

Fiscal Year 2024 Annual Report

Office of the Inspector General

November 18, 2024





Inspector General Message

I am astonished with how much we accomplished and how far along we came with our strategic goals. Major highlights include:

- Proposing a draft OIG charter that balances employee rights and OIG obligations.
- Recovering \$97k from theft investigations.
- Initiating 4 performance audits.
- Uncovering \$1.7M in improper invoices.

Fraud, Waste, & Abuse Investigations

FY24 Highlights

- 25 Investigations Closed
- 59 New Complaints Evaluated
- 32 New Cases Opened

Significant Cases

- Identified \$1.7M in improper invoices.
- Secured \$84.9k in restitution.
- Recovered \$11.9k from false claims.

Whistleblower Complaints

- 245 Total Received to Date
- 96 Investigated
 - 40 substantiated
 - 39 not/unsubstantiated
 - 17 inconclusive
- 54 Forwarded
- 75 Declined
- 20 Under Investigation



Fraud, Waste, & Abuse Investigations

Investigation Trends

- Fraud: 61 (25%)
- Compliance: 49 (20%)
- Unprofessional Conduct: 33 (13%)
- Conflict of Interest: 18 (7%)

Recommendations

- 94 Total
- 85 Accepted
- 9 Not Accepted
- 64 Implemented
- 21 In Progress

Fraud, Waste, & Abuse Investigations

Tracking Progress

- Implemented 16 recommendations in FY24, including 7 of the 19 from the fiscal year.
- 3 recommendations remain open from over two years ago.

Major Changes

- BART management is working with General Counsel to establish a suspension and debarment process to exclude non-responsible contractors and prevent fraud, waste, and abuse.

Audits

- Span of Control audit completed in April 2024; 5 recommendations are in progress and being tracked.
- Kicked off 4 audits: overtime use, construction change orders, Link21 spending, and workers' comp.
- Upcoming audits: asset management and employee compensation & reporting.



Big on Transparency

Fiscal Year 2024 Expenditures	
Employee Pay & Benefits	\$1,101,031
Professional Service Contracts	\$507,069
New Workstations	\$21,245
Continuing Education	\$16,344
Office Administration	\$10,217
Memberships	\$2,780

\$1.7M of \$2.7M budget spent for FY24.

91% of expenditures directly on audits & investigations.

