



Washington Suburban
Sanitary Commission

OFFICE OF THE INSPECTOR GENERAL

ANNUAL REPORT 2024



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This report is submitted in accordance with Maryland House Bill 419, codified in Public Utilities Article, § 17-60(d)(4) of the Annotated Code of Maryland, which requires the Inspector General to provide the Commission and publish on its website periodic reports summarizing the Office of the Inspector General’s activities, findings, recommendations, and accomplishments during the fiscal year.

ABOUT THE OIG

OUR ROLE

The OIG's authority and responsibilities are detailed in Maryland House Bill 419. This enabling legislation, as codified in the Maryland Code, established the Washington Suburban Sanitary Commission (WSSC) Office of the Inspector General (OIG) as an independent office within WSSC, with no management responsibility over any activities audited, investigated or reviewed.

OUR MISSION

To help WSSC meet its objectives in a fiscally transparent, sustainable, and ethically responsible manner by:

- conducting independent audits, evaluations and investigations;
- making evidence-based recommendations to promote economy, efficiency and effectiveness; and
- prevent and detect fraud, waste, abuse, mismanagement and misconduct within WSSC programs and operations.

OUR VISION

Accountability

Ensure public accountability by preventing, investigating, and reporting instances of fraud, waste, and abuse of the agency's property or funds.

Integrity

Maintain the highest professional and ethical standards in the performance of our official duties.

Transparency

Publish audit reports and summaries of audits and investigations conducted by the OIG, except when disclosure is expressly prohibited by the Maryland Public Information Act.

MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the Washington Suburban Sanitary Commission's (WSSC) Office of Inspector General's (OIG) Fiscal Year (FY) 2024 Annual Report, summarizing our key work and accomplishments for the period from July 1, 2023, to June 30, 2024.



The audits, reviews, and investigations detailed in this report underscore our unwavering commitment to promoting efficiency, integrity, and transparency, all in alignment with the Commission's mission to provide safe, reliable water in an ethical, sustainable, and financially responsible manner.

Since its inception, the OIG has maintained its independence and objectivity, ensuring that our efforts contribute to the Commission's effectiveness and uphold public trust. This year's report highlights our progress in meeting performance goals, despite the challenges and uncertainties we have faced. Notably, our auditors issued seven (7) audit reports and seven (7) system development charges (SDC) reports with recommendations to improve operations and reduce costs. On the investigative side, we received 41 complaints through the Fraud, Waste, and Abuse Hotline, collaborating with various WSSC departments to resolve these cases. These actions reflect our steadfast dedication to addressing issues that impact WSSC Water, its customers, and stakeholders.

This report is a testament to the exceptional work of the OIG's dedicated professionals, who consistently strive to improve the economy, efficiency, and effectiveness of Commission operations while preventing and detecting corruption, fraud, waste, abuse, and mismanagement. Looking ahead, the *FY 2025 OIG Work Plan* outlines planned audits, reviews, investigations, and initiatives, as we continue our efforts to ensure WSSC Water remains a model of operational excellence.

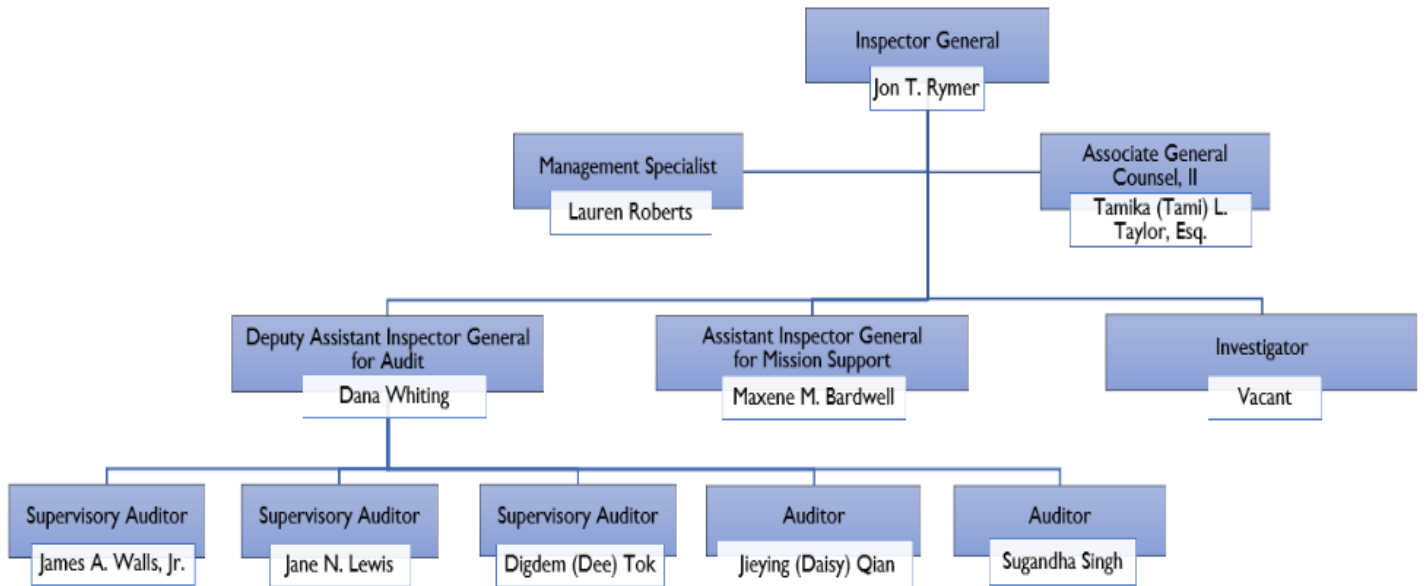
Finally, I would like to extend my sincere gratitude to the Commissioners and WSSC leadership for their unwavering support and collaboration. As we move forward, let us remember that teamwork is essential in driving efficiency and building a world-class organization for the 1.9 million customers WSSC Water proudly serves.

Sincerely,

A handwritten signature in blue ink that reads "Jon T. Rymer". The signature is fluid and cursive.

