

Annual Report

Office of Inspector General

Fiscal Year 2009

October 2009



Office of Inspector General
Montgomery County, Maryland

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A Message from the Inspector General

October 2009

Fiscal year 2009 represented the final year of the Office of Inspector General (OIG) Four-Year Work Plan published in August 2005. Similar to fiscal years' 2006-2008 activities, OIG priorities in 2009 focused on the three primary responsibilities set forth in Montgomery County Code §2-151 – review the efficiency and effectiveness of programs of County government and other Council-funded agencies; prevent and detect fraud, waste, and abuse; and propose ways to increase legal, fiscal, and ethical accountability.

OIG projects highlighted in this report include those which resulted in the creation of a Council audit committee to improve oversight of taxpayer-funded programs, as well as the Council's amendment to strengthen the County government's disability retirement law. This report also highlights a 2009 amendment to Article 29 of State law clarifying the authority of the Council and OIG to audit the Washington Suburban Sanitary Commission – the amendment was introduced after WSSC denied OIG requests in 2008 to provide operating and capital projects expenditure data. We also summarize OIG reports relied upon by Executive leaders to begin taking corrective action on Department of Health and Human Services deficiencies related to grants management and contract monitoring.

Key OIG performance results for fiscal years 2006-2009 are summarized in Appendix A. This information helps illustrate the value of an independent OIG to all Montgomery County stakeholders – elected officials, employees, contractors, and taxpayers. Several challenges to effectively operating an independent OIG surfaced in fiscal year 2009. For example, some County officials asked the Charter Review Commission to study whether the Charter should be amended to allow for an Executive-nominated, Council-confirmed Inspector General rather than the Council selecting the Inspector General. At its October 2008 meeting, the Commission decided not to recommend a Charter amendment. Fiscal year 2009 OIG challenges that continued to receive attention in early fiscal year 2010 include Inspector General access to independent legal services, timely access to information related to Council-funded programs/activities, and equitable compensation for OIG employees.

A new four-year work plan that identifies strategies and action plan priorities for fiscal years 2010-2013 will be published, as required by MCC §2-151, no later than December 31, 2009. The OIG wishes to express its appreciation for the cooperation extended by Council Members, Executive leaders, and their staff throughout fiscal year 2009.

Respectfully submitted,

**Office of Inspector General
Fiscal Year 2009 Annual Report
October 2009
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Mission, Vision, and Goals

The OIG's mission is to conduct objective and independent audits, inspections, and investigations relating to Montgomery County Government (MCG) programs, operations, and independent County agencies to:

- promote economy, efficiency, and effectiveness;
- prevent and detect fraud, waste, and abuse;
- promote legal, fiscal, and ethical accountability;
- strengthen professional relationships; and,
- inform stakeholders of problems and corresponding corrective actions.

Statutory Responsibilities

The OIG was established by the Montgomery County Council in 1997. The OIG is an independent office that relies on Government Auditing Standards,¹ the Principles and Standards of the Association of Inspectors General,² and other professional standards to address the following responsibilities prescribed by Montgomery County Code §2-151:

1. review the effectiveness and efficiency of programs and operations of County Government and independent County agencies;
2. prevent and detect fraud, waste, and abuse in government activities; and,
3. propose ways to increase the legal, fiscal, and ethical accountability of County Government and Council-funded agencies.³

To fulfill our responsibilities, we:

- maintain an independent objective organization to conduct audits, reviews, and investigations;
- take appropriate action to prevent and detect fraud, waste, and abuse;
- receive and investigate credible complaints;
- report possible criminal violations of law to the State's Attorney for Montgomery County, State Special Prosecutor, Maryland Attorney General, U. S. Attorney, or other appropriate law enforcement agency;⁴
- notify the Council of serious problems in Council-funded programs;
- review existing and proposed legislation and regulations to strengthen controls and increase accountability; and,
- submit reports with recommendations, as appropriate, to County leaders.

