAT THE INVESTIGATIONS DIVISION CONDUCTED DURING FY 2014 INCLUDE THE FOLLOWING THREE EXAMPLES:

(1) THE OIG, WORKING UNDER THE GUIDANCE OF THE USAO, CONDUCTED AN INVESTIGATION INVOLVING MEMBERS OF THE PUBLIC AND DISTRICT GOVERNMENT EMPLOYEES WHO FRAUDULENTLY RECEIVED DOES UNEMPLOYMENT INSURANCE COMPENSATION BENEFITS TO WHICH THEY WERE NOT ENTITLED. IN FY 2014, THE USAO SUCCESSFULLY PROSECUTED 19 CASES INVESTIGATED THAT THE OIG REFERRED FOR CRIMINAL PROSECUTION. THE 19 DEFENDANTS WERE ORDERED TO PAY A TOTAL OF \$391,094 IN RESTITUTION. IN ADDITION, THE OIG REFERRED 26 CASES TO THE OAG FOR CIVIL RECOUPMENT. THE INVESTIGATIONS DIVISION ALSO REFERRED CRIMINAL CASES INVOLVING DISTRICT GOVERNMENT EMPLOYEES TO THE EMPLOYING AGENCIES FOR APPROPRIATE ADMINISTRATIVE ACTION.

(2) THE OIG AND THE MPD CONDUCTED A JOINT INVESTIGATION, WHICH REVEALED THAT ON OR ABOUT FEBRUARY 2011 UNTIL SEPTEMBER 2013, A DEPARTMENT OF HUMAN SERVICES (DHS) EMPLOYEE, AND HER SISTER, A MEMBER OF THE PUBLIC, CONSPIRED TO COMMIT WIRE FRAUD AND FRAUDULENTLY OBTAINED \$783,876 IN FUNDS ALLOCATED TO THE DISTRICT'S TEMPORARY ASSISTANCE FOR NEEDY FAMILIES AND SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAMS. ON FEBRUARY 14, 2014, BOTH PLED GUILTY TO ONE COUNT OF CONSPIRACY TO COMMIT WIRE FRAUD. THE DHS EMPLOYEE WAS SENTENCED TO 20 MONTHS OF

INCARCERATION AND 3 YEARS OF SUPERVISED RELEASE, WHILE HER SISTER WAS SENTENCED TO 1 YEAR AND 1 DAY OF INCARCERATION. IN ADDITION, BOTH WERE ORDERED TO PAY \$783,876 IN JOINT AND SEVERAL RESTITUTION TO THE DISTRICT OF COLUMBIA GOVERNMENT.

(3) THE OIG, WORKING JOINTLY WITH THE DOL OIG, CONDUCTED AN INVESTIGATION, WHICH REVEALED THAT FROM OCTOBER 2009 THROUGH JULY 2012, AN INDIVIDUAL STOLE NUMEROUS IDENTITIES AND FRAUDULENTLY OBTAINED MORE THAN \$80,000 IN UNEMPLOYMENT INSURANCE BENEFITS FROM THE DISTRICT OF COLUMBIA, MARYLAND, AND NEW YORK. IN ADDITION, WHILE WORKING FOR A TEMPORARY EMPLOYMENT AGENCY IN D.C., THE INDIVIDUAL WIRED \$52,175 FROM AN EMPLOYER'S BANK ACCOUNT TO ACCOUNTS SHE CREATED FOR HERSELF. ON MAY 22, 2014, THE INDIVIDUAL PLED GUILTY TO ONE COUNT OF WIRE FRAUD. ON AUGUST 27, 2014, THE INDIVIDUAL WAS SENTENCED TO 24 MONTHS OF INCARCERATION, 36 MONTHS OF SUPERVISED RELEASE, AND WAS ORDERED TO PAY \$132,286.70 IN RESTITUTION.

