

<b>AGENCY NAME:</b>	<b>Office of the State Inspector General</b>		
<b>AGENCY CODE:</b>	<b>D250</b>	<b>SECTION:</b>	<b>94</b>

**Fiscal Year 2016-2017  
Accountability Report**

**SUBMISSION FORM**

<b>AGENCY MISSION</b>	<p>The SIG’s statutory mission is to investigate and address allegations of “<b>fraud, waste, abuse, mismanagement, misconduct, and wrongdoing</b>” within the Executive Branch consisting of 106 separate agencies, commissions, boards, and public universities; annual expenditures exceeding \$26 billion; and 60,000 employees. <i>The general mission of an Inspector General was well described by John Ward, the father of the first state SIG Office in Massachusetts (1981), “The basic concept behind the Office of the Inspector General is that any institution, corporation, university, let alone the institution of government, must build into itself a mechanism for self-criticism and self-correction.” He also astutely identified the SIG’s role as, “that vast middle ground between the ability to review all state transactions to a limited degree without the power to investigate [i.e., the Auditor], and the power to investigate allegations of fraud on a case-by-case basis [i.e., the Attorney General].”</i></p> <p>This broad mission is translated into two strategic objectives: 1) maintaining a high integrity workforce; and 2) increase the cost/effectiveness of Executive Branch operations.</p> <p>The SIG <u>operationalizes</u> these strategic objectives through a tactical process of selecting fraud, misconduct, and waste investigations with broadest impact, based on:</p> <ol style="list-style-type: none"> <li>1) significantly impacting the public’s confidence in the integrity/effectiveness of State government and/or causing a significant disruption to an agency carrying out its mission;</li> <li>2) the highest impact when considering the probable individual case outcomes in terms of effectiveness (dollars save/waste prevented) or seriousness of integrity allegation;</li> <li>3) proactive risk assessments of waste in the Executive Branch, such as the \$2.7 billion Medicaid managed care contract based on risk identified in General Accounting Office (GAO) reports; and</li> <li>4) potential lessons learned that could be extrapolated to identify root causes of problems/deficiencies to drive positive change, preferably on a statewide basis.</li> </ol>
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<b>AGENCY VISION</b>	<p>The SIG uses its authorities, capabilities, and proactive posture to:</p> <ul style="list-style-type: none"> <li>• provide the State with a unique investigative/audit asset to objectively, as well as quickly, address integrity or ineffectiveness issues impacting the public’s confidence in State government and causing significant disruption to an agency carrying out its mission;</li> <li>• demonstrate a willingness to engage integrity and ineffectiveness issues creates a deterrent for misconduct and mismanagement, as well as an effective tool to address issues previously unaddressed by fixing accountability with recommendations to drive positive change; and</li> <li>• change the Executive Branch management culture to a continuous improvement model using the simple benchmark of taxpayer value, which challenges State government’s greatest risk of complacency, which can easily seep into a governmental environment.</li> </ul>
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Please select yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

	<b>Yes</b>	<b>No</b>
<b>RESTRUCTURING RECOMMENDATIONS:</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please identify your agency’s preferred contacts for this year’s accountability report.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
<b>PRIMARY CONTACT:</b>	Brian D. Lamkin	(803) 896-1287	<a href="mailto:BrianLamkin@oig.sc.gov">BrianLamkin@oig.sc.gov</a>
<b>SECONDARY CONTACT:</b>	George Davis	(803) 896-4701	<a href="mailto:GeorgeDavis@oig.sc.gov">GeorgeDavis@oig.sc.gov</a>

I have reviewed and approved the enclosed FY 2016-2017 Accountability Report, which is complete and accurate to the extent of my knowledge.

<b>AGENCY DIRECTOR (SIGN AND DATE):</b>	
<b>(TYPE OR PRINT NAME):</b>	BRIAN D. LAMKIN

<b>BOARD/CMSN. CHAIR (SIGN AND DATE):</b>	NOT APPLICABLE
<b>(TYPE OR PRINT NAME):</b>	NOT APPLICABLE

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## **AGENCY'S DISCUSSION AND ANALYSIS**

The SIG executes its mission through fraud, misconduct, and waste case selections using the following strategies to select cases, consistent with available resources:

- 1) which significantly impact the public's confidence in the integrity/effectiveness of State government and/or cause a significant disruption to an agency carrying out its mission;
- 2) which have the highest impact when considering the probable individual case outcomes in terms of effectiveness (dollars save/waste prevented) or seriousness of integrity allegation;
- 3) which are proactive risk assessments of waste in the Executive Branch, such as the *Procurement Services Risk Assessment*; and
- 4) which provide potential lessons learned that could be extrapolated to identify root causes of problems/deficiencies to drive positive change, preferably on a statewide basis.

