



---

**OFFICE OF THE INSPECTOR GENERAL**  
**FISCAL YEAR 2024**  
**WORK PLAN**



# Table of Contents

<b>Message from the Inspector General</b> .....	3
<b>Background – Authority – Mission – Values – Vision</b> .....	4
<b>Areas Considered in Planning Our Work</b> .....	5
<b>Work Plan Approach</b> .....	7
<b>The Work Plan</b> .....	7
<b>Project Code Definitions</b> .....	8
<b>Abbreviations</b> .....	9
<b>Fiscal Year 2024 Audit Work Plan</b> .....	10
<b>Fiscal Year 2024 Work Plan Breakdown by Aligned Primary Strategic Priority</b> .....	11
<b>Tentative Future OIG Work Plan Projects</b> .....	14
<b>OIG Staff Complement and Fiscal Year 2024 Approved Budget</b> .....	15
<b>OIG Investigations</b> .....	15
<b>OIG Training and Professional Certifications</b> .....	16
<b>Contact Information</b> .....	16

## Message from the Inspector General

I am pleased to present the Washington Suburban Sanitary Commission's (WSSC) Office of the Inspector General's (OIG) Work Plan for fiscal year (FY) 2024. This work plan provides descriptions of the audit and investigation reports the OIG intends to undertake in furtherance of its duty to assist the Commission through independent evaluations and recommendations. This work plan aligns the OIG's efforts and resources to support WSSC's five strategic priorities; Enhance Customer Experience, Optimize Infrastructure, Spend Customer Dollars Wisely, Transform Customer Engagement, and Protect Resources. This work plan also supports the achievement of the OIG's statutory mission to:

- Assist the Commission by providing independent evaluations and recommendations regarding opportunities to (1) preserve the Commission's reputation, and (2) improve the effectiveness, productivity, or efficiency of Commission programs, policies, practices, and operations;
- Ensure public accountability by preventing, investigating, and reporting instances of fraud, waste, and abuse of Commission property or funds;
- Examine, evaluate, and report on the adequacy and effectiveness of the systems of internal controls and their related accounting, financial, technology, and operational policies;
- Propose ways to improve employee compliance with applicable laws, policies, and ethical standards of conduct and report any noncompliance;
- Conduct audits as required under Public Utilities Article (PUA), § 25-405 of the Annotated Code of Maryland;
- Conduct other audits related to the operation of the Commission.<sup>1</sup>

The entire OIG staff participated in the development of this plan. We carefully considered numerous sources to ensure the most efficient and effective use of staff resources as we selected areas for audit, review, and investigation. The goals and objectives articulated in the WSSC FY 2023-2025 Strategic Plan, results of the OIG risk assessments, meetings, and communications with WSSC Commissioners and Senior Managers, input from OIG staff, and comments and concerns expressed by WSSC Customers were all reviewed and considered during the development of this plan.

The plan identifies mandated and discretionary assignment topics continuing from FY 2023, those scheduled to start during FY 2024, and tentative future projects. Additionally, the plan anticipates adjustments throughout the year to meet priorities and to respond to emerging issues, legislative mandates, hotline complaints, and changes in staffing. It is important that the OIG remains flexible to address these and other priorities as they arise.

The OIG is committed to carrying out its mission through conducting audits, evaluations, and investigations in compliance with the WSSC Inspector General Act of 2018 and applicable professional auditing and investigation standards. We invite you to view our OIG website, [www.wsscwater.com/OIG](http://www.wsscwater.com/OIG) which contains the audits and other work products completed by our office. Further, we welcome feedback on the quality and value of our products and services.

Thank you,  
**Jon T. Rymer**  
Inspector General

---

<sup>1</sup> See Maryland Annotated Code, PUA, § 17-605.

