

OFFICE OF THE INSPECTOR GENERAL
CITY OF BALTIMORE

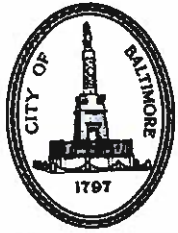


Isabel Mercedes Cumming
Inspector General

Investigative
Report Synopsis

OIG Case # 22-0031-I

Issued: May 18, 2022



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



May 18, 2022

Dear Citizens of Baltimore City,

The Mission of the Office of the Inspector General (OIG) is to promote accountability, efficiency, and integrity in the City of Baltimore (City) government, as well as to investigate complaints of fraud, financial waste, and abuse. The OIG began an investigation in March 2022 after receiving a complaint alleging the Department of Finance (DOF) issued a Baltimore City Law Department (Law) settlement payment with incorrect information for the intended payee (Plaintiff). Furthermore, the complaint alleged DOF's use of electronic fund transfer (EFT) payment for a settlement was uncommon as Law typically receives physical paper checks for final settlements.

The OIG learned Plaintiff was a prior vendor on a City contract. Although Plaintiff had not received any vendor payments since 2017, an active vendor profile containing banking information remained on CitiBuy, the City's procurement database. DOF issued Plaintiff's settlement as a vendor EFT payment with the same banking information listed in Plaintiff's CitiBuy vendor profile. The receiving bank rejected the EFT because it could not locate the account and returned the funds to the City's financial institution. The OIG issued an initial report in March 2022 which found that DOF used stale bank information and improperly processed Plaintiff's settlement as a standard vendor payment.

As a result of the OIG's investigation, Law requested a paper check to satisfy Plaintiff's settlement payment. DOF generated a new paper check but included an employee for the Plaintiff (Plaintiff Employee) as a payee on the check. Law could not present the new check to Plaintiff as the payee on the check did not agree with the Law's Request for Payment Form. The OIG found Plaintiff's CitiBuy vendor profile lists the Plaintiff Employee as a Seller Administrator. In April 2022, the OIG issued a final report that determined DOF again relied on Plaintiff's CitiBuy vendor profile when adding Plaintiff Employee as a payee on the settlement check rather than the information on Law's Request for Payment Form.

The OIG recommends DOF and Law coordinate to implement processes to ensure Law settlement payments are issued correctly and utilize the correct information.

Sincerely,

Isabel Mercedes Cumming
Inspector General

cc: Jim Shea, City Solicitor
Michael Huber, Mayor's Chief of Staff
Christopher Shorter, City Administrator
Henry Raymond, Director of Finance

REPORT FRAUD, WASTE AND ABUSE

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This public synopsis is only a summary of a more comprehensive report of investigation submitted to the appropriate City management official