The SIG conducted 5 reviews which had a combination of time sensitivity due to impacting the public's confidence and high impact nature; five reviews based on a SIG proactive risk assessment of waste; nine reviews of serious misconduct with six pertaining to agency executives; and two statewide lessons learned and two statewide issues needing State leadership attention to address waste in the Executive Branch. It should be noted the SIG operated at 10% below its investigative manpower level due to a three-month vacancy period following the departure of the former Inspector General in February 2017, as well as a three-month vacancy period of another investigator position in the fall of 2016.

### **Reviews (5) Addressing High Impact Issues Often Impacting Public Confidence in State Government**

- Report titled, "*Review of Lander Foundation Oversight and Financial Management Issues*," pertained to inadequate oversight of the Lander University Foundation Board of Trustees and the foundation's former executive director.  
([https://oig.sc.gov/sites/default/files/Documents/Reports/2017/LU-Oversight\\_Report.pdf](https://oig.sc.gov/sites/default/files/Documents/Reports/2017/LU-Oversight_Report.pdf))
- Report titled, "Investigation of Alleged Excessive Travel and Event Expenses by the Board of Trustees, Medical University of South Carolina," pertained to travel and expenses reimbursements made by the MUSC foundation were exorbitant in nature. The forensic accounting investigation was initiated at the request of the Commission on Higher Education.  
(<https://oig.sc.gov/sites/default/files/Documents/Reports/SIG%20Final%20Report%20re%20MUSC%20BoT%20Expenses%2001122017.pdf> )
- Report titled, "Investigation of Alleged Excessive Travel and Event Expenses by the Board of Trustees, Clemson University," pertained to travel and expenses reimbursements made by the Clemson Foundation were exorbitant in nature. The forensic accounting investigation was initiated at the request of the Commission on Higher Education.  
([https://oig.sc.gov/sites/oig/files/Documents/Reports/2017/Clemson\\_BOT\\_Exp\\_Report.pdf](https://oig.sc.gov/sites/oig/files/Documents/Reports/2017/Clemson_BOT_Exp_Report.pdf) )
  - Report titled, "Review of Allegations of Failure to Report a Criminal Misconduct Matter and the Relationship between the South Carolina Vocational Rehabilitation Department and Allied Opportunities, LLC," pertained to numerous allegations of mismanagement and waste by the SCVRD. The forensic accounting investigation was initiated at the request of the state's Legislative Oversight Committee. ( [https://oig.sc.gov/sites/default/files/Documents/Reports/2017/VR-Final\\_Report.pdf](https://oig.sc.gov/sites/default/files/Documents/Reports/2017/VR-Final_Report.pdf) )
- Report titled, "Review of Managing the Fraud Risk in the Disaster Supplemental Nutrition Assistance Program," pertained to the oversight provided to the D-SNAP program as a result of the October 2015 Flood Disaster. ( <https://oig.sc.gov/sites/default/files/Documents/Reports/Review-of-Managing-the-Fraud-Risk-in-the-Disaster-Supplemental-Nutrition-Assistance-Program.pdf> )

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**Reviews (5) Based on SIG Proactive Risk Assessment of Waste**