## Background – Authority – Mission – Values – Vision

### WSSC Background

WSSC provides water and sewer services to approximately 1.9 million residents of Montgomery and Prince George’s Counties in Maryland. Established by the Maryland General Assembly in 1918 as a regional (Bi-County) agency under Article 29, it was later re-codified into Division II of the Public Utilities Article of the Annotated Code of Maryland. The agency is among the largest water and sewer utilities in the United States, encompassing a service area of nearly 1,000 square miles.

### Our Authority

The OIG has statutory duties to conduct independent audits and investigations of WSSC’s activities and programs. These duties originated from the Maryland House Bill 419, Chapter 130, and are codified in PUA, §§ 17-601, *et seq.*, of the Annotated Code of Maryland. Operating independently from management, the OIG assists WSSC Commissioners by providing independent audits, investigations, and evaluations and by providing recommendations that will preserve and strengthen WSSC’s reputation and improve the efficiency of its programs, policies, practices, and operations.

### Our Mission

The OIG’s mission is 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 preventing and detecting fraud, waste, abuse, mismanagement, and misconduct within WSSC operations.

### Our Values



#### **Accountability**

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



#### **Transparency**

Publish audit reports and summaries of the audits and investigations generated by the OIG (except those expressly prohibited from disclosure under the Public Information Act.)



#### **Integrity**

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

### Our Vision

The OIG is a quality-focused team that promotes accountability, transparency, and integrity to help advance the mission of the Commission and to serve the public interest.

## Areas Considered in Planning Our Work

The planning methodology adopted by the OIG to develop our annual work plan is based on an established risk assessment process. The purpose of a risk assessment is to identify the internal and external risks associated with an organization's activities, rate the likelihood of the risks, rate the potential impact of the risks on the activities, and identify actions that could help avoid or mitigate the risks.

The annual risk assessment process is meant to align the OIG's resources to areas that will provide the most value to WSSC.

The OIG solicits feedback and ideas from stakeholders throughout the year, including WSSC Commissioners, management, customers, and others regarding agency risks. This forms the basis of the OIG's risk assessment.

A risk assessment is a recognized best practice and process to identify, assess, respond to, and report on opportunities and threats that affect the achievement of organizational objectives. We have assessed relative risks in WSSC programs, operations, and operating environment to identify those areas most in need of attention and, accordingly, to set priorities for the sequence and proportion of resources to be allocated.

We considered information from numerous sources when developing the risk assessment including WSSC customers, the OIG's Fraud, Waste, and Abuse Hotline (FWA Hotline), prior audits (internal/external), audits performed by other OIGs in other jurisdictions, management questionnaires and one-on-one interviews, OIG staff suggestions, the results of the recently completed Cornerstone investigation, the General Manager's 90-Day Transition Report, and other relevant sources.

We also conducted a risk survey to obtain additional feedback from management for the development of our annual work plan. To capture the organization's views related to risks, we sent the survey to WSSC leadership, Commissioners, and senior managers. We received 102 responses to the 12 questions we asked concerning risks facing WSSC. The key points and challenges identified by the survey responses were:

- Workforce concerns including talent acquisition and development, remote workforce productivity, employee pay, benefits and retention;
- Nonexistent, poorly drafted, or outdated policies and procedures;
- Information Technology security and cyber threats;
- Uncertainty in the economic environment including inflation, interest rates and credit rating;
- Procurement processes and contracting;
- Controls over physical property;
- Corporate governance;
- Aging systems and physical infrastructure; and
- Climate change, water availability, and
- Per- and polyfluorinated alkyl substances (PFAS) also known as the *forever chemicals* in water.

We reviewed management challenges identified at the county, state, federal, and international levels. The OIG also researched environmental, social, and governance (ESG) risks, opportunities, and trends that may impact the water and wastewater treatment industry and influence our work this fiscal year. Our research was obtained from various sources, including the American Water Works Association’s *State of the Water Industry 2023 Survey*; the U.S. Environmental Protection Agency’s Office of the Inspector General’s *Fiscal Year 2023 Top Management Challenges*; the U.S. Government Accountability Office’s *High Risk Series (GAO-23-106203) Report to Congressional Committees* (April 2023); the Maryland Department of the Environment’s *Integrated Project Priority System for Water Quality Capital Projects Point Sources and Nonpoint Sources Report & June 2023 Climate Pathway Report*; the Water Online’s *Global Water Trends Shaping the Water Industry in 2023*; the Prince George’s & Montgomery Counties Water and Sewer Plans (2018 rev.); and the *Gartner Top Cybersecurity Predictions 2023-2024*.