ADMINISTRATIVE INVESTIGATIONS

OIG INVESTIGATORS ALSO CONDUCTED ADMINISTRATIVE INVESTIGATIONS, WHICH DETERMINED THAT DISTRICT EMPLOYEES VIOLATED DISTRICT REGULATIONS, INCLUDING THE DISTRICT'S STANDARDS OF CONDUCT, AND MADE SPECIFIC RECOMMENDATIONS TO THE AGENCIES INVOLVED. IN FY 2014, WE ISSUED 6 REPORTS OF INVESTIGATION (ROIs), WHICH CONTAINED A TOTAL

OF 13 RECOMMENDATIONS FOR ADMINISTRATIVE ACTION AGAINST DISTRICT EMPLOYEES AND/OR POLICY AND PROCEDURE RECOMMENDATIONS.

SUBSTANTIATED ADMINISTRATIVE INVESTIGATIONS INCLUDE THE FOLLOWING TWO EXAMPLES:

(1) IN MAY 2014, THE OIG ISSUED AN ROI FROM AN INVESTIGATION INTO ALLEGATIONS OF EXCESSIVE OVERTIME DURING FY 2012 BY FEMS MECHANICS. THE OIG CONCLUDED THAT EMPLOYEES IN THE HEAVY MOBILE EQUIPMENT MECHANIC, FLEET MANAGEMENT DIVISION, FEMS, ABUSED TIME AND ATTENDANCE, INCLUDING OVERTIME HOURS, TO RECEIVE PAY FROM THE DISTRICT OF COLUMBIA TO WHICH WERE NOT ENTITLED.

(2) IN SEPTEMBER 2014, THE OIG ISSUED AN ROI AFTER AN INVESTIGATION INTO ALLEGATIONS THAT A DISTRICT EMPLOYEE FROM THE OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT (DMPED) IMPROPERLY RECEIVED A MONTHLY HOUSING SUBSIDY FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD). THE INVESTIGATION DETERMINED THAT THE DMPED EMPLOYEE FAILED TO REPORT TO HOUSING OFFICIALS THAT HIS/HER INCOME INCREASED AFTER BECOMING EMPLOYED WITH THE DISTRICT OF COLUMBIA GOVERNMENT IN JULY 2012. AS A RESULT, THE DMPED EMPLOYEE RECEIVED \$2,156 IN HUD HOUSING SUBSIDIES TO WHICH S/HE WAS NOT ENTITLED.

HOTLINE AND REFERRAL PROGRAMS

THE INVESTIGATIONS DIVISION ALSO OPERATES A REFERRAL PROGRAM, BY WHICH THE OIG REFERS TO OTHER DEPARTMENTS AND AGENCIES ADMINISTRATIVE MATTERS THAT CAN BEST BE ADDRESSED BY THOSE AGENCIES. IN MANY CASES, THE OIG SEEKS RESPONSES TO THESE REFERRALS TO ENSURE THAT THE MATTERS ARE HANDLED APPROPRIATELY.

OUR INVESTIGATIONS DIVISION ANNUALLY RECEIVES APPROXIMATELY 600 CALLS THROUGH ITS HOTLINE PROGRAM. DURING FY 14, OUR INVESTIGATORS PROCESSED 629 NEW COMPLAINTS, OPENED 107 FORMAL INVESTIGATIONS, AND REFERRED 447 MATTERS TO THE HEADS OF 51 DISTRICT AGENCIES, 78 FEDERAL AGENCIES, AND 12 STATE AGENCIES.

IN THE FIRST QUARTER OF FY 2015, INVESTIGATORS PROCESSED 147 NEW COMPLAINTS, OPENED 16 NEW INVESTIGATIONS, AND REFERRED 64 MATTERS TO DISTRICT AND FEDERAL AGENCIES FOR APPROPRIATE ACTION. OF THE 16 NEW INVESTIGATIONS OPENED, 6 ARE CRIMINAL INVESTIGATIONS, 5 ARE ADMINISTRATIVE INVESTIGATIONS, AND 5 ARE PRELIMINARY MATTERS.