¹ Government Auditing Standards, U. S. Government Accountability Office (July 2007 Revision).

² Principles and Standards for Offices of Inspectors General, Association of Inspectors General (May 2004 Revision).

³ In addition to the Executive Branch, the Council-funded agencies include: Montgomery County Public Schools; Maryland-National Capital Park and Planning Commission; Washington Suburban Sanitary Commission; Montgomery College; Housing Opportunities Commission; Revenue Authority; and any other governmental agency (except a municipal government or a State-created taxing district) for which the County Council appropriates or approves funding, sets tax rates, or approves programs or budgets.

⁴ For example, federal offices of inspectors general.

Challenges

Factors Impacting OIG Effectiveness

In our fiscal year 2008 annual report, the following generally accepted principles for inspectors general were identified to emphasize the importance of independence of the Inspector General position and other factors that impact the effectiveness of Montgomery County's OIG:

- inspectors general should be appointed without regard to political affiliation;
- bonuses or compensation increases should not be accepted by inspectors general from their agency to discourage agencies from using monetary incentives to pressure inspectors general;
- inspectors general compensation should be comparable to other senior agency officials;
- inspectors general should have access to independent legal counsel, avoiding potential conflicts of interest with agency counsels;
- all public inspectors general reports should be posted on agency websites within three working days of release;
- in the event of an Inspector General vacancy, an independent council should recommend possible replacements; and,
- the annual funding level requested by an Inspector General and the funding level approved should be delineated, allowing interested parties to determine whether funding cuts may be used to interfere with the work of an Inspector General.

With regard to the standard of independence, according to the Association of Inspectors General, inspectors general and OIG employees involved in performing or supervising any assignment should be free from personal or external impairment to independence and should constantly maintain an independent attitude and appearance. Inspectors general are responsible for establishing and maintaining independence so that OIG opinions, conclusions, judgments, and recommendations will be impartial and viewed by others as impartial. Personal impairment includes, for example, official, professional, personal, or financial relationships that might appear to lead the OIG to limit the extent of work, to limit disclosure, or to alter the outcome of work. Factors external to the OIG that can restrict efforts or interfere with the OIG's ability to form independent and objective opinions should be avoided, such as interference or undue influence in the selection, appointment, and employment of the Inspector General and OIG employees.

As stated in this report's cover letter, several factors impacting the OIG's effectiveness surfaced or continued to receive attention in fiscal year 2009:

- In 2008, some Montgomery County leaders asked the Charter Review Commission to study whether the Charter should be amended to allow for an Executive-nominated, Council-confirmed Inspector General rather than the Council selecting the Inspector General. The OIG issued a statement that supported the Council-appointed approach that has relied on the use of an independent panel with OIG expertise as part of the selection process. At its October 2008 meeting, the Commission decided not to recommend a Charter amendment.

- The principle of providing the Inspector General access to independent legal counsel to avoid potential conflicts of interest with other County counsels surfaced as a significant concern. In early fiscal year 2010, the Council introduced and began deliberations on Bill 33-09, which would provide the Inspector General with access to independent legal services.
- Timely access to data and information related to Council-funded programs/activities continued to be a significant OIG challenge in fiscal year 2009. However, progress was made toward the goal of electronically obtaining routine financial data from all Council-funded organizations in order to carry out the OIG's mission. For example, in May 2009, Article 29 of State law regarding the Washington Suburban Sanitary Commission (WSSC) was amended, authorizing the County Council or its duly authorized agents to audit and examine the books and records of the WSSC. The amendment, effective October 1, 2009, clarifies the authority of the OIG under MCC 2-151. This amendment was introduced, at least in part, in response to a March 2008 OIG memorandum regarding WSSC's refusal to provide requested expenditure data to the OIG. The refusal has impeded OIG efforts to protect Council-approved dollars from potential fraud, waste, and abuse by conducting, for example, audits and reviews of selected WSSC capital projects.
- In fiscal year 2009 and continuing into early fiscal year 2010, the Inspector General continued to work with County leaders to increase the independence and effectiveness of the OIG by making compensation for OIG employees equitable when compared to other County officials.

