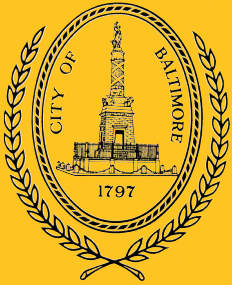


OFFICE OF THE INSPECTOR GENERAL

ANNUAL REPORT
2008



Cover photo: USS Constellation, Inner Harbor, Baltimore, Maryland.

2008 Annual Report

Table of Contents

Letter from The Inspector General	1-2
Vision – Purpose of the Inspector General	3
Why we have an Office of Inspector General	4
History/Corruption in City Government	4
View & Focus of Inspectors General	
Offices around the U.S.	4A
Responsibility & Duties of Inspector General	5
Partnering with other City Entities	6
Recommendations, Reporting and Referrals	7
Investigative Results, Resolutions	7
Summary of Allegations Received	8
Status of Allegations and Investigations	9
Strategic Goals 1-2	10
Strategic Goals 3-5	11
Reports of Fraud, Waste, and Abuse	12
Reports of Fraud, Waste, and Abuse (cont'd)	13
Housing Authority of Baltimore City	
2005 Section 8 Recapture Summary	13A(i-iv)
Training to other Agencies	14
Independence of Inspectors General Office	15-17

Annual Report – Office of Inspector General

From the INSPECTOR GENERAL

February 23, 2009

To the Citizens and Honorable Leaders of Baltimore

It is my pleasure to present the second Annual Report of the Office of Inspector General (OIG) for your review. This report highlights significant accomplishments and activities of the OIG from September 2006 through December 2008. In addition to my work as the City Inspector General, I have included a brief overview of my activities during my overlapping period as the Inspector General with the Department of Housing and Community Development (HCD) and Housing Authority of Baltimore City (HABC) just prior to coming to the City as your Inspector General.

The modern position of the OIG was created by an act of the United States Congress in 1978 to monitor federal agencies. Since the passage of that act, OIGs have been established in almost every entity of federal, state and local government. The OIG of Baltimore City was created by Executive Order by then Mayor Martin O'Malley on July 27, 2005. This Order gives the OIG the independent authority to investigate fraud, waste and abuse within all agencies in Baltimore City. This extends to all elected officials, including the City Council, their staff and related programs. The most important word in the creation of the OIG is the word "independent." Many people have a tendency to focus on national news and breaking headlines but only receive highlights of the most recent homicides or robberies that affect their immediate communities. Many communities are not kept abreast of the staggering occurrences of "white collar" crime that largely goes unexplored. The OIG is commonly referred to as the "watchdog" of government, created within City government to be an independent, apolitical entity reporting its findings to various senior officials within City government and, by way of this report, to the citizens generally.



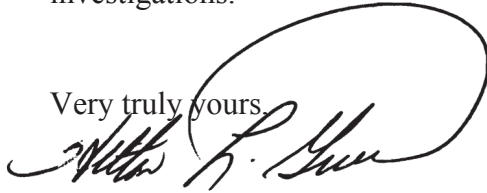
VISIT OUR WEBSITE@baltimorecity.gov

Page 2
ANNUAL REPORT
OFFICE OF INSPECTOR GENERAL
February 23, 2009

The OIG'S primary goal is to restore the public's trust in government by enforcing honesty and integrity as it relates to staff, policies and programs and to protect against fraud, waste and abuse by those who work under contract with the City.

The first two years of my tenure has been busy and interesting. We have received and investigated numerous allegations dealing with everything from bogus parking ticket irregularities, to improper housing inspections, to numerous sensitive internal personnel-related issues. We have been successful in obtaining some criminal prosecutions and conducting investigations leading to the immediate termination or unplanned retirements of many individuals. We have worked diligently with other departments to correct many abuses and correct the wasteful spending of taxpayer dollars. Because of the continued support my office has received from various elected officials and the law enforcement community, our office will continue to fight fraud, waste and abuse at all levels in government and to provide the citizens of Baltimore accurate and unbiased investigations.

Very truly yours,

A handwritten signature in black ink, appearing to read "Hilton L. Green", with a large, stylized flourish above the name.

Hilton L. Green
Inspector General

VISION

The primary purpose of the Baltimore City OIG is to work to maintain public confidence in government by combating fraud, waste, misconduct and abuse in its programs. In my initial meeting with members of the City Council, I explained that my vision for the office would be that it be open and independent. On my initial meeting with the Mayor, she requested that an investigation be conducted to determine how one of the Council member's employee's travel checks had been stolen/cashed by person(s) unknown (presumably in City Hall). Because the check was less than \$100.00, a low priority had been placed on this matter in the past and no action had been taken. My vision in this matter was to change and make this a priority because it occurred in City Hall.

OIG Investigators made this matter a priority investigation and interviewed the payee who explained how her check was cashed by person(s) unknown to her and that she never received her travel funds. A City Hall employee who had opportunity and access admitted that he had deposited the check in his account and never looked on the face of the check to see that it was made out to another person. He attempted to provide more money to the payee after the investigation was initiated and the payee provided that check to OIG Investigators. He resigned his position at City Hall shortly after the investigation was complete. A travel check was reissued to the former payee and the case was closed.