Jon T. Rymer
Inspector General

OUR TEAM



The OIG consists of two key divisions: Audit and Investigations. Although small, the OIG plays a vital role in supporting WSSC by providing guidance and ensuring that WSSC complies with laws and fulfills its mission and objectives. Our professional staff's diverse backgrounds and expertise are essential to our success, bringing valuable depth and perspective to every engagement. Our staff possess the following, non-exhaustive certifications and credentials:

- Certified Public Accountant
- Certified Inspector General Auditor
- Certified Internal Auditor
- Certified Information Systems Auditor
- Certified Fraud Examiner
- Certified Government Auditing Professional
- Certified Information Technology Professional
- Certification in Risk Management Assurance
- Certified in Risk and Information Systems Control

TEAM DEVELOPMENT

The OIG team collectively possesses undergraduate, graduate, and juris doctorate degrees, which makes us an educated and competent workforce. OIG professional staff have more than 200 years of combined work experience, ranging from federal service to private accounting experience. The OIG professional staff bring various backgrounds and expertise to the office.



Team members actively pursue and maintain several different professional certifications each fiscal year. This pursuit allows OIG personnel to stay abreast of the latest industry standards, pronouncements, and principles while ensuring the OIG team provides the best service and experience to WSSC Stakeholders.

Many on the OIG Team are Certified Fraud Examiners (CFEs). The CFE certification enables individuals to perform confidential Fraud, Waste & Abuse Hotline investigations individually. Our auditors are also Certified Inspector General Auditors (CIGA). Over 70% of OIG auditors are Certified Public Accountants (CPAs) or equivalent. The CPA credential is highly sought after and not easily obtained, thereby enabling WSSC's OIG auditors to tackle complex accounting matters often encountered during audit engagements. These certifications reflect a wide range of knowledge, determination, and drive for continuous learning and instill a profound sense of pride.



Ongoing professional development in advanced techniques, technology, and industry standards is essential for the OIG's success. Our staff consistently meet and often exceed the certification requirements needed to maintain up-to-date skills and deliver top-tier services. Certified Fraud Examiners are required to complete 20 hours of Continuing Professional Education (CPE) annually, while Certified Public Accountants must obtain 80 hours of CPE every two years. All OIG team members have fulfilled their required CPE hours, ensuring they maintain active status in their respective fields. In addition to external and online training, we also prioritize deepening our understanding of Commission operations and technologies each fiscal year.

OUR FY 2024 GROWTH & ACHIEVEMENTS

New Team Member



Sugandha Singh joined the OIG as an auditor in April 2024. Sugandha holds a Bachelor of Commerce degree from India and is a qualified Chartered Accountant. She obtained her CPA in 2015. Her professional experience includes roles as an auditor with Ernst & Young in New Delhi and with Martin Warbelow LLP, a mid-sized audit firm in Los Angeles, California. Most recently, she served as an Audit Manager at the Maryland Department of Transportation.

Professional Achievements



Digidem (Dee) Tok became a Certified Information Systems Auditor and a Certified Internal Auditor through successful examination. These accomplishments reflect Dee's commitment to acquiring the tools necessary to address the audit and investigation needs of the Commission. She has been employed as an auditor with the OIG since 2011, and in FY 2024, she was promoted to Supervisory Auditor. Dee also holds several other professional certifications.



Jieying (Daisy) Qian has demonstrated her commitment to professional excellence by completing the necessary examinations to become a Certified Public Accountant in November 2023, and a Certified Internal Auditor in April 2024. Daisy has served as an auditor in the OIG since 2021, and she holds several other professional certifications that further enhance her expertise in the audit and investigations field.

EXECUTIVE SUMMARY

In fiscal year 2024, the OIG maintained its commitment to delivering relevant and impactful work that aligns with WSSC's strategic priorities and upheld our professional standards of independence and integrity.

AUDIT

The OIG initiated several audit/review projects, resulting in risk-mitigating operational process changes and enhancements that promoted economy, efficiency, and effectiveness in FY 2024. Specifically, the Audit Division issued seven (7) independent reports, providing actionable recommendations to strengthen WSSC's operations and stewardship of resources. A major highlight was our diligent work with the developer community to issue seven (7) SDC audit reports in fiscal year 2024. We identified over **\$1.65 million in financial adjustments** benefiting WSSC in FY 2024. We continue to work diligently with the developer community to identify allowable Capital Improvement Program (CIP) reimbursable infrastructure costs via SDC audits.

INVESTIGATIONS

The OIG continued its responsibility of investigating mismanagement, misconduct, fraud, waste, and abuse at WSSC, as mandated by PUA, Title 17, Subtitle 6 of the Annotated Code of Maryland, and Chapter 2.60 of the WSSC Water Code of Regulations in FY 2024. The OIG manages WSSC's Fraud, Waste, and Abuse (FWA) Hotline, a centralized reporting mechanism for employees, customers, and stakeholders to confidentially report suspected instances of fraud, waste, and abuse.

This fiscal year the OIG received 41 FWA cases and successfully closed 35 cases, including several investigations from FY 2023. During this period, the OIG worked closely with WSSC stakeholders to resolve these matters and continued to provide FWA training to newly hired WSSC employees.

The OIG remains dedicated to assisting WSSC in safeguarding the integrity of its programs and operations.

AUDITS

The OIG is authorized to conduct audits and reviews of WSSC programs and operations under PUA, §§ 17-604 and 17-605. Our Audit Division adheres to the Association of Inspectors General (AIG) Principles and Standards (Green Book) and the Generally Accepted Government Auditing Standards (GAGAS, also known as the Yellow Book) set by the U.S. Government Accountability Office. These professional standards govern the independence, objectivity, evidence, and reporting requirements for OIG auditors. Audits are selected through a systematic evaluation of the potential risks affecting WSSC's operations and programs.

OIG performed work that aligned with WSSC's five strategic priorities: (1) Spend Customer Dollars Wisely; (2) Optimize Infrastructure; (3) Protect Our resources; (4) Transform Employee Engagement; and (5) Enhance Customer Experience.

Each engagement typically concludes with a *Final Audit Report*, detailing the OIG's findings, observations, and recommendations. These reports also include the auditee's responses to our findings and recommendations. When audits reveal questionable costs, potential savings, or other financial impacts, OIG auditors provide specific recommendations to mitigate risks and recover Commission funds. Our auditors also follow up with responsible entities to ensure that identified deficiencies and adverse conditions are effectively addressed.

In some cases, we conduct reviews when a full audit is not necessary. This decision is often based on time constraints, the limited scope, or the urgency of the issue. Even in these instances, we maintain the same high standards of evidence and quality control applied to audits.

