



# OFFICE OF MANAGEMENT & BUDGET

## *Office of Internal Audit*

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May 22, 2024

The Honorable Representative Marvin L. Abney  
Chairperson  
House Committee on Finance  
82 Smith Street  
Providence, Rhode Island 02903

### **RE: H 7027 – RELATING TO STATE AFFAIRS AND GOVERNMENT – INSPECTOR GENERAL**

Dear Chairperson Abney:

Thank you for providing the Department of Administration with the opportunity to comment on H 7027. This bill establishes the Office of Inspector General, which would be charged with preventing fraud and mismanagement of public funds—regardless of their source—and would oversee all state programs and operations.

The responsibilities proposed for this new agency in H 7027 appear to duplicate work already being performed by other state agencies that have both audit and investigative functions: the Office of Management and Budget, Office of Internal Audit (OIA) Fraud Detection and Prevention Unit; the Executive Office of Health and Human Services, Program Integrity Unit; the Department of Labor and Training, Underground Economy and Employee Misclassification Task Force; and the Office of the Attorney General, Medicaid Fraud Unit.

OIA was established and has its authority provided under RIGL § 35-7.1. The office conducts audits of any state department, state agency, or private entity that is a recipient of state funding as deemed necessary or expedient by OIA. Audits may be made relative to financial affairs, or the economy and efficiency of management of each department and agency. OIA also conducts investigations, as well as management, advisory, and consulting services.

During the last fiscal year, the OIA Fraud Unit has reviewed 822 fraud allegations. The Fraud Unit pursued fraud through a civil process in a total of 114 cases, resulting in a total of \$263,409 being ordered repaid by either the courts or the Department of Human Services administrative division due to fraudulent activity. The team also pursues cases through the criminal system. Our current pending criminal cases are estimated to result in overpayments in excess of \$1.3 million.

If you require further clarification or have any questions, please contact me at [Andrew.M.Manca@audits.ri.gov](mailto:Andrew.M.Manca@audits.ri.gov) or 401-574-8170.

Sincerely,

**Andrew  
Manca**

Digitally signed by  
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Andy Manca, Chief  
Office of Internal Audit

cc: The Honorable Representative George A. Nardone  
The Honorable Members of the House Committee on Finance  
Christopher O'Brien, House Committee Clerk  
Nicole McCarty, Chief Legal Counsel, Speaker's Office