When the State Prosecutor's Office contacted the OIG to report they had a complaint regarding campaign irregularities in which City vehicles may have been used over the weekend in support of then Mayor-Elect Sheila Dixon, an investigation was initiated. The complainant was contacted and Department of Transportation Commissioner Alfred Foxx notified. A check of police tapes reflected that the alleged vehicles were not City vehicles but vehicles belonging to a local contractor who confirmed the date/time his trucks were used in a private parade. The Mayor was notified of the investigation and provided support/cooperation in the investigation. The State's Attorney's Office was notified, as well as the complainant, and the investigation was closed with no further action.

The OIG may be located physically in City Hall but that does not mean the OIG does not investigate others in City Hall.

Oftentimes matters of that nature are not made public but making them public underscores the vigilance of the City and the OIG.

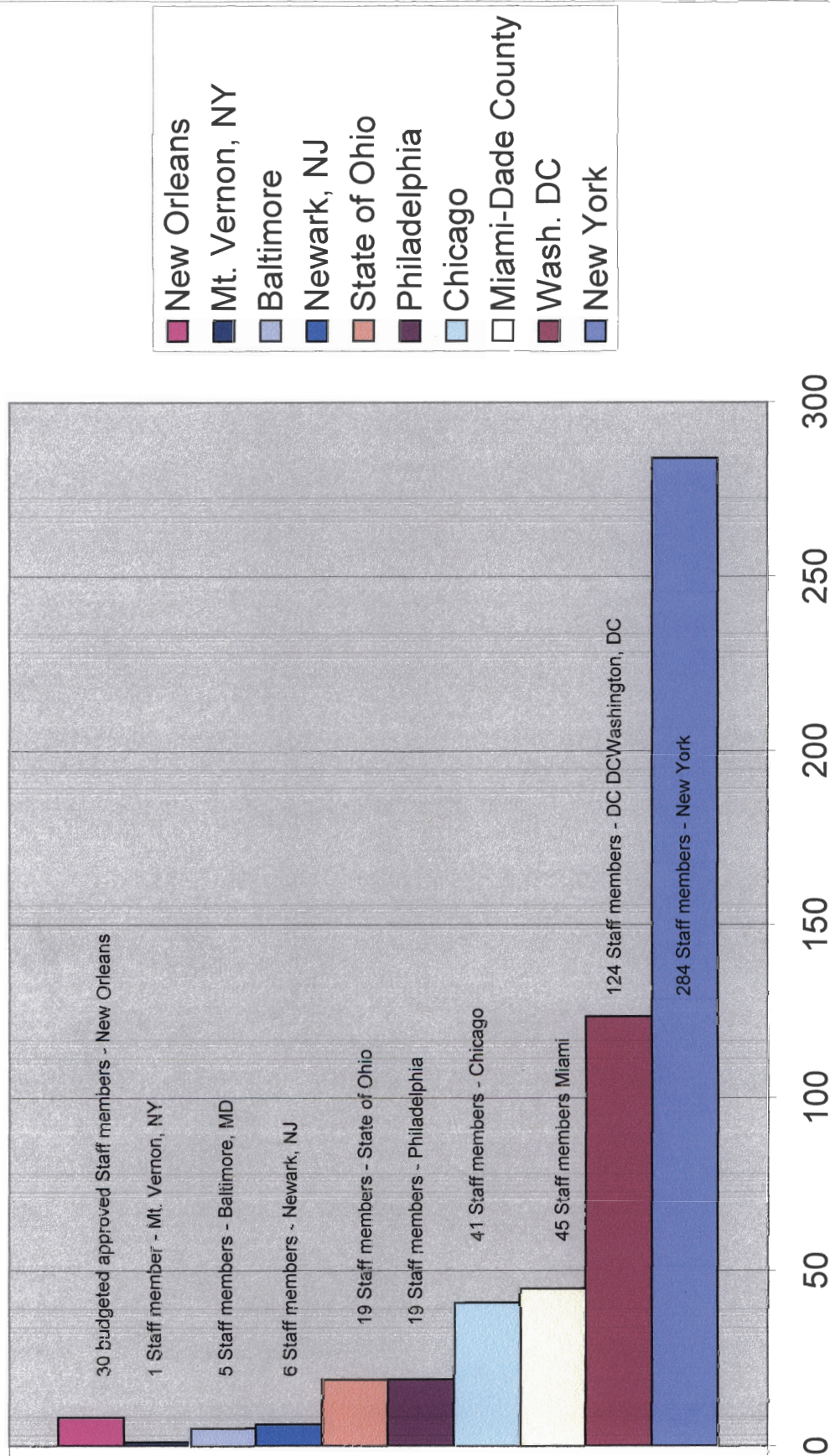
WHY HAVE AN INSPECTOR GENERAL AND WHAT IS ITS PURPOSE?

A typical Inspector General's Office is normally formulated into four sections: Investigations Division, Audit Division, Inspections Division and Special Investigations (SID) Division. These divisions work together to accomplish the mission of the OIG and provide a level of overall improvement to an agency through its inspections and recommendations. Many people feel the OIG is created to be a "gotcha" type organization, taking every opportunity to criticize agency leaders and terminate employees. A quality OIG organization should be set up to assist the agency administrator by informing him/her of the weak spots of an administration and explain constructively where pillars are needed to improve its organization. Internal controls for the City should work in the same vein. In Baltimore, the Comptroller's Office is the audit component for the City, conducting internal/external audits. As your Inspector General, my first meeting was with Ms. Joan Pratt, the City Comptroller. I had worked with her in the past during my tenure at the HABC and I selected her as one of our presenters at our 2004 Association of Inspectors General (AIG) Conference held in Baltimore. Ms. Pratt made an excellent presentation reinforcing the need for strong internal control of a City. She has addressed my staff; I have addressed hers and in the interim, I hired an Auditor/Evaluator to work between my office and hers to coordinate audit investigations. We currently have numerous cases that we are working on together in a joint operation. When we have a matter to be presented to the State's Attorney, it is done in a shared/mutual capacity.