By focusing on high-risk areas within WSSC, we maximize our resources and provide objective assessments of WSSC's operations, employees, infrastructure, systems, and resources. Our work helps the Commission identify more efficient, effective, and economical ways to achieve its objectives and fulfill its mission. The following section summarizes the engagements and reports issued by the OIG during fiscal year 2024:

Disaster Recovery Exercise Observation (FY 2023)

The OIG observed the refinement testing on April 21, 2023, and the observation of WSSC's 48-hour Annual Disaster Recovery (DR) Exercise on May 19 through May 21, 2023. The WSSC DR Exercise is an opportunity for staff to restore critical processes/Information Technology (IT) services of the Commission in a specified location in the event of a disaster or interruption of operations. The DR Exercise enables management to evaluate responses and execution of certain preparedness

procedures and comply with WSSC's DR plan. The lessons learned are used to address concerns and improve WSSC's DR process.

The objective of the OIG's observation is to provide WSSC management with an independent assessment of the effectiveness of the Annual DR exercise and the refinement testing performed on its applications. The DR Exercise's stated objectives were achieved. Further, the overall project management, communication, and resource utilization were executed as planned. The OIG observed several findings from the DR Exercise, and WSSC management addressed OIG's recommendations, presented operational improvements, and provided corrective action plans with anticipated due dates, where applicable.

The WSSC Local Business Investment and Growth Program Compliance Audit

The Office of the Inspector General (OIG) examined whether WSSC's activities related to its Local Business Investment and Growth Program (BIG Program) complied with the Local Government Article (LGA), § 17-205, and the State Finance and Procurement Article, § 6-222 of the Annotated Code of Maryland, Chapter 5.105 of the WSSC Code of Regulations (Code), and Chapter 5.1000 of the WSSC Manual of Standard Procedures (SP). WSSC manages the BIG Program as part of its Investment Policy.

To do this, OIG auditors corroborated information with the Chief Investment Officer of the Maryland State Treasurer's Office, interviewed WSSC management, and examined various source documents related to the BIG Program for the 18 months from July 1, 2021, to December 31, 2022.

The audit revealed that WSSC's operations under the BIG Program required improvement to ensure compliance and consistency with the requirements outlined in the Annotated Code of Maryland and WSSC regulations. The OIG offered recommendations aimed at enhancing WSSC's departmental procedures and processes. WSSC management responded to the OIG's recommendations and provided action plans with anticipated implementation due dates, where applicable.

Water Fund Program Audit- Follow-Up Review

The review's objective was to assess the adequacy, effectiveness, and timeliness of actions taken by WSSC Management to address the recommendations identified in the 2009 Water Fund Program Audit Report. The review's scope included the 2009 Water Fund Audit Report and management's remediation of the findings identified in the audit report. To meet this objective, the OIG reviewed customer files for compliance with the Salvation Army (SA) Guidelines, gained an understanding of Water Fund Program management and the SA's processes, and conducted interviews with WSSC staff and SA personnel to assess internal controls.

The review revealed that two of the four previous audit recommendations have been resolved and demonstrated an improvement in the operation of the Water Fund since the last audit. However, the facts also disclosed that some previous deficiencies identified in the 2009 Water Fund Audit Report were not adequately addressed. Specifically, the Fund warrants improvement to ensure compliance and consistency with policies, procedures, agreements, and SA Guidelines. WSSC management addressed OIG's recommendations and presented operational improvements or provided corrective action plans with anticipated due dates, where applicable.

Contracts Compliance Annual Review Colonial Chemical Solutions, Inc.

The OIG conducted a review to assess WSSC's compliance with the laws of the State of Maryland and WSSC's regulations, standards, and guidelines about contracts and related agreements. The review's purpose was twofold; to provide information for management's decision-making and to make recommendations to improve WSSC's regulations, programs, policies, or procedures. OIG auditors selected a change order approved during the fiscal year ending June 2022 and related to the procurement of methanol, a critical chemical used in wastewater treatment. The auditors evaluated WSSC's compliance according to Chapter 6.15 of the WSSC Code of Regulations, the executed contract, and other signed agreements.

The reviewed evidence disclosed that WSSC bidding process activities warrant improvement to fulfill requirements outlined in the signed agreement for Contract No.16507. Accordingly, the OIG presented recommendations to improve WSSC's contract management and administration processes. WSSC management addressed OIG's recommendations and presented operational improvements or provided corrective action plans with anticipated due dates, where applicable.

Controlled Assets Compliance Audit

The audit's objective was to provide WSSC management with an independent assessment of whether it adhered to Chapter 5.200.020, WSSC Manual of Standard Procedures, WSSC Water Capital Moveable Assets Procedure Manual (July 2020), and WSSC Water Inventory Control Guidelines - Controlled Assets (July 1, 2020). The audit covered information and activities related to WSSC's controlled assets included in the Capital Moveable Assets program from July 1, 2021, to June 30, 2022.

The audit evidence disclosed that WSSC's Controlled Assets Program warrants improvement. Specifically, controlled assets are not secured or tracked, and all departments are not conducting annual inventories and audits. WSSC Water management has addressed each of the OIG's recommendations and, where applicable, presented operational improvements or provided corrective action plans with anticipated due dates.

Fire Hydrant Operations Audit

The OIG conducted an audit to assess whether the Commission's fire hydrant operations' systems and controls were operating effectively and efficiently according to WSSC's Code of Regulations, its Fire Hydrant Participant Manual, its Fire Hydrant Fact Sheet, and the U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*.

The audit scope included the Commission's inventory controls, field services, inspections, replacement and obsolescence procedures, leasing operations, and water service operations related to fire hydrant operations for the fiscal year ending June 30, 2022.

Overall, the Commission's systems and controls are operating efficiently and effectively. The audit did disclose three findings relating to the Commission's inaccurate fees on the fire hydrant meter permit application, inaccurate locational data in information systems, and untimely inspections. The OIG presented recommendations intended to enhance WSSC Water's policies and procedures.

Annual Purchase Card (P-Card) Program Review

The P-Card Program is outlined in Chapters 6.15 and 6.20 of the WSSC Code. WSSC's Procurement Department's Operations & Administration Division oversees the P-Card Program and assigns the day-to-day responsibilities to the P-Card Specialist. The OIG conducted tests on P-Card Program transactions from September 1 through November 30, 2023, to assess compliance with WSSC Water's Procurement Regulations, standards, policies, and procedures. The review disclosed that annual P-Card training and exam performance were not conducted during the review period. The lack of annual training and exam performance results impedes the assessment of user comprehension, resulting in weakened compliance knowledge and importance.