Work Plan

This annual report addresses OIG activities in fiscal year 2009 (July 1, 2008 through June 30, 2009), including audits or investigations conducted during the fiscal year that may be reported in fiscal year 2010. Our fiscal year 2009 work addressed specific projects or modifications of projects described in our recently-concluded Four-Year Work Plan (published August 2005), such as a review of controls for the County Government ERP information systems project. This Plan is accessible via the OIG website.

As in prior fiscal years, our overall planning process for fiscal year 2009 comprised of four main steps: (1) identify a universe of Council-funded programs and activities; (2) determine a list of potential OIG projects from this universe; (3) conduct risk assessment; and, (4) develop a plan to conduct audits, reviews, and investigations consistent with our legislative mandate. For some projects, the receipt of fraud hotline or other credible information from employees, contractors, or taxpayers was a contributing factor in our decision-making.

Fiscal Years' 2006-2009 Results

Appendix A on page 13 summarizes key OIG performance measures and results for each year of the Four-Year Work Plan.

Fiscal Year 2009 Results: Increase Efficiency and Effectiveness

Overtime Compensation – Audit Reports and Special Review

The following information is an update to information reported in our fiscal year 2008 annual report.

Over a sixteen month period from January 2007 through April 2008, the OIG conducted a review of County government's overtime compensation policies, procedures, and use. We issued three reports (April and December 2007, and April 2008) that focused on findings and recommendations to improve the management of overtime use by Montgomery County Fire and Rescue Service (MCFRS). As a result of this OIG review, County leadership implemented several OIG recommendations, and began tracking and monitoring overtime use through a CountyStat⁵ project. In an April 2009 Quarter-by-Quarter Summary of Overtime Use report issued by CountyStat officials, a 21.6 percent (\$3.7 million) reduction in annual MCFRS overtime dollars paid when compared to a year earlier was reported. The CountyStat project is ongoing with positive reductions in overtime use and savings to County taxpayers.

County Government Disability Retirement Program – Interim Report

The following information is an update to information reported in our fiscal year 2008 annual report.

In March 2008, we initiated a review of County government's disability retirement program that included evaluating: policies and procedures relied upon to meet the needs of employees and protect financial resources; internal controls used to safeguard against potential abuse; and case file documentation used to support disability claims. Based on allegations of fraud, waste, and abuse received by the OIG and our preliminary analysis of County retirement data, our review through September 2008 focused on police officers who represented approximately 49 percent (58 of 119) of all County employees approved by the Chief Administrative Officer for service-connected disability retirement (SCDR) benefits between July 1, 2004 and March 1, 2008. Our review disclosed that approximately 62 percent (58 of 93) of police officers who retired during this period were approved for SCDR benefits (66 2/3 percent of final earnings and lifetime tax-exempt status).

We issued an interim evaluation report in September 2008 that included two findings and recommendations. By formally communicating our concerns before all OIG work was completed and a final report issued, the Council and Executive were given an opportunity to begin corrective action, as deemed warranted, in a timely manner.

⁵ CountyStat is an Executive Branch technology-enabled process to identify and resolve issues in a systematic way. Its goal is to ingrain the concepts of data-driven decision making into government culture and focus on department efforts to deliver results.