HISTORY/CORRUPTION CITY GOVERNMENT

During the late 1870's, New York City government was controlled by William "Boss" Tweed (Tweed), who manipulated the Mayor, the Comptroller, and other City officials. Tweed had control of various aspects of City government that were supposed to serve as checks and balances over one another. However, due to Tweed's control, he allowed contractors to present excessive bills for work performed on every contract the City entered into. Co-conspirators skimmed money from the City. During the Tweed reign, it was estimated that over 200 million dollars fell into corrupt hands. The co-conspirators kept phony sets of books so they could not be detected by the Comptroller's Office. Tweed enjoyed enormous popular support. After several years of this looting, an employee in the Comptroller's Office who felt betrayed by the Tweed ring copied the genuine records of the City's expenditures, which exposed the corruption, and gave the information to the *New York Times* who broke the story, thus ending the Tweed ring. The

View and focus of IG Offices Around the U. S.



public was outraged. It was then that on July 18, 1873, the Office of the Commissioner of Accounts formed what is known today as the Department of Investigations (DOI).

Since the corruption of the Tweed Ring occurred, at the very top echelon of New York City government, the DOI was created as a watchdog agency with full statutory authority, independent, with full law enforcement authority and the right to look at all agencies within the City of New York. A toothless watchdog, one that lacked the statutory powers to be meaningful, or a watchdog too close to the Executive Branch, or one unable to root out Tweed-style corruption was not acceptable to New Yorkers as a viable entity.

RESPONSIBILITIES & DUTIES

Investigation and Review Coverage

The size of an OIG office, as you can view from the preceding page, often dictates the overall role and responsibility of the office. Oftentimes a single case can entirely consume an office of three Investigators. The Baltimore office that I inherited was, and remains, quite small.

As complaints are received, the OIG must establish priorities for handling the cases. Employee cases are given a priority because many times the Agency Director will place an employee “on leave” with pay until the investigation is complete. When a high ranking official is investigated and media attention is added to the mix; this places additional pressure on the OIG to complete the case quickly. By way of example:

When allegations were made that a Deputy Director bid on a boat that was being auctioned in the property yard, an investigation was initiated. *The Baltimore Sun* took photographs of the boat in the back yard of the Deputy Director. The Deputy Director resigned his position with the City.

Two General Services Administration employees stole copper tubing and air conditioning cable from City Hall and the Fayette Street District Court. Both employees were terminated following a lengthy OIG Investigation. Both cases are pending with the State’s Attorney’s Office.

OIG conducted an investigation of a City warehouse from which thousands of dollars in City property was stolen. The Security Guard admitted to being asleep during the thefts and the matter was referred to our Law Department for civil recovery. The Law Department sued the security firm, recovering all monies that were stolen in the thefts.

Partnering with Other City Entities

The OIG will partner with other agencies and departments during an investigation and/or review to rely on their expertise and to gain knowledge about their specific functions and duties. This will provide the OIG with the required expertise to facilitate better reporting and investigative techniques which will bring quicker closure to cases. An example of the OIG partnering with another agency is the “bogus” tickets investigation. We partnered with the Parking Division of the Department of Transportation to bring closure to citizens’ complaints of receiving unwarranted citations. The final result of this investigation was that numerous citizens of Baltimore and other jurisdictions throughout the United States had citations removed from their driving records and the Parking Enforcement Officer who perpetrated the fraud was removed from City employment. More than 112 cases were reviewed by the OIG.

A former elected federal official received a ticket during the height of the OIG Investigation. He complained to our City Solicitor, George Nilson, that he had received the ticket but still had time on the kiosk/meter and was disappointed that the City was “desperate” for money and was issuing tickets without justification. The Inspector General took this case to determine the validity of the complaint. The Inspector General noted the ticket reflected the make/model of the vehicle as a Volkswagen. However, the official owned and drove a different vehicle. A tag trace led to a teenager in Northwest Baltimore who had switched the ticket from his vehicle and placed it on the official’s car. When the Inspector General explained the occurrence, the youth apologized to the Parking Enforcement Officer, paid the ticket, and the case was closed. It is important that the reputation of the City be maintained in matters of this nature.

The Inspector General held a meeting with all Parking Enforcement Violations employees to assure them that as long as they performed their jobs satisfactorily, the OIG would stand behind them. Many tickets written and placed in the hand held computers resulted in “input errors.” Many of the Violations Data Processors were reminded to be accurate in their findings because one incorrect letter or number on a license tag that was improperly entered could cause an innocent person to be ticketed. In addition, those employees were advised that any intentional writing of tickets to achieve numbers (quotas) would not be tolerated and would be investigated.