AUDIT FOLLOW-UP AND MANAGEMENT ACTION PLAN

The OIG has a robust audit follow-up process. This process includes gathering status updates from auditees, managing the estimated due dates of management action plans, and verifying that the action plan has mitigated the risk identified in the engagement once management has implemented it. Some of our FY 2024 audit recommendations have or will result in the following policy or procedural changes that may mitigate risks at WSSC. Summaries of management’s action plans per audit recommendations are contained in the following table.

| QUALITATIVE IMPACT ANALYSIS | | | |
|--|---------------------|---------------------------------------|--|
| Project Name | Risk Classification | Policy and/or Process changed/created | Action Plan |
| The WSSC Local Business Investment and Growth Program Compliance Audit | High | Policy and Process Change | Management agrees with the recommendation and will process an amendment to Chapter 5.105 of the WSSC Code of Regulations (Code) and Standard Procedure (SP) 5.100.160 in the WSSC Manual of Standard Procedures to include the office and person responsible for filing these documents with the Maryland State Treasurer. Management will also transmit the amended investment policies adopted in 2016, 2018, and 2021 to the State Treasurer by certified mail. |
| Water Fund Program Audit Follow-up Review | High | Policy and Process Change | Management agrees with the recommendation to comply with the procedures outlined in Chapter 3.65 of the Manual of Standard Procedures as well as the Water Fund Agreement. |
| Water Fund Program Audit Follow-up Review | High | Process Change | The Customer Service and Community Relations Department will implement a checklist to evidence compliance with procedures in collaboration with The Salvation Army and conduct an annual mandatory refresher training for The Salvation Army team. |

| | | | |
|---|--------|-----------------|--|
| Water Fund Program Audit Follow-up Review | Medium | Policy Change | Management agrees with the recommendation to review and update Chapter 3.65 of the WSSC SP governing the Water Fund Administration, IOPs and other related policies or procedures. The Customer Service and Community Relations Department will update Chapter 3.65, IOPs, and all other related policies or procedures and will review and update these documents at least every three years. |
| Contract Compliance Annual Review Colonial Chemical Solutions, Inc. Contract #16507 | High | Process Change | The Procurement Office [has] put additional processes in place and continues to make improvements (including staff training) to ensure all contract terms are adhered to and proper verification of information occurs. |
| Contract Compliance Annual Review Colonial Chemical Solutions, Inc. Contract #16507 | High | Process Change | Management concurs with the recommendation. Requirements contracts will allow for amendments by bilateral contract modification or a unilateral change order, consistent with the definition of a "Contract Amendment" in Chapter 6.15.70 (m) of the Code. |
| Controlled Assets Compliance Audit | High | Process Created | Management concurs with the recommendation. Management will develop a process to tag, track, and dispose of controlled assets per existing IT IOPs and add additional controls, such as periodic re-tagging, over controllable assets that are subject to weather conditions. |
| Controlled Assets Compliance Audit | Medium | Process Change | Management agrees that annual inventories should be performed by the departments over the controllable assets, with a certified list submitted to a responsible central office, and that a limited audit should occur every 5 years on a rotating basis. |

| | | | |
|-------------------------------|--------|----------------|---|
| Fire Hydrant Operations Audit | Medium | Policy Change | Utility Services will consult with the GCO and pursue an update to the WSSC Code to allow flexibility to adjust fire hydrant permit fees periodically. |
| Fire Hydrant Operations Audit | Medium | Process Change | Utility Services will continue to monitor fire hydrant location data within our systems of record to ensure accurate and reliable information. With the implementation of a new computerized maintenance management system from Cityworks, this effort will be fully automated by December 31, 2025. |
| Fire Hydrant Operations Audit | Medium | Process Change | Utility Services will complete all fire hydrant inspections older than 3 years by June 30, 2024, to ensure compliance with the department's Manual. Utility Services currently re-inspects 5% of the fire hydrants within 6 weeks of the original inspection date to ensure compliance with the inspection program. We have enhanced the QA/QC process to ensure adherence to the established inspection cycle. |
| Annual P-Card Program Review | Medium | Process Change | Management agreed with the recommendation and will implement the action plan to digitize a new P-Card training module, as well as develop a comprehensive plan and timeline for administering the annual training and testing. |

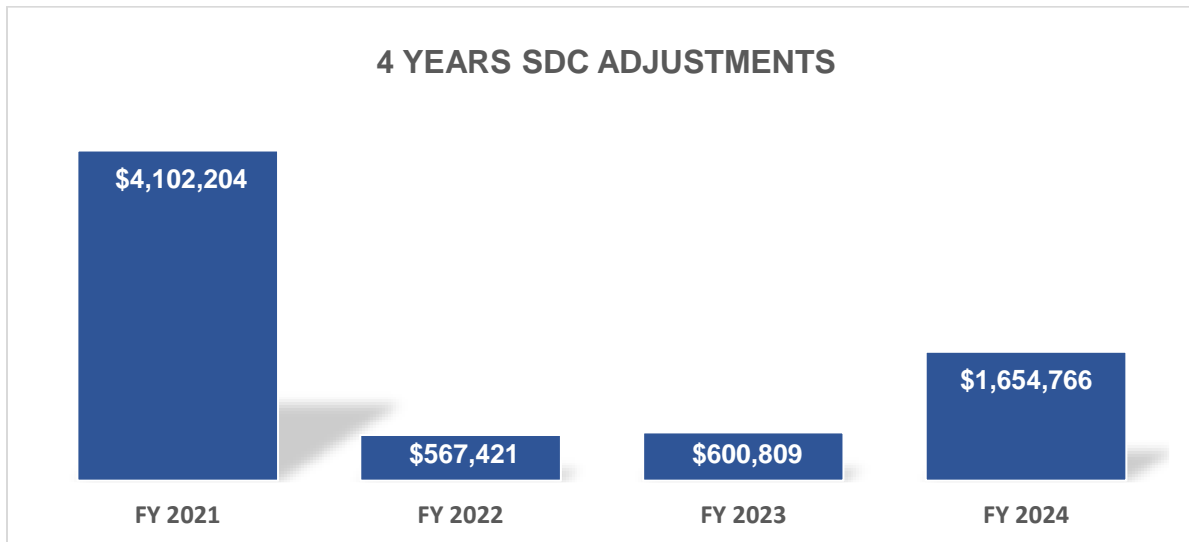
This impact analysis indicates the qualitative value OIG adds to the Commission and its stakeholders. Although our focus appears to be on WSSC Water's operations, those operations are designed to achieve the Commission's strategic objectives. Helping WSSC Water to identify more efficient, effective, and economical methods of operation, in turn, helps the OIG achieve its overall mission. We encourage WSSC Water stakeholders to review OIG audit reports on our website (www.wsscwater.com/oig) for a more detailed analysis.