- The SIG produced two separate annual fraud reports titled, *Fraud Conducted by Executive Branch Employees,* covering FYs 2015-2016 and 2016-2017, which identified a combined \$1,932,529 in losses from 16 frauds in 14 statewide agencies involving 22 executive branch employees, with the majority of losses emanating from five major frauds which accounted for 89% of the losses. While any loss of appropriated funds due to fraud committed by state employees should be avoided, these reports are indicative of Executive Branch employees operating in a high integrity environment given its \$26 billion budget and 60,000 employees. Regardless, the number of major frauds occurring each should remind every Agency Head that major frauds can potentially damage an agency’s reputation and undermine the public’s confidence in State government. Lessons learned were shared with State agencies along with recommendations on improving the key internal control at the center of these frauds—lax supervisory oversight. (See Links: <https://oig.sc.gov/sites/oig/files/Documents/Reports/Fraud%20Program/2015-16%20Fraud%20Program%20Report-Final.pdf> and <https://oig.sc.gov/sites/default/files/Documents/Reports/Fraud%20Program/2016-17%20Fraud%20Program%20Report%20-%20Final.pdf>)
- The SIG conducted a review of indefinite delivery contracts which have the potential for waste and abuse due to poor contract monitoring. An indefinite delivery contract has a degree of flexibility that requires rigorous management and oversight to prevent abuse by contractors. A review of activity at the S.C. Adjutant General’s Office gave the SIG the opportunity of a case study of where lax oversight resulted in additional costs to the state and loss of business opportunity to other contractors. In addition, determining best practices for indefinite delivery contracts provides a lessons learned and way forward for other agencies that handle this type of procurement.
  - The SIG conducted a review and issued a management letter to the Department of Employment Workforce regarding waste and mismanagement in the mishandling of unemployment tax and the appeals process which was not afforded to a South Carolina citizen negatively impacted in this this matter.
  - The SIG conducted a review of the procurement process wherein a Request for Proposal (RFP) was utilized as the procurement vehicle. The purpose was to assess the amount of competition on a statewide procurement for State agencies and the Procurement Services Division (PSD). The PSD identified 297 RFPs were issued since July 2011, with an average response rate of 4.4 respondents per RFP.

**Review (9) of Allegations of Serious Misconduct with Seven Pertaining to Agency Executives**

The SIG’s policy is to not publically release serious misconduct investigations. However, the SIG is also accountable to oversight and the public, so summaries of these types of investigations are presented in general, non-attributable format:

- An agency executive was alleged to have falsified his/her residential address in order to attain an appointed position of oversight to the agency. An investigative report was provided to the agency’s oversight board for adjudication.
- An agency executive allegedly diverted resources for personal use. An investigative report resulted in a referral to the State Law Enforcement Division and the Attorney General’s Office for further investigation and prosecutorial opinion.
- An agency supervisor allegedly submitted false documentation to report substantive end-of-year program results. An investigative report was provided to the agency for administrative adjudication.
- An agency executive allegedly allowed a subordinate to convert agency property for personal use. A full investigation determined the allegation did not have merit.

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- An agency executive allegedly violated ethical conflict of interest law. A full investigation determined the allegation to have merit. An investigative report was provided to the State Ethics Commission for further review and consideration.
- An agency executive allegedly violated the ethical conflict of interest law which pertained to the steering of agency business to his/her private business. A full investigation determined the allegation did not have merit.
- An agency executive allegedly converted agency resources to personal use. An investigation determined the allegation was without merit.
- An agency executive allegedly violated the ethical conflict of interest law and potentially exercised undue influence on his/her post-retirement employment with an agency contractor. A full investigation determined the allegation did not have merit. However, the conduct entered the realm of an appearance of a conflict of interest, due to the fact the agency violated provisions of the contract which allowed the agency contractor to hire the agency executive. Further, substantial contract management/monitoring deficiencies were noted in the contract.
- Allegations of conflicts of interest between agency executives, a local land owner/developer, and local politicians. A full investigation determined the allegations were without merit.

### **Lessons Learned (2) and Statewide Issues (2) Needing State Leadership Attention**

The SIG produced two “Lessons Learned Alerts” to all 106 Executive Branch Agency Heads, as well as courtesy copies to the legislature, which pertained to codes of conduct; grant monitoring; fraud risks; misconduct risks using the Internet; best practices from other states; and risks administrating federal grants (see link at: <https://oig.sc.gov/alerts-lessons-learned>).

There are two recurring issues which need State leadership attention causing systemic waste in the Executive Branch: 1) the State’s agency performance management system lacks effectiveness; and 2) the State lacks adequate contract monitoring regulations and process management training. The State has 7,000 dedicated Executive Branch managers, but help is needed for these managers with infrastructure and training to raise their capabilities to establish agency performance standards to increase focus on measurable results. Reports specific to these two issues, which have been raised over the past four years were:

- “Review of Contract and Grant Monitoring (2013);”  
(link at: <https://oig.sc.gov/sites/default/files/Documents/Reports/2013/Contract%20and%20Grant%20Monitoring%20Findings%20and%20Recommendations.pdf>)
- “South Carolina State Government Waste (2014);”  
(link: <https://oig.sc.gov/sites/default/files/Documents/Reports/2014/Addressing%20Waste%20in%20South%20Carolina%20Government.pdf>);
- “South Carolina State Government’s Performance Review System – An Untapped tool Pivotal to Improving State Government (2015);” and  
(link at: [https://oig.sc.gov/sites/default/files/Documents/Reports/2015/SIG\\_Memo\\_re\\_Performance\\_Management\\_System-September\\_2015.pdf](https://oig.sc.gov/sites/default/files/Documents/Reports/2015/SIG_Memo_re_Performance_Management_System-September_2015.pdf));
- “The State Inspector General’s Observations of the Executive Branch(2016).”  
(link at: <https://oig.sc.gov/sites/default/files/Documents/Reports/Memo%20re%20SIG%20Observations%20of%20the%20Executive%20Branch.pdf>).

### **SIG “Hotline” Operation**

The SIG operates a toll-free “hotline” for the Executive Branch of state government to report fraud. The SIG also utilizes a web-based reporting system which provides the general public the ability to report fraud as well. The SIG logged 451 complaints through this “tip” system, which was a 20% increase over FY 2015-2016 (377). The vast majority of calls are personnel/leadership issues or customer service complaints for state agencies, which

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were delegated for management inquiry as a healthy feedback tool for state government. The tracking of complaint calls acts as a barometer of the SIG’s communication efforts with executive branch employees as well as an intentional effort to have staff triage complaint calls more thoroughly, and redirect call to the appropriate agency, if possible, for all individual customer service type complaints, as opposed to fraud, waste, and abuse.

**SIG Annual Performance Measures**

Below are the SIG’s quantitative metrics developed specifically in its strategic plan to provide indicators of results addressing stated objectives for the most recent FY 2016 – 2017:

Performance measure	FY 2015-2016 Actual	FY 2016-2017 Target	FY 2016-2017 Actual
Forensic accounting invest.	4	4	10
Misconduct investigations	7	5	9
Corruption investigations	2	2	2+
SIG Alerts	6	6	2
Complaints	377*	375	451
Agency-wide waste recommendations	28 agency-wide; 1 statewide**	15	10
Economic Recovery (actual & prevented)	\$1,397,000 actual; (>\$4 million +++ prevented)	\$632,000	\$198,339 (actual); \$1,411,859 (prevented)

+Totals included in “misconduct” category.

\*Final adjusted number for FY2015-16, down from 426. This is an appropriate measure which provides the SIG insight on its outreach efforts to both EB employees and the general public.

\*\*metric designed to encourage SIG reviews to look at agency-wide issues, which will generally have a higher level of impact; statewide recommendation have even broader potential positive impact.

It should be emphasized, waste in state government is essentially mismanagement. Waste is generally not recoverable, but the SIG achievement is preventing future waste or exploiting an opportunity to improve (service quality or cost savings) in the future. For example, the key issues identified in the SIG’s report titled, “Review of Allegations of Failure to Report a Criminal Misconduct Matter and the Relationship between the South Carolina Vocational Rehabilitation Department and Allied Opportunities, LLC,” identified a key issue that the South Carolina Vocational Rehabilitation Department (SCVRD) was not properly managing its contract/vendor relationship for the to ensure it was acquiring the necessary services consistent with the provisions set forth in the statewide contract. When agencies fail to properly monitor contract provisions and oversight becomes lax then state appropriations are wasted. This led to two recommendations (#1 & 2) for SCVRD, to “...consider conducting a review of existing agreements and MOUs...to ensure the services received by SCVRD are consistent with the provisions of these agreements;” and, “consider reviewing all contracts and existing vendor agreements for proper documentation of services and deliverables received.”

During this AAR’s reviews, major waste recommendations will yield future savings from the following reviews: SC Vocational Rehabilitation Department; Clemson University and MUSC Foundations; High Point Academy Charter School; D-SNAP (DSS); and Annual Accountability Reports (statewide). Most of the residual reviews will improve services and prevent future waste.

**Required Subsections:**

1. **Risk Assessment and Mitigation Strategies:** The SIG’s greatest risk is losing its credibility and confidence with the public and stakeholders by releasing an inaccurate report, which then, in turn, impacts the public negatively by losing a critical asset in objectively investigating/auditing the Executive Branch in both terms of integrity and effectiveness.

