

OFFICE OF THE INSPECTOR GENERAL CITY OF BALTIMORE



Isabel Mercedes Cumming
Inspector General

Investigative Report Synopsis

OIG Case # 2017-0780

Issued: May 1, 2018



May 1, 2018

Dear Citizens of Baltimore City,

The Office of Inspector General (OIG) conducted an investigation regarding the theft of overtime by an Office Support Specialist in the Mayor's Office of Human Services (MOHS), Community Action Partnership (CAP). What follows is the public synopsis of the Report of Investigation.

The mission of the 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 investigation determined the MOHS employee was supplementing normal pay with fraudulent overtime over a three-year period, resulting in a financial loss of \$7,483.99 to the City of Baltimore. The subject employee is no longer employed by the City of Baltimore. OIG estimates the total loss to be significantly higher, but an exact amount could not be substantiated because timesheets for the employee are missing. The employee was solely responsible for entering payroll information into the electronic payroll system, as well as maintaining manual timesheets for the entire office.

Manual timesheets were completed by each employee in CAP and approved by a supervisor. Once approved, the information from the manual timesheets was entered into the City's electronic payroll system. The OIG investigation found lax oversight of the manual timekeeping and electronic payroll entry processes, specifically:

- There was no supervisory approval process in place for electronic payroll entry. The lack of supervisory approval allowed the employee to add unworked overtime without detection.
- No separation of duties. The employee was the sole person responsible for entering electronic payroll entry, as well as maintenance of manual timesheets.

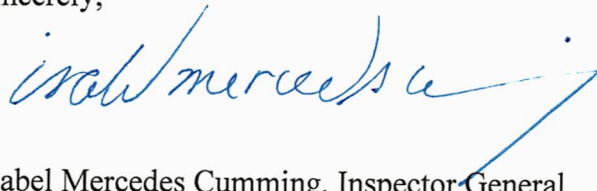
The OIG consulted with the Baltimore City State's Attorney's Office regarding criminal prosecution of the employee. Due to the lack of internal controls, and other obstacles, the case was not viable for prosecution. It was; however, referred to the Baltimore City Law Department, which intends to seek restitution.

Management agreed with the OIG recommendations and immediately increased internal controls for time and attendance reporting to provide reasonable protection against payroll errors and fraud. Management instituted the following internal controls:

- Assigned oversight/authorization responsibilities at three separate levels in the timekeeping system, to include the department approver and payroll manager.
- Instituted Payroll Training for employees new to the timekeeping process to ensure staff understood roles and responsibilities at each access level.
- Charged the MOHS Fiscal Director with conducting random, unannounced audits to ensure supporting documentation was consistent with electronic payroll entry.
- Reminded managers of payroll best practices, to include ensuring electronic payroll entry is an assigned responsibility performed by designated employees.

The OIG would like to thank the Mayor's Office of Human Resources for its cooperation and assistance in this investigation.

Sincerely,

A handwritten signature in blue ink that reads "Isabel Mercedes Cumming". The signature is fluid and cursive, with a long horizontal stroke at the end.

Isabel Mercedes Cumming, Inspector General
Office of the Inspector General

Cc: Hon. Catherine E. Pugh, Mayor of Baltimore City
Hon. Bernard C. Young, President, City Council
Hon. Joan M. Pratt, Baltimore City Comptroller
Honorable Members of the Baltimore City Council
Hon. Andre M. Davis, City Solicitor