SDCs

Under Maryland law, the OIG reviews and approves actual costs to be reimbursed to developers for SDCs. Each fiscal year the OIG routinely receives written requests to perform SDC audits. The number of SDC audit requests received varies from year to year. To complete SDC audits, developers must provide the required documentation. Our audits of actual developer costs incurred have led to millions of dollars in adjustments over the years.

Financial adjustments have varied over the past few years due to delays in SDC audit requests and difficulties in obtaining necessary documentation from developers. Despite these challenges, FY 2024 resulted in significant **financial adjustments, totaling \$1,654,766** for WSSC Water driven by the completion of the following five (5) SDC audits. At the end of FY 2024, OIG had four (4) SDC audit requests remaining; however, two (2) were deemed inactive.

It is also important to note that SDC credits or reimbursements are limited to transactions for Qualified Properties served by the Qualified Project within 20 years or until the total approved SDC Credit amount is met.



Over \$6.9 million in identified financial adjustments in four years.

INVESTIGATIONS

The OIG is responsible for investigating mismanagement, misconduct, fraud, waste, and abuse at WSSC Water, as mandated by the Public Utilities Article, Title 17, Subtitle 6 of the Annotated Code of Maryland, and outlined in Chapter 2.60 of the WSSC Water Code. The OIG also oversees WSSC's Fraud, Waste, and Abuse (FWA) Hotline, which serves as a critical and confidential platform for employees, customers, and other stakeholders to report suspected instances of fraud, waste, or abuse.

In FY 2024, the OIG received 41 FWA cases and successfully closed 35, including several investigations carried over from FY 2023. As shown in Appendix 1, these investigations covered a broad spectrum, including issues related to customer relations, theft of services, conflicts of interest, and inquiries regarding WSSC policies or Maryland law as applicable to WSSC.

During this period, the OIG emphasized collaboration with internal WSSC departments and external agencies to ensure that cases were resolved effectively and efficiently. This collaborative approach not only streamlined the resolution process but also strengthened the culture of accountability and transparency throughout the organization. Additionally, the OIG provided targeted FWA training to newly hired WSSC employees, reinforcing the importance of ethical behavior and fostering awareness across the organization.

The OIG remains fully committed to protecting the integrity of WSSC's programs and operations, promoting ethical standards, and safeguarding public resources through proactive investigations.

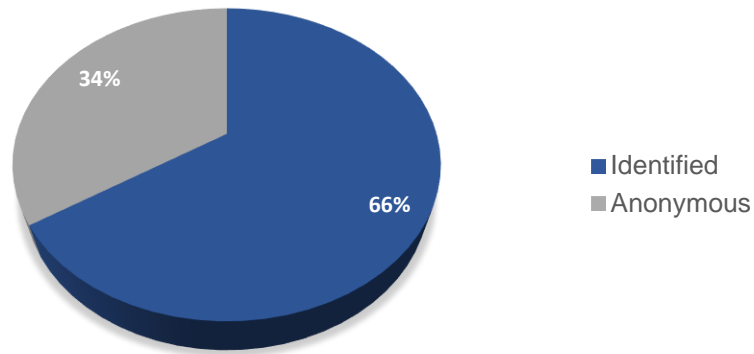
FWA ACTIVITY

Cases Received

In FY 2024, the FWA Hotline remained the most widely used method for reporting incidents to the OIG. The same number of complaints were received for fiscal years 2023 and 2024, 41 cases.

Of the 41 reports received, 27 (65.85%) were submitted by individuals who disclosed their identity, while 14 (34.35%) were reported anonymously. Interestingly, since the inception of the Hotline, 60.3% of complaints have come from identified individuals, while 39.6% were submitted anonymously.

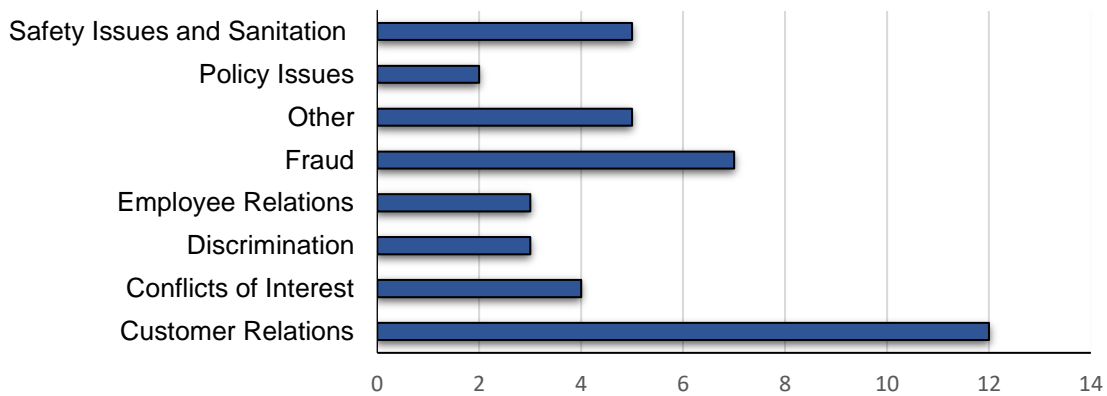
FY 2024 Complaints Received



Trends

In FY 2024, as in the previous year, the largest number of complaints received through the OIG’s FWA Hotline were related to Customer Relations, accounting for 29.27% of the total. Fraud cases followed, representing 17.07%. Other frequently reported issues included Safety and Sanitation concerns (12.2%), Conflicts of Interest (9.76%), and Employee Relations matters (7.32%), rounding out the top five categories.

Types of Cases Received in FY 2024



Cases Closed

The OIG investigated and coordinated with internal departments and external agencies to resolve 35 FWA cases, compared to 49 cases closed in the previous year—reflecting a 28.57% decrease in case closures year-over-year.