Based on the OIG’s research, the top ESG risks, opportunities, and trends facing the water industry are:

- **Cybersecurity** – protection against cyber threats and high cybersecurity, and hygiene demanded by cyber insurance underwriters, human-centric security designs, and corporate boards with cybersecurity expertise;
- **Water shortages and drought** – increased water recycling and conservation efforts;
- **Infrastructure** – contaminated drinking water, rehabilitation and replacement, and increased investment;
- **Public awareness** – about water resources, the value of water systems and services, stream stewardship, and water pollution;
- **Climate Change** – increased risk of extreme events such as drought, storms, flooding, and forest fires; more heat-related stress; the spread of existing or new vector-borne disease; and increased erosion and inundation of low-lying areas along the State's shoreline and coast.

The numbers depicted in the chart below represent the number of occurrences of each risk, opportunity, or trend identified by the aforementioned information sources.



After the OIG staff reviewed this information, we began planning audits and other projects and aligned them with WSSC’s strategic priorities.

## Work Plan Approach

The OIG uses an open-ended work plan process that allows adjustments to be made throughout the year to address legislative or Commission mandates and FWA Hotline complaints, and to respond to emerging issues as needed. The work plan includes mandated and discretionary projects scheduled to start in FY 2024, projects carried over from FY 2023 and tentative future projects.

Transparency is an important element in the work performed by an OIG. We intend to display the Plan on our website and update it as needed to ensure alignment with the risks and challenges facing WSSC.

## The Work Plan

The tables and descriptions appearing on the following pages reflect how our planned audits and reviews align with WSSC’s FY 2023-2025 Strategic Priorities. Please note that WSSC’s future strategic priorities are subject to change and may impact our future audits.

Strategic Priorities	
<b>Enhance Customer Experience</b>	<ul style="list-style-type: none"> <li>• Deliver Safe, Reliable, and Consistent Service</li> <li>• Provide Timely Response to Customer Queries</li> <li>• Be a Good Citizen Within Our Communities</li> </ul>
<b>Optimize Infrastructure</b>	<ul style="list-style-type: none"> <li>• Achieve industry-Leading Reliability and Asset Integrity</li> <li>• Expand Resilience and Balance Risk</li> </ul>
<b>Spend Customer Dollars Wisely</b>	<ul style="list-style-type: none"> <li>• Improve Operational Efficiency</li> <li>• Improve Fixed Asset Utilization</li> <li>• Improve Financial Process Efficiency and Fiscal Sustainability</li> </ul>
<b>Protect our Resources</b>	<ul style="list-style-type: none"> <li>• Resolve and Learn from Past Incidents</li> <li>• Maintain Best-in-Class Operating Environment Safety for Employees</li> <li>• Plan Proactively with Community Stakeholders</li> <li>• Secure the Commission’s Critical Infrastructure</li> </ul>

<b>Transform Employee Engagement</b>	<ul style="list-style-type: none"> <li>• Acquire the Best People</li> <li>• Retain Top Performers</li> <li>• Develop and Grow Talent</li> <li>• Communicate Effectively</li> </ul>
--------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## Project Code Definitions

**Non-audit Services (N)** – These types of services are often provided in response to a statutory requirement, at the discretion of the authority of the audit organization, or to an engaging party rather than a responsible party and would generally not create a threat to independence. Examples include investigations of alleged fraud, periodic audit recommendation follow-up engagements, and identifying best practices or leading practices for use in advancing the practices of government organizations.<sup>2</sup>

**Continuous Auditing (C)** – Continuous audits are recurring and/or deemed special review audits. The need to accelerate audit activities has led to the increased adoption of continuous auditing as a vital monitoring tool. Continuous auditing is designed to enable auditors to report on a subject matter within a shorter timeframe than under the traditional model. The ability to provide management with real-time auditing on the functioning of controls and financial transactions can significantly enhance management's ability to make key business decisions.<sup>3</sup>

**Discretionary Audits/Assurance Services (D)** – *Discretionary Audits* - These are non-mandatory audits and are based on the decision of the OIG.