As a result of the interim report, measures unanimously approved by the Montgomery County Council in May 2009 to reform the County's Disability Retirement Law for County employees went into effect August 19, 2009. Major provisions of the approved bill to increase public confidence in the disability review process include the following:

- increasing the independence of the Disability Review Panel by ensuring that a doctor appointed to the panel for the first time cannot be vetoed by an employee organization, as was previously allowed;
- improving medical expertise with regard to disability claim review by requiring that all four members (an increase from the current three members) of the Disability Review Panel be board certified in occupational medicine or have at least 10 years of experience practicing occupational medicine;
- requiring an independent medical examination of each disability applicant unless the nature and severity of the injury renders such examination unnecessary;
- strengthening review of existing disability retirements by requiring an annual medical exam or a certificate from a medical doctor. This would verify a continuing disability annuity for the first five years after retirement and every three years thereafter until age 55 for public safety employees;
- requiring panel decisions to be made by at least three doctors (instead of two);
- reducing lump sum retroactive disability benefits by the amount of workers' compensation benefits received by a police officer;
- requiring applicants to report a claimed injury within one year of the time the applicant knew or should have known that the injury was disabling; and,
- reducing the County's payment by the amount of outside earnings received by a former police officer who accepts employment as a sworn law enforcement officer with another government agency.

In addition to the above provisions of the approved bill, the Executive advised the Council that the County will continue to pursue a two-tier (full and partial) disability benefit in collective bargaining negotiations with the Montgomery County Fraternal Order of Police. Further, the Executive Branch has taken action to include the analysis of the disability retirement program as a CountyStat project.

In the OIG's new four-year work plan for fiscal years 2010-2013, we will include an action plan to follow-up on findings and recommendations issued in the September 2008 interim evaluation report, including an assessment of corrective actions by management to review existing disability retirements. The OIG is also committed to reporting evidence of potentially fraudulent disability retirement claims to law enforcement agencies for possible prosecution.

Fiscal Year 2009 Results: Prevent and Detect Fraud, Waste, and Abuse

The OIG received 62 new fraud, waste, and abuse complaints in fiscal year 2009. We received these complaints via personal contact, email, U.S. mail, and the OIG fraud hotline. Complaints were handled in numerous ways. For example, after preliminary investigation, some were closed because we were unable to validate the allegation. For others, our investigative results were reported to management and/or a prosecutor. Further, certain information not of a confidential nature was referred to management for attention without an OIG investigation after determining that the issue would be more appropriately handled by the department or agency responsible for the program or activity.

One of the complaints that received considerable OIG attention was received in December 2008. It involves allegations from County employees and others that a Fire & Rescue Service vehicle accident on November 30, 2008 that also involved a County police vehicle and two privately-owned vehicles was not being properly investigated. The complaint alleged that alcohol consumption by the driver of the FRS vehicle was being covered up as the primary cause of the accident. The release of an interim OIG report on this case is scheduled for the second quarter of fiscal year 2010. The second phase of the OIG investigation has been impacted by the filing of a lawsuit by County employees regarding the authority of the OIG to access and examine a Montgomery County Police Department internal affairs investigation regarding the handling of this accident by police officers who responded to the accident scene.

Quick Response Investigations

For the last four years, the OIG has periodically used a quick response approach to help ensure OIG investigative results or certain allegations brought to our attention were reported to management in a timely manner. Although not used as frequently in fiscal year 2009 as in prior years, we have found that the quick response approach can be a useful tool, especially where a streamlined reporting process is needed to provide management with the information needed for timely corrective action.

In fiscal year 2009, we relied on the quick response approach to investigate or report several complaints received by the OIG. For example, the OIG referred excerpts of an anonymous report to management within one day of receipt to address allegations regarding wasteful spending for office and conference room equipment. As a result, management re-evaluated and reduced the cost of the project by several thousand dollars.

Fraud Hotline

Through June 2009, more than 122 reports of fraud, waste, and abuse were received through the OIG fraud hotline since it began operating in December 2006. Fifty-two potential complaints were received through the hotline in fiscal year 2009, with approximately 60 percent received from anonymous reporters. Thirteen categories of reports were used by the OIG's hotline contractor to categorize the nature of information reported to the OIG, with policy issues, fraud, theft of time, and theft of goods/services representing the four largest categories. While the total number of fraud, waste, and abuse reports received annually by the OIG from all sources has remained relatively consistent, the quality of information received continues to increase. In

fiscal year 2009, and early fiscal year 2010, several fraud hotline reports became investigative priorities or were key factors in determining audit and formal review work.