In FY 2024, investigations took an average of 87 days from initiation to closure. On average, the OIG closes 3 cases per month.

| DATE | CASES | AVERAGE DAYS OPEN |
|------------------------|----------|-------------------|
| July 2023 | 3 | 35 |
| August 2023 | 0 | 0 |
| September 2023 | 1 | 4 |
| October 2023 | 2 | 327 |
| November 2023 | 4 | 215 |
| December 2023 | 2 | 102 |
| January 2024 | 5 | 34 |
| February 2024 | 5 | 41 |
| March 2024 | 1 | 6 |
| April 2024 | 3 | 16 |
| May 2024 | 6 | 36 |
| June 2024 | 5 | 145 |
| MONTHLY AVERAGE | 3 | 87 |

OUR OUTREACH

The OIG staff actively engage in community outreach, both individually and as a team, by contributing time and resources to support WSSC Water’s Team H2O Gives Back initiative. Whether through financial contributions or volunteering, we are committed to making a positive impact. The efforts below highlight our collective contributions in the WSSC Water service area this fiscal year.

August 2023 – School Supply Drive

The OIG staff donated school supplies.



January 2024 – Unhoused Toiletries

The OIG staff donated supplies to create bundles for unhoused persons.



May 2024 – Sweitzer Lane Clean-up

The OIG staff cleaned debris from the roadway Sweitzer Lane.



FY 2025

Looking ahead to FY 2025, the OIG will build on its achievements and continue to support WSSC Water in its mission to become a transformative, world-class organization that meets the needs of its customers. As outlined in our 2025 Audit Workplan, we will collaborate closely with WSSC stakeholders to ensure that its programs deliver maximum services and benefits. Additionally, we are committed to ensuring that WSSC Water's internal controls effectively safeguard its assets while holding accountable anyone who engages in fraud, waste, or abuse of Commission resources.

CONTACT US

We encourage any person to contact the Office of the Inspector General to report suspected occurrences of fraud, waste, or abuse involving WSSC property or funds. You may contact the OIG in any of the following manners.

Mailing Address:

14501 Sweitzer Lane
Laurel, MD 20707

Business Address:

14405 Laurel Place, Suite #300
Laurel, MD 20707

OIG Website: www.wsscwater.com/oig

OIG via Email: wssc-oig@wsscwater.com

FWA Hotline: 1-877-WSSC-FWA/1-877-977-2392

FWA Online: www.reportlineweb.com/wssc



FISCAL YEAR 2024 CASE SUMMARIES

| Case No. | Date Opened | Primary Issue | Issue Type | Details | Disposition | Days Open | Date Closed | |
|----------|-------------|---------------|--|------------|---|--|-------------|------------|
| 1 | 254/256 | 2/19/2023 | Conflicts of Interest/Employee Relations | Allegation | Abuse of Authority/Possible Professional Services Contract Steering - A WSSC Water employee alleged that an engineering supervisor is abusing their position by giving preferential treatment to two design consultants with whom the supervisor has prior relationships. The employee further claimed that when other WSSC Water staff expressed concerns or disagreements regarding the quality of the work provided by these consultants, the supervisor retaliated against those employees, creating a hostile work environment. | The OIG investigated this matter to determine whether the employee was engaging in conduct that violated WSSC procurement regulations and also collaborated with the Human Resources Department regarding personnel issues. Notwithstanding that the employees are no longer employed at WSSC, it was determined that the allegations could not be substantiated. The matter was dismissed and closed. | 283 | 11/30/2023 |
| 2 | 256/254 | 3/6/2023 | Conflicts of Interest | Allegation | See above. | See above. | See above. | See above. |
| 3 | 260 | 4/12/2023 | Theft of Time | Allegation | Theft of Time - It was reported that a WSSC Water employee was allegedly stealing time, as the employee failed to arrive promptly at 7:00 a.m., and left before 3:30 p.m. | The OIG referred the matter to WSSC Homeland Security (WHS), citing it as primarily a time theft issue. WHS conducted a thorough investigation, reviewing time and leave records, security footage, proximity card data, IT logs, and GPS records from WSSC Water vehicles. WHS concluded that the allegation could not be substantiated, and the case was dismissed and closed. | 91 | 7/23/2023 |

| | | | | | | | | |
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| 4 | 271 | 5/12/2023 | Falsification of records | Allegation | <p>Falsifying Records - A WSSC Water employee alleged that they witnessed employees failing to comply with effluent sampling and testing protocols for wastewater treatment, including recording and reporting data.</p> | <p>The OIG investigated the matter under the Maryland Annotated Code, Public Utilities Articles (PUA), §§ 17-601 (b)(2)(ii) and (c)(1). The allegations were not substantiated as the investigation, including interviews and reviewing relevant records, revealed that WSSC complied with Maryland law and internal policies and procedures related to effluent testing, sampling, recording, and reporting to the Maryland Department of Environment. The matter was dismissed and closed.</p> | 201 | 11/30/2023 |
| 5 | 276 | 6/14/2023 | Theft of Time/Falsification of records | Allegation | <p>Theft of Time/Falsifying Records -A WSSC Water employee alleged that an employee falsified time and attendance records and violated WSSC's attendance policy for over a year.</p> | <p>The OIG investigated the matter under PUA § 17-601 (2), confirming that the employee submitted inaccurate time reports, violating WSSC Water policies. Discrepancies were found in time submissions, with unsupported remote work claims and a lack of responsiveness. The employee also exceeded their approved telework schedule. Although evidence regarding compensation for unworked hours was inconclusive, the investigation substantiated policy violations, raising accountability concerns. The employee cited health issues, and the supervisor pledged to monitor attendance more closely. The OIG provided recommendations, and the case is now closed.</p> | 0 | 12/22/2023 |

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| 6 | 277 | 6/22/2023 | Fraud/Theft | Allegation | <p>Theft of Services - A WSSC Water employee alleged that an employee reconnected their water services at their home after termination for non-payment, and tampered with the water meter to prevent accurate water usage readings, resulting in theft of water services.</p> | <p>The OIG investigated the matter under PUA, § 17-601(2), in collaboration with WHS and CSD. WHS visited the employee's residence and found that services had been reconnected and the meter had been tampered with. Two civil citations were issued to the employee per § 2.50 (b) of the WSSC Water Plumbing and Fuel Gas Code. The employee paid the citations and brought their account up to date. It was noted that WSSC does not have a specific regulation addressing circumstances where an employee's water and sewer account is substantially delinquent or in arrears. The matter was resolved and closed.</p> | 355 | 6/12/2023 |
| 7 | 278 | 5/23/2024 | Customer Relations | Inquiry | <p>Billing Issues - A WSSC Water customer inquired about the process for transferring water services from their former tenant's name back into their own and questioned why WSSC did not notify them of the outstanding and unpaid bills accumulated by the former tenant.</p> | <p>Referred to the Customer Service Department (CSD). CSD contacted the customer and explained the billing process and the charges. The issue was resolved and the matter was dismissed.</p> | 12 | 7/6/2023 |
| 8 | 281 | 7/12/2023 | Theft or Misuse of Company Assets/Services | Allegation | <p>Theft of Services/Leaking Water - A WSSC Water customer claimed that faulty or broken water meters at a residential condominium building led to water theft and subsequent flooding within the building.</p> | <p>Referred to CSD. CSD determined that the meters at the location were functioning properly, and the flooding issue is the responsibility of the condominium owner. The allegation was unsubstantiated, dismissed and closed.</p> | 0 | 7/13/2023 |