INVESTIGATIONS DIVISION OUTREACH ACTIVITIES

IN ADDITION, THE INVESTIGATIONS DIVISION CONTINUED ITS PROGRAM OF CONDUCTING INTEGRITY LECTURES AND TRAINING TO INFORM DISTRICT GOVERNMENT EMPLOYEES OF THE CRIMINAL, ETHICAL, AND ADMINISTRATIVE RULES DISTRICT GOVERNMENT EMPLOYEES ARE REQUIRED TO FOLLOW. THIS OUTREACH EDUCATES DISTRICT GOVERNMENT EMPLOYEES ON THE OIG'S

MISSION SO THAT THEY CAN FULFILL THEIR OBLIGATIONS TO REPORT CRIME, CORRUPTION, AND ETHICAL VIOLATIONS APPROPRIATELY. IN FY 2014, THE INVESTIGATIONS DIVISION CONDUCTED 38 INTEGRITY LECTURES THAT WERE ATTENDED BY NUMEROUS DISTRICT EMPLOYEES.

MEDICAID FRAUD CONTROL UNIT (MFCU)

THE MFCU INVESTIGATES AND PROSECUTES (1) ALLEGATIONS OF FINANCIAL FRAUD AGAINST THE MEDICAID PROGRAM COMMITTED BY PROVIDERS, AND (2) ABUSE, NEGLECT, OR FINANCIAL EXPLOITATION OF PERSONS WHO RESIDE IN MEDICAID-FUNDED FACILITIES, SUCH AS NURSING HOMES AND COMMUNITY RESIDENCES.

MFCU PERFORMANCE MEASURES

TO MEASURE THE MFCU'S PERFORMANCE OVER FY 14, THE OIG REPORTS ON THE NUMBER OF CRIMINAL/CIVIL RESOLUTIONS (PLEA, SETTLEMENT, OR VERDICT) OBTAINED IN A FISCAL YEAR. IN FY 14, THE MFCU'S GOAL WAS 24, AND THE UNIT ATTAINED 17 SUBSTANTIVE DISPOSITIONS OF OUTSTANDING FRAUD, ABUSE, NEGLECT, AND SEXUAL ASSAULT CASES, INCLUDING A CASE WHERE THE DEFENDANT WAS SENTENCED IN CONNECTION WITH 35 SEPARATE FELONY OFFENSES.

IN FY 2014, THE MFCU PROCESSED MORE THAN 1,700 INCOMING UNUSUAL INCIDENT REPORTS, COMPLAINTS, OR REFERRALS; INITIATED 163 INVESTIGATIONS; AND CLOSED 81 MATTERS. THE MFCU RECOVERED SUBSTANTIAL MONIES IN RESTITUTION TO THE MEDICAID PROGRAM THROUGH

PARTICIPATION IN 14 CIVIL RESOLUTIONS. IN FY 2014, THE MFCU RECOUPED OR HAD RESTITUTION ORDERED FOR A TOTAL OF \$3.93 MILLION IN CIVIL AND CRIMINAL FRAUD SETTLEMENTS, THEREBY GENERATING \$4.36 FOR EVERY DISTRICT DOLLAR OF FUNDING.

ANTI-FRAUD EFFORTS

MFCU ENFORCEMENT EFFORTS CONSIST OF INVESTIGATIONS AND PROSECUTIONS OF FINANCIAL FRAUD AGAINST THE MEDICAID PROGRAM. IN FY 2014, THE MFCU RESOLVED 15 CASES OF FRAUD THROUGH CRIMINAL CONVICTIONS AND CIVIL SETTLEMENTS. THOSE CONVICTED INCLUDED A WOMAN WHO SOLD PACKAGES OF COUNTERFEIT DOCUMENTS THAT SUBSEQUENTLY WERE USED BY UNQUALIFIED INDIVIDUALS TO SECURE EMPLOYMENT IN THE HOME HEALTHCARE INDUSTRY, RESULTING IN FALSE CLAIMS BEING SUBMITTED TO THE D.C. MEDICAID PROGRAM, AND A MAN WHO PAID KICKBACKS TO A DC MEDICAID PATIENT IN EXCHANGE FOR THE PATIENT'S SIGNATURE ON FALSE TIMESHEETS FOR PERSONAL CARE AIDE (PCA) SERVICES THAT WERE NOT ACTUALLY PROVIDED. IN ANOTHER MATTER, THE U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA UPHELD THE CONVICTION AND SENTENCE PREVIOUSLY IMPOSED AGAINST THE CHIEF EXECUTIVE OFFICER (CEO) OF A HEALTHCARE COMPANY. THAT CEO WAS CONVICTED AFTER JURY TRIAL OF HEALTHCARE FRAUD, 34 COUNTS OF SUBMITTING FALSE STATEMENTS, AND BILLING THE MEDICAID PROGRAM FOR MORE THAN \$7 MILLION. THE CEO WAS SENTENCED TO 75 MONTHS IN PRISON AND ORDERED TO REIMBURSE THE D.C. MEDICAID PROGRAM MORE THAN \$3 MILLION.