*Assurances Services* - These services provide an objective examination of evidence to provide an independent assessment of governance, risk management, and control processes for the organization. Examples may include financial, performance, compliance, system security, and due diligence engagements.<sup>4</sup>

**Fraud, Waste & Abuse Investigations (N)** – Throughout each fiscal year, the OIG receives allegations, complaints, and inquiries through various means, including its 24-hour FWA Hotline. These matters are non-audit services and are handled according to the priority in which they are received and/or the level of severity of risk exposure to WSSC's resources, operations, and governance processes.

**Mandatory Audits (M)** – Mandatory audits are those that are required by statute or regulation.

**Performance Audits /Program Audits (P)** – *Performance Audits* - These are engagements that provide findings or conclusions based on an evaluation of sufficient and appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight with information meant to improve program performance and operations, reduce costs, facilitate decision-making by parties with the responsibility to oversee or initiate corrective action.<sup>5</sup>

<sup>2</sup> Generally Accepted Government Auditing Standards (GAGAS).

<sup>3</sup> Institute of Internal Auditors (IIA) & Information Systems Audit and Control Association (ISACA).

<sup>4</sup> IIA International Professional Practices Framework.

<sup>5</sup> See GAGAS.



*Program Audits* – This type of audit generally determines whether an entity is using resources economically and efficiently, achieving desired program results, and complying with applicable laws and regulations.<sup>6</sup>

**Special Audits (S)** – These are one-time audits of identified problem areas that are performed on a priority basis.

**Not applicable (N/A)** – Non-audit work. Primarily administrative.

**Carryover Audit (\*)** – Audit projects started in a prior fiscal year and continue to be in progress during a subsequent fiscal year.

## Abbreviations

<b>A/P</b>	Accounts Payable	<b>MJUF</b>	Multi-Jurisdiction Use Facilities
<b>FW&amp;A</b>	Fraud Waste and Abuse	<b>NIST</b>	National Institute of Standards and Technology
<b>CIP</b>	Capital Improvement Program	<b>O&amp;M</b>	Operations and Maintenance
<b>DC Water</b>	District of Columbia Water and Sewer Authority	<b>P-Card</b>	Purchase Card
<b>DR</b>	Disaster Recovery	<b>SDC</b>	System Development Charges
<b>GAGAS</b>	Generally Accepted Government Auditing Standards	<b>SOC</b>	System Organization Control
<b>IT</b>	Information Systems	<b>WWTP</b>	Wastewater Treatment Plant

<sup>6</sup> Council of the Inspectors General on Integrity and Efficiency Quality Standards for Inspection and Evaluation.

## Fiscal Year 2024 Work Plan

FY 2024 OIG Projects	WSSC Strategic Priorities					Project Code
	Spend Customer Dollars Wisely	Protect Our Resources	Optimize Infrastructure	Enhance Customer Experience	Transform Employee Engagement	
Customer Service (Restoration/Termination)				X		D
Background Checks		X				D
NIST Cybersecurity Framework		X				D
SOC Reports			X			D
Project Cornerstone Investigation Follow-up/Monitoring		X				D
Post-Pandemic Review*	X					D
DC Water Blue Plains WWTP O&M Audit for FY 2022	X					M
DC Water MJUF Audit for FY 2022	X					M
DC Water Blue Plains WWTP O&M Audit for FY 2020 and 2021*	X					M
DC Water MJUF Audit for FY 2020 and 2021*	X					M
Moveable/Controlled Assets Audit*		X				D
Water Fund Program Audit*	X					D
Fire Hydrant Operations Audit*		X				D
The WSSC Business Investment & Growth Audit*	X					D
Peer Review Compliance			X			C
Year-End Payroll Audit					X	D
Annual P-Card Program Review	X					C
Physical Inventory Count Observation(s)	X					C
Contracts Review	X					C
System Development Charges (SDC) Compliance Audits			X			M
FW&A Investigations/Asst.		X				N
Review/Comment on Changes to WSSC regulations			X			N/A
Disaster Recovery (DR) Exercise Observation(s)		X				C
Audit Follow-Up	X					C