The OIG fraud hotline is operated by a third-party partner who provides a customized toll-free number (1-800-971-6059). Our contractor provides similar services to more than 1,000 clients, makes the hotline available on a 24-hour basis seven days a week, and has the capacity to receive complaints in more than 150 languages. In February 2009, a new OIG fraud hotline contract was issued to the same contractor incident to using the County's Office of Procurement procedures to solicit and consider on a competitive basis proposals from several bidders.

Key fraud hotline challenges for the OIG and County leadership continue to include effectively promoting hotline awareness and extending its use as an anti-fraud tool to County Government employees and contractors, and other Council-funded agencies. We plan to explore fraud prevention and hotline promotion opportunities in fiscal year 2010 with the Council's newly established audit committee and Executive leadership.

Joint Investigations with Prosecutors

In fiscal year 2009, we continued to pursue potential fraud or other illegal activity involving County programs or activities by conducting joint investigations with law enforcement agencies or prosecutors. Three joint investigations were initiated during the reporting period. For this type of work, the decision to formally pursue violations of criminal statutes is made by the law enforcement agency, with OIG responsibilities focusing on providing evidence and investigative support, when requested. If deficiencies in County internal controls are found to be a contributing factor, the OIG is committed to reporting the conditions and recommendations to senior management for corrective action.

Fiscal Year 2009 Results: Increase Legal, Fiscal and Ethical Accountability

Letter Report – Council Audit Committee Recommendation

The following information is an update to information reported in our fiscal year 2008 annual report.

In September 2008, we issued a letter report to the Council President with the following recommendation: "By establishing and operating a formal audit committee in accordance with guidelines issued by the Government Finance Officers Association⁶ and American Institute of Certified Public Accountants,⁷ the Council can improve its independent review and oversight for financial reporting, management control, and audit activities for County Government and other Council-funded organizations." We reported that although the Council's existing six-committee

⁶ GFOA recommends that the governing body of every state and local government establish an audit committee, or its equivalent.

⁷ The "AICPA Audit Committee Toolkit: Government Organizations" provides valuable information and tools to help a governing body and its officials create an effective audit committee function to help improve fiscal accountability.

structure includes the use of external auditors to provide reasonable assurances that Council-funded organizations have prepared financial statements in conformity with generally accepted accounting principles, the combined committee and external auditor work was not sufficient to provide assurances that: management properly develops and adheres to a sound system of internal controls; procedures are in place to objectively assess management practices; and auditors objectively assess financial reporting and the potential for fraud or abuse based upon risk assessments. We also reported that an audit committee, operating according to GFOA guidelines and related best practices, could enhance the Council's capability to provide oversight to the more than \$4 billion in annual operating funds, and approximately \$3.4 billion for more than 500 capital improvements program projects approved for fiscal year 2009.

On January 27, 2009, the Council adopted Resolution No.16-826 which included establishing a Council audit committee function. The Resolution requires the Council's Management and Fiscal Policy (MFP) Committee to continue to strengthen the Council's independent review and oversight of the County's financial reporting, management control, and audit activities. When performing these functions, the MFP Committee will be deemed the Council's audit committee. The Council President and Vice President serve as ex-officio voting members of the MFP Committee when it meets as the audit committee.

With regard to the audit committee's meeting and reporting requirements, the MFP must meet as the Council's audit committee at least four times a year. Each December, the MFP Committee must report its findings and recommendations to the Council.

Following the adoption of Resolution No. 16-826, the MFP Committee, with support from the Office of Legislative Oversight and Council staff, began establishing audit committee procedures and agenda items. Its first meeting, conducted in March 2009, included presentations by the Chief Administrative Officer on Executive Branch's internal audit functions, and the Inspector General on the OIG's Four-Year Work Plan activities.