INVESTIGATORS, AUDITORS, AND PROSECUTORS FROM THE MFCU JOINED FORCES WITH THEIR COUNTERPARTS FROM NINE OTHER LAW ENFORCEMENT AGENCIES – INCLUDING THE FBI, THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, OFFICE OF THE INSPECTOR GENERAL (HHS OIG), THE INTERNAL REVENUE SERVICE (IRS), THE SOCIAL SECURITY ADMINISTRATION, OFFICE OF THE INSPECTOR GENERAL (SSA OIG), AND THE USSS – IN OPERATION CAPITAL ILLS, A MULTI-AGENCY TASK FORCE DEDICATED TO UNCOVERING FRAUDULENT SCHEMES IN THE DISTRICT’S HOME HEALTHCARE INDUSTRY, AND PROSECUTING THE AGENCIES AND INDIVIDUALS INVOLVED. THE INVESTIGATION UNCOVERED NUMEROUS, SEPARATE SCHEMES INVOLVING FRAUD, KICKBACKS, AND FALSE BILLINGS IN THE GROWING FIELD OF HOME CARE SERVICES FOR D.C. MEDICAID PATIENTS. IN FEBRUARY 2014, THOSE EFFORTS CULMINATED WITH THE LARGEST HEALTHCARE FRAUD TAKEDOWN IN DISTRICT OF COLUMBIA HISTORY, WHEN 24 INDIVIDUALS WERE ARRESTED BASED UPON BOTH FEDERAL INDICTMENTS AND LOCAL ARREST WARRANTS.

THE TASK FORCE’S EFFORTS ARE ONGOING, AND MORE ARRESTS AND INDICTMENTS ARE EXPECTED.

THE MFCU IS CURRENTLY WORKING ON 180 MATTERS INVOLVING ALLEGATIONS OF PROVIDER FRAUD, 86 OF WHICH WERE INITIATED IN FY 2014. THESE INVESTIGATIONS INVOLVE A BROAD VARIETY OF HEALTHCARE PROVIDERS, FROM INSTITUTIONS TO SOLO PRACTITIONERS. MEDICAL SPECIALISTS INVOLVED IN THE MFCU’S CASES INCLUDE PHYSICIANS, DENTISTS, PHARMACISTS, MEDICAL EQUIPMENT SUPPLIERS, AND HOME HEALTHCARE AND

TRANSPORTATION PROVIDERS. IN ADDITION, THE MFCU IS WORKING ON MORE THAN 50 *QUI TAM* MATTERS. IN FY 2014, THE MFCU'S PARTICIPATION IN *QUI TAM* CASES RESULTED IN MORE THAN \$3.7 MILLION IN RECOUPMENT FOR THE D.C. MEDICAID PROGRAM.

ABUSE OF VULNERABLE PERSONS AND UNUSUAL INCIDENTS

THE MFCU TAKES SIGNIFICANT STEPS TO HOLD OFFENDERS WHO ABUSE AND NEGLECT THE DISTRICT'S VULNERABLE CITIZENS ACCOUNTABLE BY AGGRESSIVELY INVESTIGATING AND PROSECUTING THOSE ALLEGATIONS.

