OFFICE OF THE INSPECTOR GENERAL

CITY OF BALTIMORE

Isabel Mercedes Cumming

Inspector General

Investigative Report Synopsis

OIG Case # 19-0085-I

Issued: December 20, 2019

OFFICE OF THE INSPECTOR GENERAL
Isabel Mercedes Cumming, Inspector General
City Hall, Suite 635
100 N. Holliday Street
Baltimore, MD 21202

December 20, 2019

Dear Citizens of Baltimore City,

The mission of the Office of the Inspector General (OIG) is to promote accountability, efficiency and integrity in City government, as well as the investigation of complaints of fraud, financial waste, and abuse in City government. The OIG conducted an investigation alleging embezzlement within the Department of Public Works (DPW) Northwest Transfer Station[1] (Station). The investigation revealed a Station cashier embezzled cash payments from disposal fees paid by small haulers to dispose of waste at the Station.

During the 2019 Ransomware event that effected Baltimore City Government operations, Station cashiers had to revert to handwriting intake tickets for each small hauler entering the Station. The OIG confirmed the Station cashier shredded 16 (sixteen) hand-written intake tickets documenting small hauler information and waste disposal fees for May 28, 2019 and May 29, 2019. The shredded intake tickets were collected and reconstructed by the Station Solid Waste Supervisor and copies of the tickets were supplied to the OIG for review. Due to a lack of small hauler responses, the OIG was only able to confirm cash payments by two small haulers whose identities were able to be viewed on the reconstructed tickets.

The total amount of the 16 reconstructed intake tickets was $455.73. None of the reconstructed intake tickets could be reconciled with the required daily logs and the cash amounts were missing from the daily deposit records for those days. Based on the time stamp and date of each of the reconstructed tickets, the OIG identified one cashier working at those times and dates. The investigation found this cashier intentionally failed to record several cash transactions and disposed of intake tickets she received. Additionally, the OIG learned the Station has been operating without functioning security cameras, license plate readers, and the cashier scale house lacks adequate internal controls.

The OIG referred the matter to the Baltimore City State's Attorney's Office and was instructed to file theft charges against the identified cashier. The OIG was only able corroborate two of the sixteen tickets due to the lack of information provided on the reconstructed intake tickets. As a result, on October 1, 2019, the OIG filed an application for with the District Court of Maryland for Baltimore City against the Station cashier for theft. On December 12, 2019, the identified cashier pleaded guilty to Theft Less than $100.00. DPW terminated the identified cashier for theft and violating Civil Service Rules shortly after the Management Alert was issued.

[1] The Northwest Transfer Station is one of seven facilities where City residents can take bulk trash and recyclables and is located 5030 Reisterstown Rd.

DPW acknowledged and accepted the numerous OIG recommendations to review accountability standards for the Small Hauler Program. Additionally, DPW Administration has started working with a vendor to develop a scope of work to obtain surveillance equipment. The Solid Waste division is developing new Standard Operating Procedures (SOPs) to address internal control deficiencies. DPW administration in their response to OIG remains confident these new operating procedures will aid in ensuring all financial transactions are properly accounted for and safeguarded at the Northwest Transfer Station.

Attached is DPW Deputy Director's response.

Sincerely,

Isabel Mercedes Cumming, Inspector General
Office of the Inspector General

Cc: Hon. Bernard C. "Jack" Young, Mayor of Baltimore City
Hon. Brandon Scott, President, City Council
Hon. Joan M. Pratt, Baltimore City Comptroller
Honorable Members of the Baltimore City Council
Hon. Andre M. Davis, City Solicitor