## Fiscal Year 2024 Work Plan Breakdown by Aligned Primary Strategic Priority

### Spend Customer Dollars Wisely

*Improve operational efficiency; improve fixed asset utilization; and improve financial process efficiency and fiscal sustainability.* The following audit projects align with this strategic priority.

**Post-Pandemic Review\*** – During the pandemic period, WSSC temporarily revised many policies and standard procedures. For example, the Commission modified its traditional and normal business practices to accommodate a large increase in employees working remotely. Management also changed its purchasing policies which may have impacted the purchasing of office supplies, equipment, furniture, and other assets and supplies. The objective of this audit is to assess whether these temporary revised policies and standard procedures had sunset provisions or clauses and whether assets purchased or loaned during this period were documented.

**The WSSC Business Investment and Growth Audit\*** – WSSC Water sponsors the Business Investment and Growth Program (Program), which assists local businesses in the Montgomery and Prince George’s Counties. WSSC Water deposits money with local banks, and those banks are required to lend the funds out to local businesses to help the growth of economic development. Management prepares an annual report of the Program. The last published annual report was prepared on November 18, 2020, for the 2019 year. The OIG conducted an audit of the Program to determine if policies and procedures were followed. The objective of this audit was to provide management with an independent assessment of whether the BIG Program met its Fiscal Year 2022 goals, complied with contractual agreements, and followed all related laws, regulations, policies, and procedures.

**DC Water Blue Plains WWTP Operations & Maintenance (O&M) Audit for Fiscal Year 2022** – In accordance with the Blue Plains Intermunicipal Agreement (IMA) of 2012, WSSC (as a Party to the Agreement) is authorized to audit, examine, inspect, or reproduce the books, accounts, records, documents, and other evidence supporting Blue Plains operating and maintenance costs and user fees. The OIG conducts an audit to ascertain whether adjustments are warranted for previously remitted quarterly and year-end adjustment payments from WSSC to DC Water.

**DC Water Multi-Jurisdiction Use Facilities (MJUFs) Audit for Fiscal Year 2022** – Multi-jurisdiction facilities is a term that refers to when one or more jurisdiction’s sewer flows are treated by or pass through a facility(ies), and the costs associated are shared by those jurisdictions. In accordance with the IMA, WSSC audits, examines, inspects, or reproduces the books, accounts, records, documents, and other evidence supporting the Blue Plains’ operating and maintenance costs and user fees. Currently, there are 24 MJUFs subject to this audit.

**DC Water Blue Plains WWTP Operations & Maintenance (O&M) Audit for Fiscal Years 2020 and 2021\*** The OIG will complete this audit in FY 2024. According to IMA, WSSC (as a Party to the Agreement) is authorized to audit, examine, inspect, or reproduce the books, accounts, records, documents, and other evidence supporting Blue Plains operating and maintenance costs and user fees. The OIG conducts an audit to ascertain whether adjustments are warranted for previously remitted quarterly and year-end adjustment payments from WSSC to DC Water.

**DC Water Multi-Jurisdiction Use Facilities (MJUFs) Audit for Fiscal Years 2020 and 2021\*** – The OIG will complete this carry-over audit of the DC Water MJUF in FY 2024. In accordance with the IMA, WSSC audits, examines, inspects, or reproduces the books, accounts, records, documents, and other evidence supporting the Blue Plains’ operating and maintenance costs and user fees.

