Welcome to the first edition of the Office of the State Auditor newsletter - The Auditor's Report.

THE AUDITOR'S REPORT



News & Updates
from the Office of the State Auditor Suzanne M. Bump
Making Government Work Better



Suzanne M. Bump
State Auditor





Office of the State Auditor

Massachusetts State House

Room 230
617-727-2075

@MassAuditor

Dear Friend.

I am excited to share with you today the first edition of the Office of the State Auditor newsletter.

When I stepped into the role of Auditor, my vision was for the office to serve as a catalyst for government to work better. The goal of this newsletter is to share with you the work that we are doing at the OSA and to create new opportunities for collaboration so that we can work together to do just that.

The work of the OSA is distinct in that it touches on all facets of state government and grants us a unique perspective into how government is working. I look forward to using this newsletter not only as a forum to share this perspective with you, but also as a way to open up a dialogue with service providers, residents, and other officials about our work and how it can be used to help all of state government work better.

Thank you,

Suzanne M. Bump

Auditor of the Commonwealth

Recent Audits

<u>Criterion Child Enrichment</u>

Fitchburg State University

MassDOT—Rehabilitation of the A. Piatt Andrew Bridge

Hampden Sheriff's Department

MassHealth—Claims for Wheelchair –van Transportation

MassVentures

View more audits

Recent Press Releases

<u>Criterion Child Enrichment Com-</u> <u>mended for Accountability, Effi-</u> <u>ciency</u>

<u>Transition Audit Finds Some Improvements Needed at State</u>
Treasurer's Office

MassDOT Marred by Delays, Cost Overruns

Auditor Commends DHCD for Implementation of Recommendation

<u>Technology Improvements</u> <u>Could Enhance Service Delivery</u>

View more releases



OSA Focus: Bringing Accountability to State Government Programs

This legislative session, Auditor Bump is pursuing legislation that would enhance not only the Office of the State Auditor's ability to bring greater accountability and transparency across state government, but also to further our efforts to root out waste, abuse and fraud.

The OSA's role in state government is to provide objective oversight and assessment of the performance of state entities. However, there is currently no entity - OSA included - able to oversee the integrity of the Department of Revenue's programs. In fact, state statute prevents the Auditor's Office from evaluating a number of functions at the agency, such as its administration of the state's tax expenditure program, because access to tax return information is prohibited. One of the bills Auditor Bump filed would directly address this issue by allowing audit staff to review these documents while continuing to protect the privacy and confidentiality of Massachusetts taxpayers. In September, Auditor Bump testified in support of her bill before the Joint Committee on Revenue.

In addition, Auditor Bump is pursuing legislation that would grant the <u>Bureau of Special Investigations</u> (BSI) subpoena power. The Bureau of Special Investigation (BSI) in the Office of the State Auditor is charged with investigating complaints of fraudulent claims or wrongful receipt of payments or services from the Commonwealth's public assistance programs. This legislation would allow BSI to enforce compliance with the requirement that employers, banks, schools, and other entities provide BSI with records relevant to an investigation of possible public benefits fraud. BSI identified a <u>record amount of fraud</u> in fiscal year 2014, not because more fraud is occurring, but because staff is getting faster and more efficient at identifying instances of it. Granting BSI the power to issue subpoenas would enhance the Bureau's already diligent efforts and would save the Commonwealth money by helping to ensure that public benefits are available to those who need them the most.

OSA work making headlines

OUR OPINION: 3 people who are using their offices to help end addiction crisis

Since 2011, Auditor Bump and OSA staff have been working to enhance the organization's data analytics capacity, which would enable audit staff to review large quantities of data quickly to discern trends and patterns. The OSA is looking at how to utilize this capability to help analyze MassHealth data to track the prescription of opioids.



Auditor: Ride company overbilled state in 'deliberate wrongdoing'

Auditor Bump called for MassHealth to recover more than \$16 million in potentially fraudulent charges made by a wheelchair-van provider that charged for members who did not need or did not use wheelchairs. MassHealth payments to the vendor, Rite Way, LLC. during 2013 and 2014 totaled almost nine times the payments made to the next highest paid provider. MassHealth has suspended payments to Rite Way.

OPINION: To fix DCF, first transform the culture

In this opinion piece for the Boston Globe, Auditor Bump writes how entrenched, systemic issues hinder state agencies' ability to achieve their mission. The piece references the OSA's 2014 audit of the Department of Children and Families' foster care program to illustrate how opportunities for greater collaboration can help support the agency's mission to keep kids safe.

State report confirms Brockton collecting excise taxes on homeless-in-hotels payments

In 2011, Auditor Bump determined that the state's participation in the federal McKinney-Vento program was an <u>unfunded mandate</u>, and the state should provide additional funding for local school districts to cover the cost of transportation for homeless students living in temporary accommodations outside the school district. Since then, the Legislature has allocated funds toward McKinney-Vento costs, but the amount has dwindled each year. This year, <u>DLM followed-up on that determination</u>, and found \$1.7 million in potentially lost excise tax revenue for cities and towns participating in the Department of Housing and Community Development's (DHCD) Emergency Assistance program in addition to other findings. Following the report's release, DHCD swiftly implemented DLM's recommendation to verify excise tax collection for participating communities, and issued its first report on those revenues in November.

Read more coverage of OSA's work



Accountability in Action: Using Data to Make Government Work Better

In October, Auditor Bump and staff were invited to present about the OSA's advanced data analytics capacity to members of the Association of Government Accountants - Albuquerque, NM Chapter. The presentation highlighted how the organization has made strategic investments in technology and training to analyze data and identify the greatest areas of risk in state agencies and programs.

OSA's sophisticated data analytics tools enable staff to move past sampling - using a small number of items from a wide array of data - in audit and other work to get a much broader look across a whole system or activity. In doing so, staff can better discern patterns and relationships to get to the root causes of delays, inefficiencies, failures, operation deficiencies and other phenomena, and propose meaningful recommendations that address these issues.

The content of our audits can sometimes be tough to digest. To address this, each newsletter will include the definition of a word that regularly occurs in our work products in an effort to make it easier for you to read our audit work and understand what it means for state government.

You can also look forward to seeing this content on <u>twitter</u> and <u>facebook</u> using the hashtag #wonkywordwednesday.

Audit:

(n) a systemic examination & verification processes used by independent, trained people to gather information about an organization or project, to make judgement and reach conclusions on the effectiveness of the subject. They can provide insight on financial conditions, operations, controls, and performance, as well as proposing solutions to the problems identified.

Making government work better

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The Auditor's Report

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Massachusetts State House, Room 230, Boston, MA 02133

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