

**OFFICE OF THE INSPECTOR GENERAL  
FISCAL YEAR 2020 BUDGET TESTIMONY**

**DEPARTMENT MISSION & PLANS**

**Mission:** The Office of the Inspector General’s (OIG) goal is to keep City government free from all forms of misconduct. The Office conducts both criminal and administrative investigations of all departments, agencies, commissions, and boards under the Mayor’s jurisdiction, as well as individuals or companies that do business with the City or receive City funding. The OIG has the power to: issue subpoenas; examine all City documents, contracts, and monetary expenditures made from the City treasury; and demand testimony from City employees. The Office works with federal, state, and local law enforcement when reviewing issues related to criminal activity and serious cases of fraud and corruption. OIG work also relies on the support of fellow Philadelphians who report allegations of wrongdoing in City government.

**Plans for Fiscal Years 2020-2024**

Over the next five years, the OIG plans to continue to investigate allegations of fraud, corruption, and wrongdoing in City government. The OIG will also continue to focus on pension disqualifications, contract oversight, supporting our Integrity Officer Program and supporting the School District OIG. We will also devote significant attention and resources to the following long-term projects:

Non-Profit Enforcement: Given the Administration’s focus on neighborhood development and underserved communities, it is especially important to ensure that when City funds are used to provide services to Philadelphia’s most vulnerable citizens, the money is really reaching those in need, and the services are being provided. Therefore, the need for strong oversight of non-profit entities is especially important. Because the impact of fraud is real and direct, the OIG’s collaborations with other offices on local, state, and federal levels have led to criminal convictions, financial restitution, and meaningful policy change. This continues to be a major focus of the Office.

Procurement Fraud Initiative: The OIG has begun a proactive program to identify possible procurement fraud. The first phase of the program will consist of training procurement officers how to spot red flags for fraud. The next phase will use data analytics to detect suspicious patterns and/or situations and follow through with investigations.

Partnerships: The OIG’s partnership with law enforcement, particularly on the federal side, has been one of the most productive assets in the fight against corruption in City government. The OIG is continuing to foster productive relationships with the District Attorney’s Office and the Controller’s Office

Anti-Fraud Education and Complaint Activity: The OIG has always believed that prevention begins with education. As City employees and citizens learn more about the costs of fraud, we become more equipped and motivated to fight against it. Educational programs like the OIG’s “Bids Gone Bad” were proven to drive awareness and increase complaint activity. In coming years, the OIG will work with each City department on an individual basis to craft educational programs that are specifically targeted for the unique challenges of that agency/department.

Investigative Efficiency: The new Case Management System provides the OIG with an opportunity to move cases along more efficiently, which will be a central focus in coming years. The OIG is also now in a better position to take advantage of historical information, with enhanced search functionality, and long-term trend analysis that may fuel broader reviews.

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Joan Markman Award for Integrity: At times, there are individuals outside the OIG who provide meaningful assistance in a significant OIG investigation. The OIG strives to recognize those individuals who go above and beyond the call of duty. Raymond Jackson, Sanitation Collection Assistant Administrator of the Streets Department, was the recipient of the Inspector General's 2019 Joan Markman Award for Integrity.

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**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

Staff Demographics Summary (as of November 2018)				
	Total	Minority	White	Female
Number of Full-Time Staff	19	7	12	8
Number of Exempt Staff	19	7	12	8
Number of Executive Staff (deputy level and above)	4	0	4	2
Average Salary, Full-Time Staff	\$73,645	\$65,683	\$67,538	\$65,832
Average Salary, Exempt Staff	\$73,645	\$65,683	\$67,538	\$65,832
Average Salary, Executive Staff	\$129,043	N/A	\$129,043	\$150,246
Median Salary, Full-Time Staff	\$44,500	\$42,000	\$44,500	\$45,000
Median Salary, Exempt Staff	\$44,500	\$42,000	\$44,500	\$45,000
Median Salary, Executive Staff	\$98,000	N/A	\$98,000	\$150,246

Employment Levels (as of November 2018)		
	Budgeted in FY19	Filled as of the Increment Run (11/18)
Number of Full-Time Positions	21	19
Number of Exempt Positions	21	19
Number of Executive Positions (deputy level and above)	4	4
Average Salary of All Full-Time Positions	\$73,000	\$73,645
Median Salary of All Full-Time Positions	\$45,000	\$44,500

General Fund Financial Summary by Class						
	FY18 Original Appropriations	FY18 Actual Obligations	FY19 Original Appropriations	FY19 Estimated Obligations	FY20 Proposed Appropriations	Difference: FY20-FY19
Class 100 - Employee Compensation	\$1,444,811	\$1,409,169	\$1,533,111	\$1,577,241	\$1,577,241	\$0
Class 200 - Purchase of Services	\$197,975	\$72,881	\$97,975	\$97,975	\$97,975	\$0
Class 300/400 - Materials, Supplies & Equipment	\$5,225	\$5,209	\$5,225	\$5,225	\$5,225	\$0
	<b>\$1,648,011</b>	<b>\$1,487,259</b>	<b>\$1,636,311</b>	<b>\$1,680,441</b>	<b>\$1,680,441</b>	<b>\$0</b>

Contracts Summary (Professional Services only)						
	FY14	FY15	FY16	FY17	FY18	FY19 YTD (Q1 & Q2) <sup>1</sup>
Total amount of contracts	\$28,000	\$14,814	\$90,330	\$6,774	\$65,000	\$65,000
Total amount to M/W/DSBE	\$1,500	\$10,000	\$10,000	\$0	\$10,000	\$0
Participation Rate	5%	68%	11%	0%	15%	0%

<sup>1</sup> The OIG has just one Professional Services contract at this time, and this contract does not have any M/W/DSBE participation for FY19. As contracting opportunities arise, the OIG works with the Office of Economic Opportunity to identify M/W/DSBE vendors wherever possible.