RECOMMENDATIONS, REPORTING AND REFERRALS

To effect change in City government, the OIG must prepare accurate reviews and effective investigative reports. This means that our investigations must be meticulous and comprehensive. From our reports, the appropriate City officials must make the best recommendations that will benefit the citizens and employees of Baltimore City.

The DHCD/HABC had developed complaints relating to inspection problems. A joint task force using Housing Specialists was created in January 2008 to examine allegations of faulty inspections performed at numerous properties in the “Little Italy” area of the City. The investigation resulted in two Inspectors being terminated for filing inaccurate reports and the re-organization of the Inspections Division. Both Inspectors appealed their termination and the Hearing Officer upheld the decision to terminate them both.

In addition to inspection irregularities during my tenure as Inspector General at Housing, the Section 8 program encountered many irregularities. A joint investigation was made with the State of Maryland Office of Inspectors General and a computer match was formulated to compare actual income reported to Housing and actual income reported to obtain food stamps and other state assistance. Over the years, for Fraud Recovery alone, more than \$200,256.00 was recovered. The portion returned to the Agency was \$100,178.00 following Investigations and Audit recoveries.

A Correctional Officer occupying assisted housing was sub-leasing her unit and living in her private home in Baltimore County, Maryland. She benefited by more than \$42,000.00 and was convicted in U.S. District Court after being arrested on her job at the correctional facility. She was terminated and is now making court ordered restitution.

Even though the OIG cannot provide details of its investigations to the public, we can make abridged copies of our reports available to the citizens of Baltimore.

INVESTIGATIVE RESULTS, REFERRALS AND RESOLUTIONS

Reports of Fraud, Waste or Abuse

We received 60 allegations of fraud, waste or abuse over the course of a year (See Table 1 below). Allegations from City employees out numbered allegations received from citizens, businesses and contractors by nearly two to one. The OIG considers this a positive sign because it demonstrates that City employees are concerned and are reporting fraud, waste and abuse to the OIG.

The majority of the complaints received from employees during this reporting period were about threats of violence and assaults; this category represents about thirty percent (30%) of all complaints received from employees. The majority of the work place violence cases were referred to the Baltimore City Department of Human Resources. Work place violence has become a significant issue within our work force; we must provide education and workshops for individuals who assume that violence is the only way to resolve conflict.

The statistics present in this Annual Report do not include the numerous complaints received by citizens about the “bogus citations” written by a Parking Control Agent. What we have determined and what the report about “bogus citations” will contain is that the concept of “bogus citations” includes numerous categories from simple key punch errors to citizens removing citations on their vehicles and placing them on other non-suspecting citizens’ vehicles.

The statistics also do not reflect the individual complaints and cases involving the cheating scandal within the Baltimore City Fire Department (BCFD). This investigation required numerous hours of interviewing BCFD personnel and acquiring data from the BCFD.

Summary of Allegations Received (January 2007 - July 2008)

<u>Allegation type:</u>	<u>Allegations received from:</u>	
	<u>City Employee</u>	<u>Citizen/Business/ Contractor</u>
Public Corruption	2	
False Claims	3	
Misuse of position or resources	6	2
Theft	7	1
Threats of violence or assault	12	
Other violations of laws or rules	5	18
Whistleblower reprisal	0	0
Workers’ Compensation fraud	0	0
Special Investigations	0	0
Other	2	2
Total	37	23

Once the OIG receives an allegation, we have the option of pursuing several courses of action. We can refer the issue to the responsible agency, open an investigation or we can close the allegation due to a lack of evidence. See the table below:

Table 2: Status of Allegations and Investigations

Status	Number
Allegations	60
Allegations referred to City Agencies	20
Allegations referred for investigations	12
Allegations referred elsewhere	8
Allegations closed (lack of information)	13
Referred allegations resulting in agency action	5
Referred allegations awaiting action	2
Investigations	
Investigations ongoing	22
Investigations completed	9
Completed investigations resulting in agency action	19
Completed investigations awaiting action	10

OIG investigative referrals have resulted in numerous agency actions, with additional actions pending. The parking citation issue and the BCFD cheating scandal were the two (2) largest cases this office has undertaken this year.

Of public funds. There were no allegations of contract violations, whistleblower reprisals or Workers' Compensation fraud in 2008 but we have received several complaints of public theft.

Going Forward

A significant goal of the OIG is to provide the City and its citizens with competent employees and to ensure that the assets of the City are used honestly and effectively.

We are currently encountering work place violence issues which create a situation of an unsafe work environment for our employees and this issue must be addressed. The OIG normally does not address work place violence but we are involved with that issue because of its volatility and because it is or can be a crime which must be reported to the

police. We are in the process of having a work place violence expert work with this office and we will establish that as one of our strategic goals.