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The SIG currently mitigates this risk by the Inspector General spending an inordinate amount of time engaged in report reviews, primarily due to also serving as the first line supervisor to five investigators in addition to his executive role, and establishing a formal internal training program emphasizing report writing and evidence. In the upcoming year, the SIG is considering asking for an FTE supervisor/attorney position.

The General Assembly could assist in this effort by: 1) provide an FTE supervisor/attorney to balance the Inspector General’s workload and add additional capacity for quality control and legal review.

2. **Restructuring Recommendations:** The SIG will again recommend two provisos in its budget process to address root causes of waste in the Executive Branch:
  - Require agencies with two or more internal auditors to conduct an audit of the agency’s strategic performance plan with an audit program provided by the Executive Budget Office, Department of Administration (DOA). The audit will test the reasonableness of strategic objectives, strategies, tactical objectives, and metrics indicative of progress or success. The reasonableness test will be a function of best practices identified in the other states similar functions and private sector comparables. The progress/success metrics will be tested for accuracy. FY 2018-2019 will be developmental so the results will not be subject to FOIA or released outside the agency. However, the agency head will be accountable for the effectiveness of the FY 2019-2020 agency strategic performance plan through audit by the DOA, Inspector General, or Legislative Oversight.
  - Require the Procurement Services Division (PSD), State Fiscal Accountability Authority (SFAA), to develop contract monitoring regulations binding on all State agencies.

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description
<b>G</b>	<b>1</b>				<b>Reduce incidents of fraud conducted by EB employees</b>
<b>S</b>		<b>1.1</b>			<b>Investigate incidents of fraud by EB employees</b>
<i>O</i>			1.1.1	<i>Maintaining Safety, Integrity and Security</i>	<i>Identify all incidents of fraud conducted by EB employees through multiple mechanisms</i>
<i>O</i>			1.1.2		<i>Initiate investigations with emphasis on forensic accounting services</i>
<b>S</b>		<b>1.2</b>			<b>Deter incidents of fraud conducted by EB employees</b>
<i>O</i>			1.2.1		<i>Prepare annual report on fraud incidents conducted by EB employees</i>
<i>O</i>			1.2.2		<i>Provide a "lessons learned" of annual frauds to agencies, primarily related to internal controls</i>
<i>O</i>			1.2.3		<i>Provide written recommendations to the Agencies for additional preventive controls</i>
<b>G</b>	<b>2</b>				<b>Enhance integrity in the EB</b>
<b>S</b>		<b>2.1</b>			<b>Investigate incidents of allegations of misconduct in EB with emphasis on managers</b>
<i>O</i>			2.1.1		<i>Identify significant incidents of misconduct through the SIG Hotline, monitor open source reporting, and liaison</i>
<i>O</i>			2.1.2	<i>Maintaining Safety, Integrity and Security</i>	<i>Initiate investigations of significant incidents of misconduct</i>
<b>G</b>	<b>3</b>				<b>Reduce waste in the EB operations</b>
<b>S</b>		<b>3.1</b>			<b>Investigate incidents of EB waste having the highest impact</b>
<i>O</i>			3.1.1		<i>Identify potential cases through outreach to stimulate awareness, relationships, and quality cases</i>
<i>O</i>			3.1.2		<i>Initiate cases impacting the public's confidence in State government or significant ineffectiveness, often time sensitive in nature</i>
<i>O</i>			3.1.3	<i>Public Infrastructure and Economic Development</i>	<i>Initiate cases based on proactive risk assessment of pass-thru grants to state agencies &amp; public universities</i>
<i>O</i>			3.1.4	<i>Education, Training, and Human Development</i>	<i>Initiate review of higher education internal controls &amp; policies for contracting with staff employees' private businesses</i>
<i>O</i>			3.1.5	<i>Government and Citizens</i>	<i>Emphasize opening reviews impacting the State's 5 Enterprise Strategic Objectives</i>
<b>S</b>		<b>3.2</b>			<b>Provide a "lessons learned" to agencies to improve EB operations</b>



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Strategic Planning Template

Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description
O			3.2.1		Provide SIG alerts as the mechanism to disseminate lessons learned
<b>G</b>	<b>4</b>			<b>Involve EB employees to identify significant waste in EB operations</b>	
<b>S</b>		<b>4.1</b>		<b>Operate a tip "Hotline"</b>	
O			4.1.1		Conduct personal outreach to all new agency heads
O			4.1.2		Conduct outreach to agency heads via annual solicitations for review ideas to address
O			4.1.3		Conduct outreach to all 60,000 State employees via email on any fraud/waste activity