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| 9 | 285/287 | 8/11/2023 | Employee Relations | Allegation | Employee/Personnel - It was reported that a WSSC contractor was engaging in inappropriate relationships during work hours. | The OIG attempted to investigate the matter pursuant to the PUA, § 17-601(2), which addresses theft or misappropriation of Commission property or funds. However, the allegation could not be substantiated because the complainant did not provide sufficient information regarding the contractor. The matter was dismissed and closed. | 179 | 2/7/2024 |
| 10 | 287/285 | 8/15/2023 | Discrimination | Allegation | Employee/Personnel - It was reported that a WSSC contractor was engaging in inappropriate relationships during work hours. | The OIG attempted to investigate the matter pursuant to the PUA, § 17-601(2), which addresses theft or misappropriation of Commission property or funds, and the destruction or alteration of official records, such as submitting erroneous time sheets. However, the allegation could not be substantiated because the complainant did not provide sufficient information regarding the contractor. The matter was dismissed and closed. | 106 | 11/30/2023 |
| 11 | 289 | 9/7/2023 | Customer Relations | Allegation | Customer Relations/Safety Compliance - A WSSC Water customer alleged that a WSSC inspector was rude and unprofessional during an inspection of a residential water heater. The customer did not desire for the inspector to return to their home, and threatened publication to the media and litigation. | The OIG collaborated with WSSC's Regulatory Services Department which assigned a different inspector for the water meter and related chimney work. Despite challenges from the customer, the new inspector completed the inspection, and the customer received their updated permit and approved green sticker. This matter was resolved and closed. | 3 | 9/11/2023 |

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| 12 | 291 | 9/29/2023 | Accounting/Audit Irregularities | Allegation | Excessive/High Bill/Customer Relations - A WSSC Water customer reported excessive billing issues, claiming they were charged late fees despite on-time payments. The customer alleges communication issues with customer service. | Referred to CSD. CSD advised the customer about the payment arrangement process. This matter was resolved and closed. | 6 | 10/5/2023 |
| 13 | 293 | 10/12/2023 | Fraud | Allegation | Theft of Services - A complaint was received alleging that individuals were illegally restoring water services at residential properties without authorization. | The OIG referred the matter to WHS for investigation due to allegations of water theft. After conducting the investigation, WHS concluded that there was insufficient evidence to support the claim, and the matter was dismissed and closed. | 82 | 1/2/2024 |
| 14 | 294 | 10/24/2023 | Fraud | Allegation | Possible Contract Steering - A complaint was received alleging that a newly hired employee at WSSC Water will conspire with other external parties they previously worked with to engage in contract steering once employed. | Referred to the Ethics Office pursuant to PUA, § 17-601 (b)(1)(ii) and 17-606 (b)(1). The Board of Ethics (BOE) investigated and dismissed the matter as no violations had occurred. The matter is closed. | 77 | 1/10/2024 |

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| 15 | 295 | 11/18/2023 | Policy Issues | Allegation | <p>Policy Issues/Employee/Personnel - A WSSC Water employee raised concerns about the panel hiring process, alleging that it does not fully align with structured interview practices. According to the complainant, the process uses predetermined questions that have not been reviewed or tested, which limits candidates' ability to prepare and engage naturally, leading to biases. Additionally, the complainant asserts that there have been instances where candidates received the questions in advance, allowing them to manipulate the system and secure positions they may not deserve.</p> | <p>The OIG attempted to investigate the matter, however, the complainant became unresponsive and there was insufficient information to substantiate the claim. The matter was dismissed and closed.</p> | 195 | 6/1/2024 |
| 15 | 296 | 11/28/2023 | Customer Relations | Inquiry | <p>Excessive/High Bill/Customer Relations - A WSSC Water employee inquired about the process to notify landlords of water leaks, after a tenant failed to provide the landlord notices from WSSC regarding a leaking water line which subsequently resulted in substantial property damage.</p> | <p>Referred to CSD. CSD contacted the customer and advised of the notification to the occupant, resident or owner of the water leak. This matter was resolved and closed.</p> | 13 | 12/12/2023 |
| 16 | 299 | 1/4/2024 | Discrimination | Allegation | <p>Employee/Personnel/Discrimination - A WSSC Water employee alleged that his supervisor assigned him tasks outside of his job duties without providing any explanation, and when he inquired why, the supervisor purportedly stated that the employee would do a better job because of his nationality.</p> | <p>This was a test case.</p> | 0 | 1/4/2024 |

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| 17 | 300 | 1/4/2024 | Customer Relations | Allegation | Leaking Water/Repairs - A complaint was received about a persistent water leak at a residential property in Montgomery County, despite numerous reports to WSSC Water. | Referred to CSD. CSD collaborated with the Utilities Services Department (USD), and USD investigated the matter and determined that a broken curb stop located on the property caused the leak, which was not WSSC's responsibility. USD left a notice to repair with the property owner, and the matter was closed. | 0 | 1/5/2024 |
| 18 | 301 | 1/20/2024 | Safety Issues and Sanitation | Allegation | Leaking Water/Repairs - A complaint was received alleging water running the streets in Montgomery County community. | Referred to CSD and USD. USD informed that there was a water main break in the area. USD repaired the water main break and the matter was resolved and closed. | 8 | 1/29/2024 |
| 19 | 302 | 1/30/2024 | Customer Relations | Inquiry | Excessive/High Bill/Customer Relations - A WSSC customer inquired about an excessive bill and a faulty water meter at a residential property in Montgomery County. | Referred to CSD. CSD reviewed the customer's account and determined that an adjustment was warranted as the bill had been estimated, and agreed to change the customer's meter. The customer elected to further dispute the matter through WSSC's dispute resolution process. | 21 | 2/21/2024 |
| 20 | 303 | 2/5/2024 | Safety Issues and Sanitation | Inquiry | Leaking Water/Repairs - A complaint was received regarding a fire hydrant located in Montgomery County was leaking water, and marked with an "out of use" sign, two cones, and a hole around it. | Referred to CSD and USD. USD replaced the fire hydrant. The matter was resolved and closed. | 1 | 2/7/2024 |