- Strategic Goal 1:** **Improve the OIG presence to employees and citizens of Baltimore City.**
- Objective 1:** **The OIG must be committed to ensure that it improves its image to the citizens and employees of the City.**
- Performance:** **Provide the necessary training to employees and citizens regarding the objectives of the OIG.**
- Currently employees are made aware of the functions and purpose of the OIG via the New Employee Orientation. The OIG is proposing that additional seminars, lectures and workshops be provided so that employees - new and old - have the necessary information regarding what the OIG does and has accomplished.**
- Performance:** **Provide workshops on work place violence.**
- In conjunction with DHR, provide periodic workshops on work place violence. As seen in Table 1, Allegation Types, work place violence allegations are significant and the OIG is taking e the lead in prevention of this phenomenon.**
- Strategic Goal 2:** **Recommend methods to improve “How the City Conducts Its Business.”**
- Performance:** **Provide the City’s administration with concepts on accountability and integrity. Introduce the City to new ideas and concepts for accountability. This must include the new concepts expressed in the training as provided by the Association of Inspectors General and the Association for Certified Fraud Examinators. What the OIG is stressing is that the new criminal is the “White Collar Criminal.” This type of criminal is stealing millions of dollars using computer technology.**

- Strategic Goal 3:** **Improve the employees’ work place.**
- Objective 1:** **The OIG will provide education to employees about work place violence.**
- Performance:** **Provide the employees of the City with the definition of work place violence and provide them with the proper tools to combat this type of behavior. The presentations must include seminars, workshops and lectures, which will allow City employees to gain the proper knowledge to identify and resist work place violence. The lectures and workshops can take place at the job site, which will allow the OIG to reach more employees about work place violence.**
- Strategic Goal 4:** **Target our resource investments to produce maximum tangible results for the citizens and City of Baltimore.**
- Objective 1:** **Better link our resources with results in the present day of budgetary restraints. The OIG must have access to data; this will include, for example, data to “Parking Fines” and to MVA data. To investigate parking citations the OIG had to rely on other agencies to obtain the necessary data and even that data was not all inclusive to proceed with many of the investigations. There have to be data bases in the City with some type of access restriction. If the OIG had that data, some of the investigation time would have been cut by thirty-five –forty percent and that time could have been utilized for other investigations.**
- Strategic Goal 5:** **Improve our Tracking and Reporting System.**
- Objective 1:** **Create a reporting database tracking system. The OIG must report data and have access to data and without a database tracking system, it would be futile. Allegation tracking is the primary method used as a**

reference and referral tool to determine the best approach for an allegation. The OIG doesn't investigate all of the allegations received because it may

require an expertise that we don't have, so we must rely on other offices for that expertise. The tracking system will inform us of the disposition of the allegation and follow-up process on the allegation.

REPORTS OF FRAUD, WASTE OR ABUSE

"Bogus" Parking Ticket Investigation

During this investigation, tags from a complainant had been turned in to the Motor Vehicles Administration (MVA) and a parking ticket had been received three months after the tags had been turned in. The complainants proved that they were at work during the period in question and that the tags had been turned in to the MVA. An internal investigation disclosed that tags were being recycled by an individual at MVA who was later arrested for this activity. The ticket to the complainant was cancelled.

Further, during this investigation, a complainant called from Ft. Lauderdale, Florida to complain she had received a ticket four years ago and that the ticket had escalated to \$645.00. She could not recall receiving the ticket and thought it was "bogus." When the Inspector General questioned her whereabouts during the period, she recalled she had received the ticket at Lexington Market while shopping with her daughter and discarded the ticket. Due to her relocating three times since living in Maryland, she made arrangements to pay a reduced amount for the ticket with the Circuit Court Judge.

During this investigation we investigated the allegation that the license tag "CUPCAKE" had received a parking citation, yet the complainant maintained she had never been in Baltimore, Maryland and rarely traveled here due to the traffic. She insisted that she could recall the date of the ticket because it was on her birthday and she was not in Baltimore during that period. The Parking Violations Officer maintained that the vehicle with the license tag CUPCAKE was in Baltimore and the citation was correct. The difference was the complainant maintained she drove a red Pontiac Firebird, not a black Mustang, which was reflected on the parking violation. When the Inspector General traveled to the residence, the red Firebird with the license plate CUPCAKE was in the driveway as the complainant had insisted. In Baltimore, a Parking Violations Officer called to advise that a vehicle with the license plate KUPCAKE was spotted in the area of

Lexington Market. The ticketing Parking Violations Officer had transposed the “K” for a “C” thus causing an input error. The wrong person had received the ticket.

Also during this investigation, a call was received from a teacher in New York who also advised she had not been in Baltimore, Maryland during the time she had received a parking ticket. Her license plate was a New York tag, “HARLEM.” Further investigation disclosed that the Maryland license plate “HARLEM” had been mistaken for the New York tag. Again, the wrong person had received the ticket.

Lastly, during this investigation, a citizen complained he was not at the location where the ticket was written. The Parking Violations Officer had taken a picture of his vehicle with the input hand held camera; he later confirmed it was his vehicle and paid the ticket.

Over 112 complaints were received and rectified during a seven month period. The majority of these complaints were made directly to the Mayor and later reviewed/investigated by the OIG. Most of the tickets were the result of input errors which have been corrected by the Department of Transportation.

In addition to the 112 cases related to the “bogus” tickets investigation, we received an additional 60 allegations of fraud, waste and abuse and 20 additional complaints that were handled by the agencies.

Though governed by strict confidentiality policies, the following are examples of how the OIG served the City in the last reporting period.

- A City employee was found guilty of stealing \$5,325 from the cash fund at the City’s War Memorial Building. The employee was terminated. A Baltimore Court Judge sentenced her to a five year suspended sentence, ordering her to repay all money back to the City. She was convicted on 20 counts of fraud.
- A City worker who made a bid on and obtained a motor boat at a City auction and who had earlier put out a memo restricting other employees from participating in the bid process resigned his position.
- Two Housing Inspectors were terminated after submitting false reports on inspected properties within the city.