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Performance Measurement Template

Item	Performance Measure	Last Value	Current Target Value	Current Value	Future Target Value	Time Applicable	Data Source and Availability	Calculation Method	Associated Objective(s)	Meaningful Use of Measure
1	Forensic accounting investigations	4	4	10*	4	July 1 - June 30	Data Source: SIG Master List spdsht   Availability: Always	SIG manual count	1.1.1, 1.1.2	Used to show trends in deficiencies within agencies/ government
2	Misconduct investigations	8	5	9*	5	July 1 - June 30	Data Source: SIG Master List spdsht   Availability: Always	SIG manual count	2.1.1, 2.1.2	Used to show trends in deficiencies within agencies/ government
3	SIG lessons learned alerts	6	6	2	6	July 1 - June 30	Data Source: Lessons Learned network folder   Availability: Always	SIG manual count	3.2.1	Used to show trends in deficiencies within agencies/ government
4	Complaints from Hotline / Web	377**	375	451	400	July 1 - June 30	Data Source: Case Tracking Spdsht   Availability: Always	SIG manual count	4.1.1, 4.1.2, 4.1.3	Used to show trends in potential deficiencies within agencies/ government
5	Economic recoveries (or waste prevented)	\$1,397,000 actual (>\$4M prevented)	\$632,000	\$198,339 (recovered) \$1,411,859 (waste prevented)	\$662,000	July 1 - June 30	Data Source: Final report issued to agency   Availability: Upon completion of investigation/ audit	SIG manual count	3.1.1, 3.1.2, 3.1.3	Used to further support the value of an SIG investigation/ audit
6	Agency-wide recommendations	15	15	10	15	July 1 - June 30	Data Source: Final report issued to agency   Availability: Upon completion of investigation/ audit	SIG manual count	3.1.1, 3.1.2, 3.1.3	Used to further support the value of an SIG investigation/ audit
7 (+)	Percentage of recommendations accepted and implemented by agencies	-	-	67%	73%	July 1 - June 30	Data Source: Agency response to final report   Availability: Upon completion of investigation/ audit	SIG manual count	3.1.1, 3.1.2, 3.1.3	Used to further support the value of an SIG investigation/ audit

(+) New Performance Measure for FY17-18

(\*) Three cases fell into both categories

(\*\*) Re-adjusted total from FY15-16

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Program Template

Program/Title	Purpose	FY 2016-17 Expenditures (Actual)				FY 2017-18 Expenditures (Projected)				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I. Office of the Inspector General	General operating budget for all investigations-personnel and non-personnel	\$ 504,779			\$ 504,779	\$ 506,788			\$ 506,788	All
II. State Employer Personnel Contributions	Fringe personnel costs	\$ 129,672			\$ 129,672	\$ 155,678			\$ 155,678	All

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who (customer) the agency must or may serve? (Y/N)	Does the law specify a deliverable (product or service) the agency must or may provide? (Y/N)
1	1-6-10 through 100	State	Statute	Establishes SIG mission and investigative powers to review fraud, waste, abuse, mismanagement, misconduct, violations of state or federal laws, and wrongdoing in Executive Branch agencies.	Yes	Yes
2	Proviso 94.1 in FY 2017-18	State	Proviso	Mandatory reporting to the General Assembly re: case referrals from the State Auditor	Yes	Yes
3	Proviso 117.34 in FY 2017-18	State	Proviso	Agencies send annual outstanding debt reports to the SIG; no action required other than analytical review and ensure data accurately aggregated by DOA	Yes	No
4	Proviso 117.127 in FY 2017-18	State	Proviso	In conjunction with Dept. of Transportation, conduct a national search to contract with a renowned firm that specializes in governmental structural efficiencies, to study the internal structure of the DOT and make recommendations on improvements for operational effectiveness and cost efficiencies.	Yes	No