**Water Fund Program Audit** – The OIG will complete a follow-up audit on the Internal Audit Office’s report issued during FY 2009. This follow-up audit seeks to assess the adequacy, effectiveness, and timeliness of actions taken by management to address deficiencies identified in the 2009 audit report.

**Audit Follow-Up** – The OIG will provide non-audit services to follow-up on all agreed-upon audit recommendations. Special emphasis will be given to recommendations that management affirms have been implemented and are pending audit verification/examination.

**Protect Our Resources**

*Resolve and learn from past incidents; maintain best-in-class operating environment safety for employees; plan proactively with community stakeholders; and secure the Commission’s critical infrastructure.* The following audit projects and activities align with this strategic priority:

**Background Checks** – WSSC has established guidelines, policies, and procedures for conducting background investigations of job applicants, employees, contractors, and others as required to protect ratepayers, employees, facilities, information, and assets. Background checks are also conducted to enhance the safety and security of the WSSC workplace.

The objective of this audit is to determine if WSSC staff is conducting background checks in accordance with applicable Maryland law, WSSC Code of Regulations and Manual of Standard Procedures, and whether the procedures are meeting Commission expectations.

**NIST Cybersecurity Framework** – Due to the increased sophistication and threats to information technology systems in general, and the results of our risk assessment, the OIG will conduct an audit of WSSC’s cybersecurity policies and procedures. This audit will determine if WSSC’s cybersecurity policies and procedures are aligned with the NIST Cybersecurity Framework.

**Project Cornerstone Investigation Follow-up/Monitoring** – In May 2022, WSSC Commissioners engaged Kropf Moseley PLLC and Investigative Group International, Inc., to conduct an independent investigation into the management and implementation of Project Cornerstone, an information technology project undertaken to replace the Commission’s outdated billing system. The Commission authorized up to \$2.5 million for completion of the investigation which completed in August 2023. According to the investigation report, WSSC spent \$121 million on Project Cornerstone, and its investigation findings included: (1) procurement process failures; (2) poor project management; and (3) a lack of transparency with WSSC Commissioners. The OIG intends to monitor Management’s actions to address the issues identified in the investigation report.

**Moveable/Controlled Assets Audit\*** – A controlled asset is WSSC property with a purchase price of less than \$10,000, and which the Commission should monitor due to its sensitive, portable, or theft-prone nature. WSSC made significant changes to the moveable assets (controlled assets) policy in July 2020. The threshold for tracking controlled assets increased from \$500 to \$10,000, and WSSC management transferred the tracking

responsibilities from the accounting group to the business units. The objective is to determine if controlled assets under the new threshold are (1) documented, (2) tagged, (3) purchased following the established policy, and (4) exist.

**Fire Hydrant Operations Audit\*** – The Utilities Services Department’s Meter Services Division (Division) is responsible for WSSC’s Fire Hydrant Leasing Meter Program. The Division is responsible for monitoring inventories and maintaining fire hydrants and leasing fire hydrants to the public for commercial or residential purposes. The OIG will conduct a risk assessment and perform an audit of WSSC’s fire hydrant operations. The audit will include an examination of inventory controls, field services, inspections, replacement and obsolescence procedures, leasing operations, and water service operations.

**Fraud, Waste, and Abuse Investigations/Assistance** – The OIG Audit Division dedicates hours each fiscal year to conduct or assist in the investigations of alleged fraud, waste, and abuse incidents. This practice will continue throughout FY 2024.

**Disaster Recovery Exercise Observation** –The OIG will observe the recovery of WSSC’s mission-critical systems during a simulated disaster or extraordinary business disruption. This is a non-audit service and does not impair auditor independence.