**HOUSING AUTHORITY OF BALTIMORE CITY
 2005 SECTION 8 RECAPTURE SUMMARY**

<u>IDENT NR</u>	<u>CK/MONEY ORD DATE</u>	<u>PAYEE</u>	<u>LLORD/ TENANT</u>	<u>PAYMT TYPE</u>	<u>AMOUNT</u>	<u>OUTSTANDING BALANCE</u>	<u>FORWARDED TO F & A</u>	<u>COMMENTS</u>
1	3/10/2004		landlord	check -004449	\$943.00		YES-7/22/04	Recovery Form attached
2	3/10/2004		landlord	check -006671 money order-	\$19,717.00		YES-7/22/04	Recovery Form attached
3	5/14/2004		tenant	08094848309 Money order-	\$75.00		YES-7/22/04	Recovery Form attached
4	6/15/2004		tenant	222707278 Money order-	\$75.00		YES-7/22/04	Recovery Form attached
5	6/15/2004		tenant	222710478 Money order-	\$75.00		YES-7/22/04	Recovery Form attached
6	3/16/2004		tenant	222391929	\$150.00		YES-7/22/04	Recovery Form attached
7	4/1/2004		tenant	check-916	\$100.00		YES-7/22/04	Recovery Form attached
8	5/29/2004		tenant	check-929	\$100.00		YES-7/22/04	Recovery Form attached
9	7/3/2004		tenant	ckcek-1114	\$200.00		YES-7/22/04	Recovery Form attached
10	3/18/2004		landlord	check-4664	\$7,051.00		YES-7/22/04	Recovery Form attached
11	5/4/2004		tenant	check-9026695171	\$50.00		YES-7/22/04	Recovery Form attached
12	3/16/2004		tenant	check-9019573212	\$100.00		YES-7/22/04	Recovery Form attached
13	6/22/2004		tenant	check-9033485348	\$100.00		YES-7/22/04	Recovery Form attached
14	6/19/2004		landlord	check-2310	\$400.00		YES-7/22/04	Recovery Form attached
15	7/20/2004		landlord	Recapture	\$4,732.00		YES?	Recovery Form attached
16	7/20/2004		landlord	Recapture	\$1,252.00		YES?	Recovery Form attached
17	7/20/2004		landlord	Recapture	\$5,088.00		YES?	Recovery Form attached
18	5/5/2004		landlord	Money Order- 4441921554	\$300.00		YES-7/20/04	Recovery Form attached
19	6/22/2004		landlord	check-259	\$300.00		YES-7/20/04	Recovery Form attached
20	5/3/2004		landlord	check-3984	\$50.00		YES-7/20/04	Recovery Form attached
21	6/28/2004		landlord	check-4004	\$37.00		YES-7/20/04	Recovery Form attached
22	6/1/2004		landlord	check-3998	\$50.00		YES-7/20/04	Recovery Form attached
23	4/4/2004		landlord	check-3974	\$50.00		YES-7/20/04	Recovery Form attached

**HOUSING AUTHORITY OF BALTIMORE CITY
 2005 SECTION 8 RECAPTURE SUMMARY**

<u>IDENT NR</u>	<u>CK/MONEY ORD DATE</u>	<u>PAYEE</u>	<u>LLORD/ TENANT</u>	<u>PAYMT TYPE</u>	<u>AMOUNT</u>	<u>OUTSTANDING BALANCE</u>	<u>FORWARDED TO F & A</u>	<u>COMMENTS</u>
24	3/8/2004		landlord	check-3961	\$50.00		YES-7/20/04	Recovery Form attached
25	3/10/2004		landlord	check-370	\$625.00		YES-7/20/04	Recovery Form attached
26	4/18/2004		landlord	check-390	\$97.00		YES-7/20/04	Recovery Form attached
27	3/18/2004		landlord	check-1730	\$540.00		YES-7/20/04	Recovery Form attached
28	3/24/2004		landlord	check-1480	\$136.00		YES-7/20/04	Recovery Form attached
29	3/11/2004		landlord	check-8807	\$200.00		YES-7/20/04	Recovery Form attached
30	2/29/2004		landlord	check-2175	\$400.00		YES-7/20/04	Recovery Form attached
31	4/14/2004		landlord	check-2214	\$400.00		YES-7/20/04	Recovery Form attached
32	6/2/2004		landlord	check-2268	\$400.00		YES-7/20/04	Recovery Form attached
33	7/21/2004		landlord	check-273	\$258.00		YES-7/27/04	2nd payment
34	7/31/2004		tenant	check-9038970646 money order-	\$100.00		YES-8/10/04	get copy of FA receipt
35	8/16/2004		tenant	222875087	\$75.00		YES-8/17/04	Recovery Form attached
36	8/6/2004		landlord	check-2714	\$100.00		YES-8/10/04	Recovery Form attached
37	8/31/2004		landlord	check-2354	\$400.00		YES-9/10/04	Recovery Form attached
38	8/31/2004		landlord	check-324 money order-	\$250.00		YES-9/9/04	Recovery Form attached
39	9/16/2004		landlord	222878342	\$75.00		YES-9/22/04	Recovery Form attached
40	9/30/2004		landlord	check-337 money order-	\$250.00		Yes-10/13/04	Recovery Form attached
41	10/13/2004		tenant	223049813	\$75.00		Yes-10/21/04	Recovery Form attached
42	10/30/2004		landlord	check-386	\$250.00		YES-11/4/04	Recovery Form attached
43	11/1/2004		tenant	check-9052650013	\$50.00		YES-11/4/04	Recovery Form attached
44	10/31/2004		landlord	check-2396	\$800.00		YES-11/16/04	Recovery Form attached
45	11/4/2004		landlord	check-212	\$100.00		YES-11/15/04	Recovery Form attached
46	11/18/2004		landlord	check-1048	\$1,599.00		YES-11/18/04	Recovery Form attached