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY18	FY19	FY20
M/W/DSBE Contract Participation Goal	30%	30%	30%

**PROPOSED BUDGET OVERVIEW**

**Proposed Funding Request:**

The proposed Fiscal Year 2020 General Fund budget totals \$1,680,441, level with Fiscal Year 2019 estimated obligation levels.

The proposed budget includes:

- \$1,577,241 in Class 100, level with FY19.
- \$97,975 in Class 200, level with FY19.
- \$5,225 in Class 300/400, level with FY19.

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**STAFFING LEVELS**

The department is requesting 21 budgeted positions for FY20, level with FY19.

**NEW HIRES**

New Hires (from 7/1/2018 to 11/25/18)	
	Total Number of New Hires
Black or African American	1
White	3
Total	4

Since December, the OIG had two new hires. One identifies as a white female and the other identifies as a white male.

**PERFORMANCE, CHALLENGES, AND INITIATIVES**

<b>FY20 Strategic Goals</b>				
<ul style="list-style-type: none"> <li>• Expand anti-fraud training and education to increase complaint activity.</li> <li>• Build relationships with external partners in furtherance of integrity in City government.</li> <li>• Increase investigative efficiency and output via newly implemented case management system.</li> <li>• Train and certify all staff in the best practices of the National Association of Inspectors General.</li> </ul>				
<b>FY20 Performance Measures</b>				
Measure	FY18 Actual	FY19 YTD (Q1 + Q2)	FY19 Target	FY20 Target
Administrative Actions (number of cases) <sup>1</sup>	27	14	30 to 50	30 to 50
Criminal Actions (number of cases) <sup>2</sup>	5	7	10 to 20	10 to 20
Pension disqualification (number of cases) <sup>3</sup>	2	1	N/A	

<sup>1</sup> Targets are based on historical outputs over the last decade. These actions include any case that resulted in administrative discipline, like a suspension or demotion, not just those that resulted in termination.

<sup>2</sup> Targets are based on historical outputs over the last decade. "Criminal actions" include all criminal enforcement activities, such as initial charging events, convictions, and sentencing.

<sup>3</sup> OIG does not project targets for this measure. Case intake is dependent on factors outside of the OIG's control, including the existence of wrongdoing in the first place. These are cases that are submitted to the Law Department for pension disqualification review.

**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

N/A

**CONTRACTING EXPERIENCE**

M/W/DSBE Participation on Large Professional Services Contracts with For-Profit Vendors											
Top Largest Contracts over \$34,000 for FY19											
Vendor Name	Brief Description of Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Is This a Local Business? (principal place of business located within City limits) [yes / no]	Does the Vendor Have a Waiver for Living Wage Compliance? [yes / no]
H.J Sweeney	Investigative Consultant	\$65,000	2/17/18	6/10/18	MBE: N/A	0%	\$0	0%	\$0	Yes	No
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				



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**EMPLOYEE DATA**

<b>Staff Demographics (as of November 2018)</b>					
<b>Full-Time Staff</b>			<b>Executive Staff</b>		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	3	2	<i>Total</i>	0	0
<i>% of Total</i>	20%	13%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$80,340	\$77,250	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$53,642	\$51,500	<i>Median Salary</i>	N/A	N/A
	White	White		White	White
<i>Total</i>	6	6	<i>Total</i>	2	2
<i>% of Total</i>	54%	75%	<i>% of Total</i>	50%	50%
<i>Average Salary</i>	\$79,048	\$85,401	<i>Average Salary</i>	\$107,841	\$150,246
<i>Median Salary</i>	\$73,968	\$76,235	<i>Median Salary</i>	\$107,841	\$150,246
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<i>Total</i>	2	0	<i>Total</i>	0	0
<i>% of Total</i>	13%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$52,200	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$52,200	N/A	<i>Median Salary</i>	N/A	N/A
	Other	Other		Other	Other
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	1	0	<i>Total</i>	0	0
<i>% of Total</i>	7%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$41,200	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$41,200	N/A	<i>Median Salary</i>	N/A	N/A
	Male	Female		Male	Female
<i>Total</i>	11	8	<i>Total</i>	2	2
<i>% of Total</i>	65%	35%	<i>% of Total</i>	50%	50%
<i>Average Salary</i>	\$69,788	\$76,290	<i>Average Salary</i>	\$107,841	\$150,246
<i>Median Salary</i>	\$71,000	\$72,480	<i>Median Salary</i>	\$107,841	\$150,246

**LANGUAGE ACCESS**

**1. Has your leadership received language access training?**

Yes. Amy Kurland, Inspector General, has received language access training as part of the A-Team Executive Language Access Trainings.

**2. Do you currently have a language access coordinator?**

Yes, Brian Tom.

**3. Has your department written a language access plan and is it posted online?**

Yes, and it is available here: <https://beta.phila.gov/documents/language-access-plans/>

**4. Explain what your department has done to improve language access services over the past year.**

The Office of The Inspector General has prioritized hiring staff persons who speak more than one language, including one new hire in the last year who speaks three languages. OIG also has telephone interpretation services available for communicating with populations that are unable to speak English.