## Optimize Infrastructure

*Achieve industry-leading reliability and asset integrity and expand resilience and balance risk.* The following audits align with this strategic priority:

**Audit of System Organization Controls Reports (SOC Reports)** – The OIG will perform an audit to identify SOC reports and related controls and contracts within WSSC’s Information Technology (IT) Security and Compliance Division. This audit will identify and assess:

- Management’s procedures to comply with contractual requirements for SOC reporting;
- WSSC’s internal controls to supplement third-party controls listed in SOC reports; and
- External controls and IT contracts or other procedures.

**System Development Charges Audits** – As required by PUA, § 25-405(d), we will review and approve the actual costs incurred by developers who help build WSSC’s infrastructure. At the end of the FY 2023, we had thirteen (13) SDC audit requests remaining. These audit requests are expected to be initiated and/or completed during FY 2024. Further, these audit requests are ongoing, and the number of requests fluctuates throughout the fiscal year.

**Review/Comment on Changes to WSSC Regulations** – In addition to monitoring federal, state, and local legislation and laws to evaluate the impact on WSSC operations and programs, the OIG also reviews and provides comments and recommendations to management on proposed changes or new WSSC regulations, policies, and procedures. The OIG engages in this preventive function to ensure compliance with various laws and regulations and the protection of the public’s interests and resources.

**Peer Review Compliance** – The OIG operates by providing independent and objective oversight that promotes economy, efficiency, and effectiveness in the programs and operations of WSSC. The OIG's activities are required to adhere to professional standards established by the Government Accountability Office (GAO), the

Association of Inspectors General, (AIG) and the Inspector General community. The AIG determined in March of 2023 that OIG was following these standards. The OIG plans to begin a continuous internal review of its compliance with peer review standards in (FY) 2024.

**Enhance Customer Experience**

*Deliver safe, reliable, and consistent service; provide timely responses to customer inquiries and be a good citizen within our communities.* The following activity aligns with this strategic priority:

**Customer Service (Restoration/Termination)** – As of July 25, 2023, more than 54% of open customer issues tracked are requests to start/stop service. According to management, WSSC experiences an increase in the number of start/stop service requests during the summer season. Management further states that the surge in the number of start/stop service requests is usually attributed to a surge in the number of new renters and property owners during this season.

The objective of this audit will be to determine the average time it takes the Utility Services Department to complete residential customer start/stop service requests and whether they are completed in accordance with WSSC Code of Regulations and applicable procedures. We will also review complaints associated with these types of service requests to determine whether they are timely resolved.

**Transform Employee Engagement**

*Acquire the Best People, Retain Top Performers, and Develop and Grow Talent.* The following activity aligns with this strategic priority:

**Year-End Payroll Audit** – WSSC employs approximately 1,700 persons annually. The Year-End Payroll Audit is a continuous audit performed by the OIG to ensure that employee compensation is appropriately authorized and computed timely and accurately, and that payroll transactions comply with federal and state regulations and WSSC policies, procedures, and agreements. The OIG assesses internal controls relating to WSSC payroll operations.

**Continuous Auditing** – The areas designated for continuous auditing are annual payroll reviews, contract reviews, accounts payable, P-Cards, disaster recovery observation, and physical inventory counts are highly susceptible areas for fraudulent activities. Audits of these specified areas will be conducted each fiscal year, except for contract reviews which will occur throughout each fiscal year.

**Tentative Future OIG Work Plan Projects**

Future OIG Projects (FYs 25 & 26)	Spend Customer Dollars Wisely	Protect Our Resources	Optimize Infrastructure	Enhance Customer Experience	Transform Employee Engagement	Project Code
DC Water Blue Plains WWTP O&M Audit for Fiscal Year 2023	X					D

DC Water MJUF Audit for Fiscal Year 2023	X					D
Physical and Environmental Security Audit		X				D
Contract Oversight and Controls Audit	X					D
Year-End Payroll Audit	X					D
FW&A Investigations/Asst.		X		X		N
Disaster Recovery (DR) Exercise Observation(s)		X				D
Minority Firm Participation in WSSC Contracts Limited Review	X					D

Audits and investigations may be canceled or postponed based on OIG staff availability, changes in the environment, and legislation or WSSC Commission actions that substantially affect an issue.