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Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry; Name; (2) Professional Organization; Name; (3) Public; Demographics.</i>
State Inspector General (SIG) Operations	The SIG conducts fraud, misconduct, and waste investigations and audits of the Executive Branch of State Government to improve operational effectiveness and accountability for integrity violations	The SIG conducts independent and objective investigations and audits to improve operations and accountability of in the Executive Branch	Executive Branch/State Agencies	
SIG	The SIG conducts fraud, misconduct, and waste investigations and audits of the Executive Branch of State Government to improve operational effectiveness and accountability for integrity violations	Results of investigations and audits to facilitate oversight of the Executive Branch	Legislative Branch	
SIG	The SIG conducts fraud, misconduct, and waste investigations and audits of the Executive Branch of State Government to improve operational effectiveness and accountability for integrity violations	Results of investigations and audits publicly provided to taxpayers to provide a level of assurance and accountability of the Executive Branch	General Public	

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<b>Name of Partner Entity</b>	<b>Type of Partner Entity</b>	<b>Description of Partnership</b>	<b>Associated Objective(s)</b>
Governnor's Office	State Government	Exchange information on potential issues in the Executive Branch with opportunities to improve & results of investigations and audits to facilitate oversight responsibilities	All
Senate & House Finance Committees	State Government	Exchange information on potential issues in the Executive Branch with opportunities to improve & results of investigations and audits to facilitate oversight responsibilities	All
House Oversight Committee	State Government	Exchange information on potential issues in the Executive Branch with opportunities to improve & results of investigations and audits to facilitate oversight responsibilities	All
State Law Enforcement Division	State Government	Exchange information on potential frauds and coordinate investigations to mutually support both agencies' missions	All
106 Executive Branch Agencies, Commissions, and Public Universitites	State Government	Executive Branch agencies or their subcomponents are often impacted directly or the subject of a SIG investigation or audit; relationships are built in advance of investigations/audits through a variety of outreach designed to develop a cooperative atmosphere during investigations/audits.	All
State Auditors Office	State Government	Exchange information on potential issues in the Executive Branch and coordinate reviews as needed	All
Legislative Audit Council	State Government	Exchange information on potential issues in the Executive Branch and coordinate reviews as needed	All

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Report Template

Item	Report Name	Name of Entity Requesting the Report	Type of Entity	Reporting Frequency	Submission Date (MM/DD/YYYY)	Summary of Information Requested in the Report	Method to Access the Report
1. State Auditor Referral Report	Proviso 94.1 Annual Requirement	General Assembly (Proviso 94.1)	State	Annually	July 11, 2017	No referrals of fraud, waste and abuse were received from the State Auditor's Office during FY 2016-17	Paper copy from SIG
2. Annual Fraud Report	The State Inspector General's Annual Report of Fraud Conducted by Executive Branch State Employees for FY 2016-17	General Assembly (§1-6-10 et seq.)	State	Annually	August 31, 2017	Annual compilation of fraud and misconduct reported by EB agencies	<a href="https://oig.sc.gov/sites/default/files/Documents/Reports/Fraud%20Program/2016-17%20Fraud%20Program%20Report%20-%20Final.pdf">https://oig.sc.gov/sites/default/files/Documents/Reports/Fraud%20Program/2016-17%20Fraud%20Program%20Report%20-%20Final.pdf</a>
2. Annual Fraud Report	The State Inspector General's Annual Report of Fraud Conducted by Executive Branch State Employees for FY 2015-16	General Assembly (§1-6-10 et seq.)	State	Annually	October 16, 2016	Annual compilation of fraud and misconduct reported by EB agencies	<a href="https://oig.sc.gov/sites/default/files/Documents/Reports/Fraud%20Program/2015-16%20Fraud%20Program%20Report-Final.pdf">https://oig.sc.gov/sites/default/files/Documents/Reports/Fraud%20Program/2015-16%20Fraud%20Program%20Report-Final.pdf</a>
3. Annual report of the activities of the Office of the State Inspector General	The State Inspector General's Annual Accountability Report for FY 2016-2017	Governor, Senate President Pro tempore; Speaker of the House of Representatives (§1-6-30 (9))	State	Annually	August 31, 2017	Summary of investigations and program reviews conducted of EB agencies during FY 2016-17	Paper copy from SIG

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External Review Template

Item	Name of Entity Conducted External Review	Type of Entity	External Review Timeline (MM/DD/YYYY to MM/DD/YYYY)	Method to Access the External Review Report
Annual Financial Audit	SC State Auditor's Office	State	07/01/2015 to 06/30/2016	<a href="http://osa.sc.gov/Reports/stateengagements/Documents/YearEnded2016/D2516.pdf">http://osa.sc.gov/Reports/stateengagements/Documents/YearEnded2016/D2516.pdf</a>