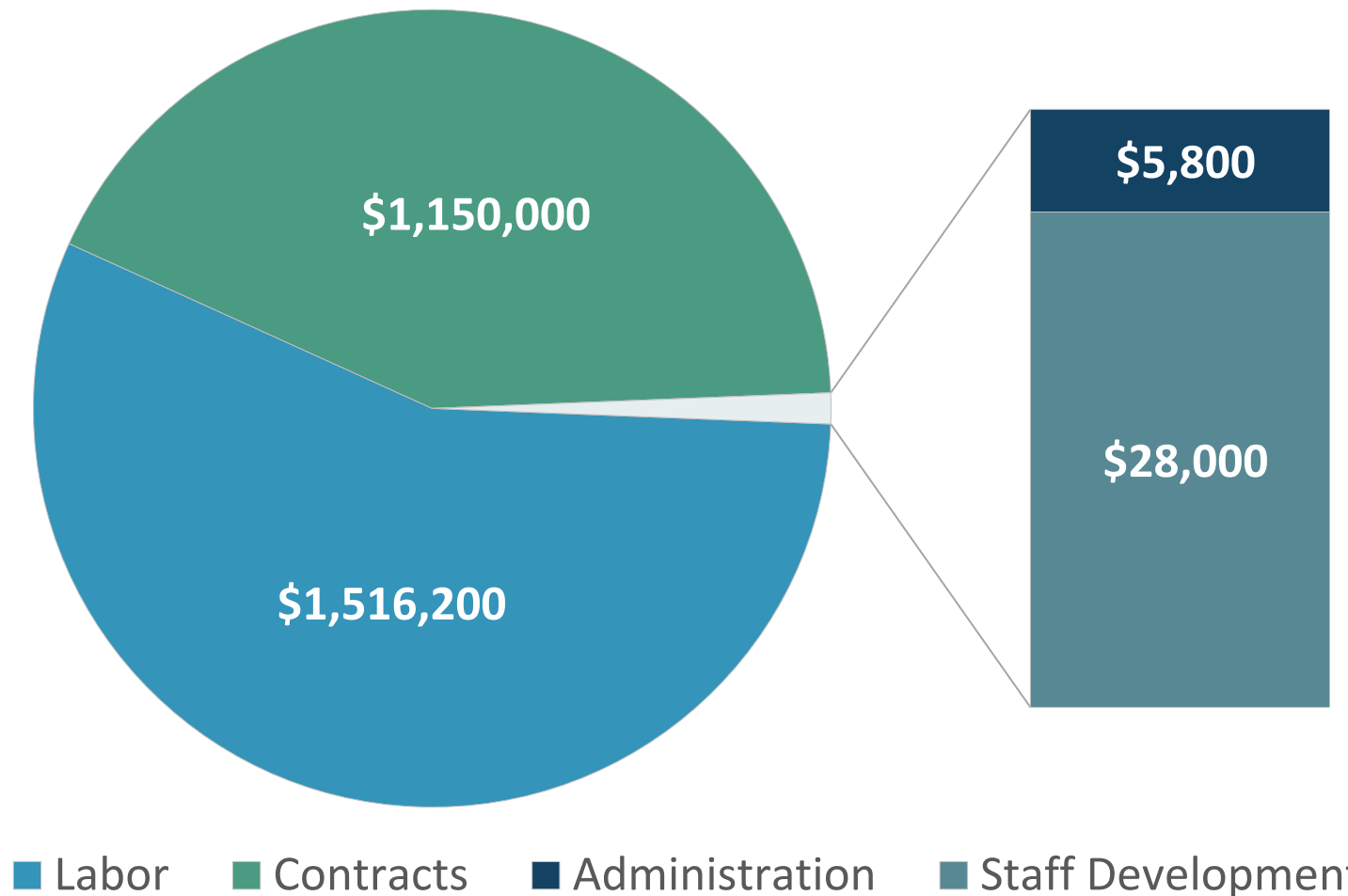
Fiscal Year 2025 Budget

OIG Budget Goals for FY25

Total Budget \$2.7M

\$1.5M for labor and \$1.2M for non-labor in FY 2025.

\$1.15M of non-labor budget for professional service contracts.



OIG News

Objectives Achieved

- Issued FY24-26 Audit Plan and FY24-28 Strategic Plan.
- Hired three new employees.
- Launched new website in February 2024.
- Installed new workspaces for the team and consultants.
- Enhanced public engagement through marketing, videos, and social media.

Achievements & Plans

- OIG team members completed advanced training in auditing, investigation, and fraud examination.
- Staffing changes planned for FY26: attorney or construction specialist.

OIG News

OIG Charter & Professional Standards

- Completed OIG charter.
- Engaged with unions; five contested areas remain.
- AIG endorsed our charter for its commitment to independent and objective audits/investigations.
- Amended procedures to align with updated standards.

“The proposed Charter also demonstrates a commitment to performing independent, objective, transparent and evidence-based audits and investigations.”

—Will Fletcher, AIG President

BART OIG Snapshot July 1, 2024 - September 30, 2024



Investigations Activity & Achievement of Strategic Goals

Metrics

- Completed 1 investigation and had 6 near completion.
- Received 16 new allegations and ended quarter with 25 active investigations.

Highlights

- Investigated false claims; workers' compensation and contractor fraud; and contract noncompliance.
- Achieved 90% acceptance rate for our 109 recommendations, with 61% (68) implemented by BART.

Whistleblower Rights

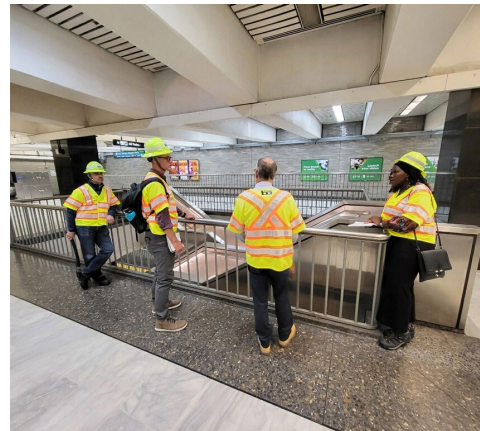
- Increase in retaliation cases requires increased awareness of whistleblower protections.
- Improved engagement with those facing retaliation.

Strategic Goals

- Committed to achieving our strategic goals, which are embedded in our daily operations.
- Goals ensured we remained adaptable, transparent, and effective in serving our mission.

Engagement

- Conducted site visits as part of our construction contract change order audit, giving us firsthand insight into project management and execution.
- Participated in the Let's Grow BART Career Expo and developed new hire orientation materials to raise awareness of our mission.
- Visited the BPD and met with K9 officers. We saw a demo of their vital work and gained insights into their role in safety and security.



Outreach and Site Visits





Questions?

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