**HOUSING AUTHORITY OF BALTIMORE CITY
 2005 SECTION 8 RECAPTURE SUMMARY**

IDENT NR	CK/MONEY ORD DATE	PAYEE	LLORD/ TENANT	PAYMT TYPE	AMOUNT	OUTSTANDING BALANCE	FORWARDED TO F & A	COMMENTS
47	11/16/2004		tenant	money order-4544023412	\$75.00		YES-11/18/04	Recovery Form attached
48	11/15/2004		landlord	money order-001128841	\$1,426.00		YES-11/18/04	Recovery Form attached
49	11/15/2004		landlord	check-10058	\$6,000.00		YES-11/18/04	Recovery Form attached
50	11/18/2004		landlord	check-216	\$176.00		YES-12/9/04	Recovery Form attached
51	12/1/2004		landlord	check-883	\$250.00		YES-12/9/04	Recovery Form attached
52	See Charlene Young for backup		landlord		\$36,714.00		saving from Landlord request	See Charlene Young for backup
53	See Nicole Mickens for backup		landlord		\$89,000.00		HUD for prosecution	See Nicole Mickens for backup
54	12/16/2004		tenant	money order-238431288	\$75.00		YES-12/22/04	Recovery Form attached
55	12/22/2004		landlord	check-1066	\$1,599.00		YES-12/22/04	Recovery Form attached
56	12/29/2004		landlord	check-2437	\$400.00		YES-1/6/05	Recovery Form attached
57	12/20/2004		landlord	St of Md Ck - 33630234	\$128.00		YES-1/3/05	Recovery Form attached
58	12/24/2004		landlord	Check-410	\$250.00		YES-1/6/05	Recovery Form attached
59	1/14/2005		landlord	check -235	\$100.00		YES-1/19/05	Recovery Form attached
60	1/18/2005		tenant	money order-238433355	\$75.00		YES-1/19/05	Recovery Form attached
61	1/10/2005		landlord	check-602	\$1,600.00		YES-1/14/05	Recovery Form attached
62	1/31/2005		landlord	Recapture-\$650 per mo. for 5 mos.	\$3,250.00		Processed through MST starting 1/31/05	see file for documentation
63	1/27/2005		landlord	check-2737	\$1,650.00		YES-1/28/05	Recovery Form attached
64	1/28/2005		landlord	Recapture	\$2,100.00		Processed through MST	see file for documentation
65	1/28/2005		landlord	Recapture	\$612.00		Processed through MST	see file for documentation
66	3/1/2005		landlord	Recapture	\$1,324.00		Processed through MST	see file for documentation

**HOUSING AUTHORITY OF BALTIMORE CITY
 2005 SECTION 8 RECAPTURE SUMMARY**

<u>IDENT NR</u>	<u>CK/MONEY ORD DATE</u>	<u>PAYEE</u>	<u>LLORD/ TENANT</u>	<u>PAYMT TYPE</u>	<u>AMOUNT</u>	<u>OUTSTANDING BALANCE</u>	<u>FORWARDED TO F. & A</u>	<u>COMMENTS</u>
67	2/15/2005		tenant	money order- 238612737	\$75.00		YES-2/23/05	Recovery Form attached
68	2/8/2005		landlord	check-2468	\$400.00		YES-2/23/05	Recovery Form attached
69	2/1/2005		landlord	check-245	\$250.00		YES-2/23/05	Recovery Form attached
70	12/12/2004		landlord	check-223	\$100.00		YES-3/1/05	Recovery Form attached
71	2/3/2005		tenant	check-33819810	\$64.00		YES-3/10/05	court ordered repayments
72	3/8/2005		landlord	check-4218	\$354.00		YES-3/11/05	Recovery Form attached
73	3/17/2005		landlord	check-2504	\$400.00		YES-3/31/05	Recovery Form attached
74	3/17/2005		tenant	money order 238616280	\$75.00		YES-3/31/05	Recovery Form attached
75	2/12/2005		landlord	check - 250	\$100.00		YES-3/31/05	Recovery Form attached
76	3/10/2005		landlord	check-269	\$100.00		YES-3/31/05	Recovery Form attached
77	4/19/2005		tenant	money order 238739593	\$75.00		YES-4/21/05	Recovery Form attached
78	5/9/2005		landlord	Recapture	\$2,684.00		Processed through MST	see file for documentation
79	4/5/2005		landlord	check-293	\$100.00		YES-5/12/05	Recovery Form attached
80	4/30/2005		landlord	check-2530	\$400.00		YES-5/12/05	Recovery Form attached
81	5/18/2005		tenant	money order- 238743692	\$150.00		YES-5/25/05	Recovery Form attached

TOTAL COLLECTIONS (50% Considered Fraud Recoveries)

\$200,356.00

HABC'S PORTION

\$100,178.00

After submitting numerous bereavement statements regarding deaths of relatives, an employee was terminated following an intensive OIG investigation that revealed she lied about being related to the individuals.