THE MFCU'S INVESTIGATIONS OF ABUSE AND NEGLECT BEGIN WITH A REVIEW AND ASSESSMENT OF UNUSUAL INCIDENT REPORTS RECEIVED FROM HEALTHCARE PROVIDERS, TYPICALLY INSTITUTIONS SUCH AS NURSING HOMES AND GROUP RESIDENCES, AS WELL AS FROM INDIVIDUALS, HEALTHCARE WORKERS, AND D.C. AND FEDERAL AGENCIES. TO DATE IN FY 2015, THE MFCU HAS RECEIVED MORE THAN 200 REPORTS OF UNUSUAL INCIDENTS AND COMPLAINTS PER MONTH, EACH OF WHICH ARE REVIEWED AND ASSESSED BY AT LEAST TWO MFCU STAFF MEMBERS.

THE MFCU IS CURRENTLY INVESTIGATING 68 ABUSE, NEGLECT, OR SEXUAL ASSAULT MATTERS AND 22 MATTERS OF FINANCIAL EXPLOITATION OF VULNERABLE ADULTS. DURING FY 2014, THE MFCU OBTAINED ONE CONVICTION IN A CRIMINAL CASE INVOLVING ABUSE OF A VULNERABLE PERSON.

MFCU OUTREACH ACTIVITIES

IN ADDITION TO INITIATING CASES, THE MFCU ENGAGES IN ANTI-FRAUD EDUCATIONAL AND OUTREACH PRESENTATIONS IN THE PRIVATE SECTOR. WE SPEAK TO GROUPS THROUGHOUT THE DISTRICT ABOUT THE MFCU'S WORK. MOREOVER, WE WORK CLOSELY WITH OTHER LAW ENFORCEMENT AGENCIES, AND THE MFCU IS A MEMBER OF SEVERAL LOCAL LAW ENFORCEMENT TASK FORCE GROUPS. IN CONJUNCTION WITH THE USAO, MFCU STAFF PARTICIPATED IN MULTIPLE PROGRAMS TALKING TO SENIOR CITIZENS IN COMMUNITY AND SENIOR CENTERS ABOUT FRAUD AND ABUSE. IN ADDITION, MFCU STAFF PROVIDED TRAINING ON HEALTH CARE FRAUD TO BOTH LARGE AND SMALL AUDIENCES, SPEAKING TO MORE THAN 100 D.C. GOVERNMENT EMPLOYEES AND MORE THAN 250 ATTENDEES AT A NATIONAL ANNUAL TRAINING.

OIG INITIATIVES

IN ORDER TO SET THE STANDARD FOR OVERSIGHT EXCELLENCE, THIS OFFICE NEEDS TO CONTINUALLY SEEK OPPORTUNITIES TO MAXIMIZE THE VALUE WE PROVIDE TO THE DISTRICT. TO INCREASE OUR VALUE, WE ARE IN THE PROCESS OF BUILDING A STAND-ALONE DIVISION THAT IS DEDICATED TO IDENTIFYING AND EVALUATING FRAUD, WASTE, ABUSE, AND MISMANAGEMENT RISKS WITHIN D.C. OPERATIONS. THIS NEW DIVISION WILL HELP THE OIG PRECISELY APPLY ITS RESOURCES. THE DIVISION WILL HAVE THREE DISTINCT SERVICES WITHIN ITS PORTFOLIO. THESE SERVICES ARE DISCUSSED IN THE SUB-INITIATIVES BELOW:

1) THE FIRST SUB-INITIATIVE FOCUSES ON THE DISTRICT'S CONTRACTING AND PROCUREMENT ENVIRONMENT. THE OIG IS BUILDING A MULTI-DISCIPLINARY TEAM, CONSISTING OF PROFESSIONALS WITH THE REQUISITE OVERSIGHT AND CONTRACTING TECHNICAL EXPERTISE, TO SYSTEMATICALLY AND CONTINUALLY EXAMINE THE INTEGRITY OF THE CONTRACTING AND PROCUREMENT FUNCTION IN THE DISTRICT.

THE GOAL IS TO ASSESS WHETHER THE CONTINUUM, FROM DETERMINING PROCUREMENT REQUIREMENTS ALL THE WAY TO RECEIVING GOODS AND SERVICES, IS FREE OF VULNERABILITIES RELATED TO FRAUD, WASTE, ABUSE, OR MISMANAGEMENT.