Improper Payments

In our fiscal year 2008 annual report, we reported that an ongoing OIG project to identify improper payments related to contract work performed for County government departments would continue in fiscal year 2009. We reported that Executive management and the Council were advised in July 2008 that additional OIG test work would take place at the Department of Health and Human Services (DHHS) and other selected departments. We also reported that the test work would include examining specific allegations received by the OIG in the first quarter of fiscal year 2009 regarding improper payments to contractors.

In a February 2009 report, we advised County leaders that test work regarding payments to a DHHS contractor found that DHHS failed to comply with contract monitoring policies and procedures, resulting in the approval of approximately 70 fiscal years' 2007 and 2008 invoices and payments totaling more than \$909,000 to the contractor without verifying the validity and appropriateness of the payments. We reported that ongoing test work indicated payments involving DHHS contracts and grants are a high-risk category of County expenditures and

warranted further management attention. The Director of DHHS agreed with our findings and documented a detailed corrective action plan in the management response.

In June 2009, based on additional OIG work that included examining the contractor's accounting records and supporting documentation related to paid invoices, we reported that internal control deficiencies and other concerns prevented the OIG from resolving our fiscal years' 2007 and 2008 payment concerns. We also reported that, in discussions with the OIG, DHHS assumed responsibility for examining the contractor's fiscal year 2009 monthly invoices and supporting documentation as part of DHHS' corrective action plan. The DHHS examination began in March 2009.

As of October 1, 2009, the Director of DHHS reported that DHHS' examination of the contractor's monthly invoices remained in progress. We were advised that DHHS' examination of several fiscal year 2009 monthly invoices had resulted in many disallowances for claimed expenditures; however, a final reconciliation for the fiscal year had not been completed. As part of the OIG's ongoing work in this area, we plan to independently review, beginning in October 2009, DHHS' processing of the contractor's fiscal year 2009 monthly invoices and related payments.

Administrative Issues

OIG Budget and Resources

Fiscal year 2009 was the OIG's twelfth year of operation as an oversight office for Council-funded organizations. With fiscal year 2009 expenditures of \$617,737 and an authorized staff of three full-time employees and one part-time employee (3.5 work years), there is a need for the Inspector General and County leaders to re-evaluate and possibly increase the resources needed for the OIG to properly address its mission. With the Council's decision in January 2009 to establish an audit committee, there is a unique opportunity for the OIG to work with the Council and Executive leadership to establish four-year work and budget plans for fiscal years 2010-2013 to ensure higher-risk areas of the County's \$4 billion annual operating budget and multi-billion dollar six-year capital budget are properly examined. Notwithstanding the impact of the current economic downturn and the need for budget reductions in many departments, the performance results documented in Appendix A of this report help illustrate the value of the OIG to the County's governance system.

Audit and Investigative Standards/Professional Development

As in prior years, OIG team members were well qualified in fiscal year 2009 to address statutory responsibilities and the audit and investigative priorities established as part of the overall Four-Year Work Plan. As an independent office, we ensured objectivity was maintained in all phases of our work, professional judgment was used to plan and perform our work and report results, and work was performed by employees and contractors who were professionally competent. We relied primarily on investigative and auditing standards published by the Association of Inspectors General (AIG) and the U. S. Government Accountability Office to perform our work. In fiscal year 2009, OIG staff received continuing professional education and other training opportunities sponsored by County government, AIG, Association of Government Accountants,

and U. S. Department of Commerce. As of July 2009, OIG staff or contractor credentials included a Certified Fraud Examiner (Association of Certified Fraud Examiners) and a Certified Public Accountant.

Professional Relationships

The Inspector General meets periodically with: Council members; the County Executive; the Chief Administrative Officer; senior executive staff; the County Attorney; external auditors; managers from the Office of Legislative Oversight; officials from Montgomery County Public Schools; Maryland-National Capital Park and Planning Commission members; officials from Montgomery College; and Washington Suburban Sanitary Commission officials. In addition, we meet periodically with state and federal auditors and prosecutors, and other inspectors general. During these meetings, standards applicable to the Inspector General community are discussed along with other matters of mutual interest. As in prior years, fiscal year 2009 discussions helped ensure OIG audits and investigations did not duplicate or conflict with other efforts.