## OIG Staff Complement and Fiscal Year 2024 Approved Budget

The OIG has an approved FY 2024 budget of \$1,668,842 that supports eleven (11) full-time equivalent positions. Staffing consists of the Inspector General, Assistant Inspector General for Audit, Deputy Assistant Inspector General for Audit, Associate General Counsel, OIG Criminal Investigator, three (3) Supervisory Auditors, two (2) Auditors, and a Management Support Specialist.

## OIG Investigations

In accordance with PUA, § 17-604 (a)(1), the Inspector General may investigate mismanagement, misconduct, fraud, waste, and abuse at WSSC. The OIG investigates allegations, complaints, and inquiries originating from various sources including private citizens, WSSC employees, other agencies, OIG audits and reviews, and vendors.

The OIG has one investigator position who reports directly to the Inspector General.<sup>7</sup>

Due to the unpredictability of investigations and the need to protect sources, methods, and evidence, the OIG does not identify its planned investigations in the Annual Work Plan. Investigations often result from a deliberate subversion of procedures or controls, and consequently, information obtained from investigations may result in referrals to other WSSC departments and become integral to planning audits, inspections, and special projects.

The WSSC OIG Investigator:

---

<sup>7</sup> Since February 2023, the OIG Investigator’s position has been vacant. Investigative duties have been performed by the Associate General Counsel and Auditors. The Management Specialist has assisted in receiving fraud, waste, and abuse complaints. The Inspector General plans to fill this vacancy in (FY) 2024.

- Fulfills the statutory obligations by conducting criminal and administrative investigations that detect and deter fraud, abuse, and misconduct in WSSC programs and activities;
- Receives information about potential violations through various sources including the WSSC Hotline, in-person meetings, telephone calls, emails, and referrals from law enforcement agencies;
- Engages in multiple forms of outreach to help ensure that WSSC personnel are fully aware of current and emerging issues as well as their obligation to report potential violations; and
- Acts as the chief liaison to other investigators at similar OIGs, WSSC Police and other law enforcement agencies and assists with sharing information, generating potential investigative leads, and cultivating sources.

The OIG’s FWA Hotline is used as a vehicle for the reporting of suspected mismanagement, misconduct, fraud, waste, abuse, and ethical improprieties. The Hotline is available to employees and the public 24 hours a day, 7 days per week, and 365 days per year. All such matters can be reported anonymously via telephone at 1-877-WSSCFWA (1-877-977-2392) or the website: [www.reportlineweb.com/wssc](http://www.reportlineweb.com/wssc).

If reasonable grounds exist to believe that a serious violation of federal, state, or local law or WSSC regulations has occurred, the Inspector General shall report the allegation to:

1. An appropriate law enforcement agency;
2. The State of Maryland’s Ethics Commission;
3. The WSSC’s Board of Ethics; or
4. Any other agency with jurisdiction to enforce the law.

## OIG Training and Professional Certifications

In addition to the OIG’s audit and investigative responsibilities, the OIG participates in numerous professional certifications, development, and training activities. The objective of the OIG’s training program is to provide cost-effective training to enhance professional understanding and proficiency and to offer staff opportunities for meaningful and rewarding professional development that meets continuing professional educational requirements. As a result, the OIG staff will attend professional training courses in FY 2024 to continue to develop OIG knowledge, skills, and abilities.

## Contact Information

The OIG welcomes comments and feedback on its reports and activities.

### WSSC Office of the Inspector General

Business Address:

14405 Laurel Place, Suite 300

Laurel, MD 20707

Telephone: 301-206-8300

Web: [www.wsscwater.com/OIG](http://www.wsscwater.com/OIG)

Mailing Address:

14501 Sweitzer Lane

Laurel, MD 20707

**Suspected instances of fraud, waste, or abuse can be reported to 1-877-WSSCFWA (1-877-977-2392) or [www.reportlineweb.com/wssc](http://www.reportlineweb.com/wssc).**