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| 21 | 305 | 2/8/2024 | Discrimination | Allegation | Test Case. | Test Case. | 0 | 2/8/2024 |
| 22 | 306 | 2/15/2024 | Customer Relations | Allegation | Alteration of Payment - A WSSC Water commercial customer alleged that their check for water services was altered and redirected to an unknown individual. The check payment was never processed. | This matter was referred to WHS who contacted the customer and advised them to report the matter to the U.S. Postal Service Authority as it has jurisdiction. There was no evidence that the checks came into WSSC Water's possession. The matter was dismissed and closed. | 47 | 4/3/2024 |
| 23 | 307 | 2/21/2024 | Customer Relations | Allegation | Leaking Water/Repairs - A complaint was received regarding water leaking from a fire hydrant previously replaced in Prince George's County. | Referred to CSD and USD. USD traveled to the location and determined that the hydrant was not leaking and the likely source of the standing water was ground saturation. The matter was resolved and closed. | 1 | 2/22/2024 |
| 24 | 308 | 2/29/2024 | Customer Relations | Allegation | Leaking Water/Repairs - A complaint was received regarding water leaking from a recently installed fire hydrant in Montgomery County. | Referred to CSD and USD. USD conducted a leak detection test on-site and determined that there were no leaks in WSSC assets. The leak was located on the property, and the owner was promptly notified. The matter was resolved and closed. | 6 | 3/6/2024 |

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| 25 | 311 | 3/7/2024 | Customer Relations/Fraud | Allegation | Customer Relations/Repairs - A WSSC Water customer inquired about the status of an ongoing water main replacement project in Montgomery County that has been in progress for some time. | Referred to CSD.CSD notified all WSSC Water customers in the affected area in writing about the project's status, including the expected completion date. The matter has been resolved and closed. | 63 | 5/9/2024 |
| 26 | 312 | 3/11/2024 | Customer Relations | Allegation | A reporting error occurred, preventing follow-up action. | A reporting error occurred, preventing follow-up action. | 97 | 6/17/2024 |
| 27 | 313 | 3/11/2024 | Safety Issues and Sanitation | Allegation | Safety Compliance/Theft of Services - A complaint was received concerning a Prince Georges County residential property, that was recently condemned and being rebuilt, and where plumbing was previously installed without the issuance of a permit or inspection. | The matter was referred to the Regulatory Services Department (RSD), which conducted site visits and reviewed records. RSD found exposed unpermitted and uninspected plumbing. While it could not be determined when the plumbing was installed, no stormwater systems were connected to WSSC Water's sanitary sewer. RSD informed the property owner to remove the non-compliant plumbing and hire a licensed Master Plumber and Gasfitter to perform the work and obtain the necessary permits. The case was closed. | 71 | 5/22/2024 |
| 28 | 319/313 | 3/19/2024 | Safety Issues and Sanitation | Allegation | See above. | See above. | 50 | 5/9/2024 |

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| 29 | 321 | 4/11/2024 | Customer Relations | Allegation | Recycling Services - A complaint was received requesting assistance with recycling items from residential properties in a Montgomery County neighborhood. | The OIG informed the customer that WSSC is not responsible for recycling collection. The matter was dismissed and closed. | 0 | 04/12/2024 |
| 30 | 322 | 4/17/2024 | Customer Relations | Allegation | Theft of Services/Safety - A WSSC Water customer reported observing two large box trucks routinely drawing water from a fire hydrant in Prince Georges County every Wednesday. The customer expressed concerns that this could lower the water pressure and create a safety issue. | The OIG collaborated with WHS on this matter. WHS traveled to the location and conducted surveillance. WHS did not observe any trucks engaging in the unauthorize use of water. The allegations could not be substantiated and the matter was dismissed and closed. | 0 | 4/18/2024 |
| 31 | 325 | 4/22/2024 | Customer Relations | Inquiry | Alteration of Payment - A WSSC Water commercial customer claimed that multiple checks sent to the Accounts Receivable department were never processed, leading to additional expenses for canceling and reissuing the payments. | This matter was referred to WHS who contacted the customer and advised them to report the matter to the U.S. Postal Service Authority as it has jurisdiction. There was no evidence that the checks came into WSSC Water's possession. The matter was dismissed and closed. | 17 | 5/9/2024 |
| 32 | 326 | 4/29/2024 | Fraud | Allegation | Theft of Services/Safety - A complaint was received about a resident in Prince Georges County allegedly connecting a water hose to the neighborhood fire hydrant since 2023 to water plants. The caller expressed concern that this unauthorized use could impair the hydrant's effectiveness during emergencies. | The matter was referred to WHS. WHS traveled to the site and conducted surveillance. It was determined that the individual/company is authorized to access the fire hydrant, and their actions were appropriate. The matter was dismissed. | 10 | 5/9/2024 |

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| 33 | 327 | 5/2/2024 | Customer Relations | Inquiry | Excessive/High Bill - A WSSC Water customer inquired about an excessive bill and a meter reading error, which resulted in a substantial increase in their bill. | The customer did not provide sufficient information to conduct an investigation, i.e., the accountholder's name, number and property address. | 45 | 6/17/2024 |
| 34 | 328 | 5/16/2024 | Safety Issues and Sanitation | Allegation | Theft of Services/Safety - A complaint was received about a Prince Georges County resident allegedly connecting a water hose from their home to a nearby fire hydrant for over a year. | Referred to CSD, USD, and WHS. USD traveled to the location and did not detect any tampering with the fire hydrant, and CSD reviewed the purported resident's account and did not detect any change in usage. The matter was dismissed and closed. | 3 | 5/20/2024 |
| 35 | 330 | 5/17/2024 | Conflicts of Interest | Inquiry | Ethics/Policy Issues - A WSSC Water employee inquired whether a conflict of interest exists for a Retiree Representative, employed by a firm doing business with WSSC, to serve on the WSSC Employees' Retirement Plan Board of Trustees. | Referred to the Ethics Office under PUA § 17-601(b)(1)(ii) and § 17-606(b)(1), the BOE investigated and found no conflict of interest. BOE reasoned that while the former WSSC Water employee's current employer does business with the Commission, it does not with the Retirement Plan Board, and it is unlikely to handle matters involving the company. Therefore, no conflict of interest exists and the former employee can be appointed. The matter was dismissed and closed | 30 | 6/17/2024 |