Appendix A: Fiscal Years' 2006-2009 Performance Measures and Results

Outcomes/Results:	2006	2007	2008	2009
Percentage of audit recommendations accepted ⁸	67	67	50	50
County funds recovered or put to different use as the result of audit findings or investigations	\$14 million ⁹	\$3.1 million ¹⁰	\$500,000 ¹¹	\$3.7 million ¹²
Questioned costs or potential savings	\$182,000 ¹³	\$1.1 million ¹⁴	\$9.6 million ¹⁵	\$909,000 ¹⁶
Formal responses to fraud, waste, and abuse matters reported to management by the Office of Inspector General	14	10	9	5
Workload/Outputs:				
Joint investigations with prosecutors	3	2	2	3
Complaints opened	53	54	48	62
Complaints closed	94	53	59	51
Audits/formal reviews reported ¹⁷	4	4	4 ¹⁸	4 ¹⁹
Inputs:				
Office of Inspector General expenditures	\$438,625	\$534,614	\$587,329	\$617,737

⁸ Includes recommendations or other actions carried out by the Council as a result of formal reports issued by the OIG.

⁹ In May 2006, the Council reallocated \$14 million in capital improvements program funds it originally approved in 2004 for a Seven Locks replacement elementary school on Kendale Road as a result of a February 2006 OIG audit report.

¹⁰ In May 2007, the Council made a \$3 million reduction in the County Executive's recommended Fire & Rescue Service overtime compensation budget as a result of an April 2007 OIG audit report. In June 2007, we reported \$65,000 in improper County payments that were subsequently recovered through court-ordered restitution following a joint investigation into a recovery agent scheme.

¹¹ In October 2007, the OIG learned that following a bid protest and a joint OIG/State investigation, a hearing officer reversed an estimated \$500,000 contract award to replace lights at County athletic ball fields at Olney Manor Park. Findings included the use of false financial data by the awardee.

¹² In April 2009, Executive Branch CountyStat officials reported a 21.6 percent (\$3.7 million) reduction in annual overtime dollars paid by the County government Fire & Rescue Service when compared to a year earlier. This reduction was the result of corrective action taken by management following findings and recommendations reported by the OIG beginning in April 2007 and ending April 2008.

¹³ In a July 2006 audit report, we identified potential savings of \$182,000 related to the lack of a formal return-to-work program for Montgomery County Public Schools employees receiving workers' compensation payments.

¹⁴ In an April 2007 audit report, we identified \$1.1 million in questioned County government Fire & Rescue Service overtime compensation payments.

¹⁵ In an August 2007 audit report, we identified more than \$9.5 million in questioned road construction costs associated with County government's implementation of its Clarksburg Town Center Development District - capital improvements program project #500423. In a May 2008 investigative report, we identified improper payments totaling \$137,700 related to services to be performed by a Department of Health and Human Services (DHHS) vendor.

¹⁶ In February and June 2009 reports, we identified more than \$909,000 in questioned County government DHHS payments.

¹⁷ Includes reports issued in the 1st quarter of the following fiscal year where field work was completed prior to June 30.

¹⁸ This figure includes: County government's Overtime Compensation, December 2007; Special Review-Overtime Compensation, April 2008; County government's Disability Retirement Program, September 2008; Letter Report-Council Audit Committee Recommendation, September 2008.

¹⁹ This figure includes: Reports in December 2008 and January 2009 to update the Council and Executive on the OIG's Disability Retirement Program review; and reports in February 2009 and June 2009 on questioned costs/improper payments to a DHHS vendor.

Office of Inspector General Staff
(as of October 1, 2009)

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