INITIALLY, I WILL HAVE THIS TEAM FOCUS ON THE FRONT-END OF THE ACQUISITION CYCLE. THIS WILL INCLUDE A THOROUGH REVIEW OF ACQUISITION PLANS, REQUIREMENTS DEVELOPMENT, AND COST ESTIMATION. I BELIEVE A CONCENTRATED FOCUS ON ACQUISITION PLANNING WILL HELP THE DISTRICT TO BUILD A MORE SOLID ACQUISITION FOUNDATION IN ORDER FOR THE DISTRICT TO RECEIVE THE BEST VALUE FOR ITS DOLLAR.

2) THE SECOND SUB-INITIATIVE IS TO CONDUCT PROACTIVE DATA MINING AND PREDICTIVE ANALYTICS WITHIN THE DISTRICT'S FINANCIAL MANAGEMENT INFORMATION SYSTEMS. THE GOAL IS TO ESTABLISH A CONSTRUCT WHERE DEFINED ANOMALIES, OR RED FLAGS, CAN BE MORE EASILY IDENTIFIED. THESE INDICATORS WILL

THEN DRIVE THE PRECISE APPLICATION OF OIG RESOURCES TO EXAMINE POTENTIAL FRAUDULENT, WASTEFUL, AND/OR MISMANAGED OPERATIONS.

- 3) FINALLY, MY LAST SUB-INITIATIVE IS TO AFFECT A MORE ROBUST SYSTEM TO TRACK AND IMPLEMENT RECOMMENDATIONS THAT RESULT FROM OIG AUDITS, INSPECTIONS, AND INVESTIGATIONS. THE GOAL IS TO REFINE OUR CUSTOMER FOCUS AND SUPPORT DISTRICT AGENCY EFFORTS TO ACTUALLY FIX THE PROBLEMS UNCOVERED AS A RESULT OF OUR WORK, INSTEAD OF SIMPLY IDENTIFYING ISSUES.

IN SHORT, MY OVERARCHING GOAL IS TO MORE AGGRESSIVELY FIND AND AFFECT CHANGES THAT IMPROVE THE DISTRICT'S EFFECTIVENESS AND EFFICIENCY OF OPERATIONS.

CONCLUSION

IN CONCLUSION, I LOOK FORWARD TO WORKING WITH THE CHAIRPERSON AND MEMBERS OF THIS COMMITTEE, AND I AM PROUD OF OUR FY 2014 AND FY 2015 ACCOMPLISHMENTS TO DATE, ALL OF WHICH CAN BE REVIEWED IN GREATER DETAIL BY VISITING THE OIG'S WEBSITE. IN THIS REGARD, ALL ARE STRONGLY ENCOURAGED TO VISIT OUR WEBSITE AND THOROUGHLY READ OUR REPORTS TO FULLY APPRECIATE THE SCOPE AND BREADTH OF THE OIG'S WORK. THE OIG WILL CONTINUE TO FOCUS OUR LIMITED RESOURCES ON MITIGATING THOSE RISKS THAT POSE THE MOST SERIOUS CHALLENGES TO DISTRICT AGENCIES AND STAKEHOLDERS.

LASTLY, I WOULD LIKE TO ACKNOWLEDGE AND THANK THE CURRENT DEPUTY INSPECTOR GENERAL, MS. BLANCHE BRUCE, FOR HER SUPPORT AND DEDICATION. MS. BRUCE NOT ONLY SERVED AS THE INTERIM INSPECTOR GENERAL DURING FY 14, SHE ALSO CONCURRENTLY SERVED AS THE DEPUTY INSPECTOR GENERAL, CHIEF OF STAFF, AND HUMAN RESOURCES DIRECTOR. WITHOUT HER TIRELESS DEDICATION, THE OIG OFFICE WOULD NOT BE WHERE IT IS TODAY. I AM PROUD TO HAVE MS. BRUCE AS MY DEPUTY INSPECTOR GENERAL.

THIS CONCLUDES MY TESTIMONY, AND I WILL BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.