A Correctional Officer rented out her Assisted Unit without authorization and obtained welfare and housing benefits over the years without authority. She had received more than \$42,800.00 in benefits. She was prosecuted in U.S. District Court and was terminated and set up on a repayment program.

A Real Estate Broker continued to charge Section 8 subsidy payments years after the resident had vacated the unit. Due to his advanced age, he was sentenced in U.S. District Court to house arrest.

An employee was stealing agency computer parts and selling them on the E-Bay Network. More than \$9,000.00 in computer parts had been sold. The employee was terminated and he paid for all items sold by forfeiting his retirement proceeds.

TRAINING TO OTHER AGENCIES

The Inspector General presented four supervisory training sessions and seven New Employee Orientation presentations. He conducted two training sessions for the overseas Inspector Generals: one in Washington, DC - OIG for the Iraq delegation and one at City Hall for the Country of Morocco. He held five Standards of Conduct lectures for the following Offices:

1. Department of Public Works
2. Department of Health/Division of Nursing
3. Department of Recreation and Parks
4. Department of Housing Resident Advisory Board
5. Department of Public Works/Wastewater & Sanitation Divisions

The Inspector General conducted three training sessions for the Association of Inspectors General:

- Two held at American University
- One held in Richmond, VA (Department of Corrections)

The Inspector General attended three training sessions:

New York, NY Office of Inspectors General (3 days)

Long Beach, CA Association of Inspectors General Conference (4 days)

Las Vegas, NV Association of Certified Fraud Examiners (3 days)

Independence¹

A. General Standard

The Inspector General and OIG staff involved in performing or supervising any assignment should be free from personal or external impairments to independence and should constantly maintain an independent attitude and appearance.

B. Background

The Inspector General is responsible for establishing and maintaining independence so that OIG opinions, conclusions, judgments and recommendations will be impartial and viewed by others as impartial. The Inspector General and OIG staff should consider not only whether they are Independent and whether their own attitudes and beliefs permit them to be independent but also whether there is anything about their situation which might lead others to question their independence. All situations deserve consideration since it is important that the OIG be as independent as possible and impartial in fact and in appearance.

The Inspector General and OIG staff need to consider both personal and external impairments. If either of these affect the OIG's ability to perform its work impartially, the Inspector General should decline to perform the work and report the circumstances to the appropriate official. If the Inspector General cannot decline to perform the work, the impairment should be disclosed in any resulting report, along with any potential impact the impairment might have on the outcome of the report's conclusions.

C. Personal Impairments

There are circumstances in which the Inspector General and OIG staff cannot be impartial because their personal situations may create actual or perceived conflicts of interest. In such situations, the OIG staff person(s) who is(are) affected by these

¹ Independence Standards – Pg. 8 – Principal and Standards (Green Book) Association of Inspectors General Manual, May 2004.

circumstances should disqualify themselves from an OIG review and allow the work to continue without them. Personal impairments may include, but are not limited to, the following:

Official, professional, personal or financial relationships that might appear to lead the OIG to limit the extent of the work, to limit disclosure or to alter the outcome of the work.

Preconceived ideas toward activities, individuals, groups, organizations, objectives or particular programs that could bias the outcome of the work.

Previous involvement, especially recent involvement, in a decision-making or management capacity that could affect the work.

Biases that may affect the objectivity of the OIG staff member in the performance work.

Conduct of a review by an individual who had previously performed work subject to review.

D. External Impairments

Factors external to the OIG can restrict the efforts or interfere with the OIG's ability to form independent and objective opinions and conclusions. For example, under the following conditions work could be adversely affected and the OIG would not have complete freedom to make an independent and objective judgment:

1. Interference or undue influence in the selection, appointment, and employment of OIG staff.
2. Restrictions on funds or other resources dedicated to the OIG, such as timely, independent legal counsel, that could prevent the OIG from performing essential work.
3. Interference or undue influence in the OIGs selection of what is to be examined, determination of scope and timing of work or approach to be used, the appropriate content of any resulting report, or resolution of audit findings.

4. Influences that jeopardize continued employment of the Inspector General or Individual OIG staff for reasons other than competency or the need for OIG services.
5. Interference with OIG access to documents or individuals necessary to perform OIG work.
6. Improper political pressures that affect the selection of areas for review, the performance of those reviews, and the objective reporting of conclusions without fear of censure.

Compared to many other OIG offices, the Baltimore City OIG is relatively new and has only been in existence for three years. Many investigations conducted by this office are confidential in nature. Many internal investigations conducted at the request of the Baltimore City Sheriff's Office, Fire Department and Police Department cannot be disclosed. We must protect the rights of the individual under investigation and the results of personnel cooperating with the investigations.

As we work joint investigations with the Baltimore Police Department, FBI and other agencies, we will continue to be vigilant in our need to uncover the truth in our cases. We currently have numerous cases being conducted jointly with other law enforcement agencies.

www.ci.baltimore.md.us/government/inspectorgeneral



2008 Annual Report of the Inspector General, City of Baltimore
reporting year ending December 1, 2008.

*Office of the Inspector General
640 City Hall
Baltimore, MD*