



OFFICE OF THE INSPECTOR GENERAL

Montgomery County, Maryland



MEMORANDUM OF INVESTIGATION

TO: Richard S. Madaleno
Chief Administrative Officer

FROM: Megan Davey Limarzi, Esq. *ML*
Inspector General

DATE: March 16, 2026

SUBJECT: Public Synopsis - Investigation of Prohibited Personnel Practices at DHCA

The Office of the Inspector General (OIG) recently concluded an investigation based on an anonymous complaint alleging misconduct by a manager at the Department of Housing and Community Affairs (DHCA). The complaint alleged that the manager has hired several friends and family members and shown favoritism by circumventing the department's established seniority list to offer overtime assignments to select individuals.

Our investigation did not find evidence that the manager circumvented established procedures to disproportionately grant overtime to individuals named in the complaint. However, we found that the manager participated in the hiring of a relative without disclosing their relationship, a violation of Montgomery County Personnel Regulation (MCPR) 3-6. Additionally, the relative currently works in a section overseen by the subject manager.

When initially interviewed by OIG investigators, both the manager and employee lied and denied being related. Montgomery County Code, Section 2-151(m)(2) states that "giving false or misleading information in connection with any audit, study, or investigation" is a class A violation under County law. Montgomery County Personnel Regulations also designate in pertinent part that an employee who fails to cooperate or provide information when they are the subject of an investigation can be subject to disciplinary action.¹

Nepotism in hiring at DHCA was the subject of a March 25, 2024, OIG Management Alert. At the time, we found that DHCA employed three children and a sibling of four separate DHCA employees pursuant to four purchase orders with a County contractor. As these individuals were contract employees and not under the direct "jurisdiction or control" of a relative, it did not appear to be a violation of the County's anti-nepotism law. However, we cautioned that nepotism in the workplace can lead to the hiring of less qualified workers, a lack of diversity, inequities in the hiring process, increased risk of fraud, and dissatisfaction among employees who believe the hiring process is unfair, which was the basis of the most recent complaint.

¹ MCPR 2001, Section 33-5.

Background

On November 7, 2025, the OIG received an anonymous complaint alleging that a DHCA manager participated in the hiring of several friends and family members, including a relative. The complainant also alleged that the manager has given overtime opportunities to these individuals by circumventing the department's established seniority list, which is the traditional methodology for assigning overtime opportunities. Reportedly, multiple complaints about this issue were made to DHCA leadership, to no effect.

Applicable Law, Regulation, and Policy

The County Ethics Law, Section 19A-14 (d) states:

- (1) A public employee must not appoint, hire, or advocate the advancement of a relative to a position that is under the jurisdiction or control of the public employee.
- (2) A relative of a public employee must not be employed in a position if the public employee:
 - (A) would exercise jurisdiction or control over the position; and
 - (B) advocates the relative's employment.

According to MCPR 3-6, an employee must not supervise, appoint, employ, promote, advance, or otherwise participate in any personnel action affecting an individual who lives with the employee, is a relative² or domestic partner of the employee, or has a sexual or romantic relationship with the employee. Additionally, MCPR 33-5(g) states that an employee may be disciplined for knowingly making a false statement or report in the course of employment or failing to cooperate or provide information when they are the subject of an investigation. Additionally, Montgomery County Code, Section 2-151(m) holds that it is a Class A violation to give false or misleading information in connection with any OIG audit, study, or investigation.

Many DHCA employees are bargaining unit employees. The agreements between United Food and Commercial Workers (UFCW), Local 1994, Municipal and County Government Employees Organization (MCGEO) and Montgomery County, Maryland, effective July 1, 2020, to June 30, 2026 ("the union agreements"), require that each department establish a voluntary overtime list that identifies those employees who wish to perform overtime work. Overtime assignments are to be offered to interested staff unless operational needs exist as determined by the employer. Seniority is based on date of hire with the County and employees may reject overtime assignments when they are contacted, thus the assignment may subsequently be offered to someone less senior. Further, DHCA managers use the list on a rotating basis and must exhaust the list before a volunteer is given another opportunity to work another overtime assignment.

Certain DHCA employees may also earn overtime by volunteering for the Department of Transportation's (DOT) snow removal operations during winter weather events. At DOT's request each year, select County departments submit lists of interested employees for participation in the program. DOT then selects participants from the provided lists to augment their staff. Thus, while DHCA solicits interest from their employees, they do not assign or

² MCPR 1-70 states that a relative includes the spouse of a member of the employee's immediate family.

control the assignment of overtime hours for those employees volunteering for DOT overtime opportunities.

Inquiry and Outcome

The subject was promoted to a DHCA manager position in 2022. In this role, they are responsible for supervising employees and overseeing the day-to-day operations of the division, including authorizing overtime.

Overtime Assignments

When assigning voluntary overtime, the union agreements require that DHCA offer assignments in order of seniority unless operational needs exist. We found only one documented instance since FY2023 where DHCA offered voluntary overtime to staff. For that instance, we found evidence that DHCA referenced the seniority list when soliciting staff for overtime. Overall, the OIG found that DHCA has had low overtime rates since FY2023, as detailed in Table 1 below:

Table 1. Overtime Hours worked by DHCA Employees, by Fiscal Year (FY)³

FY	Overtime Hours for Relevant DHCA Section	Overtime Hours for individuals named in the complaint	Overtime Hours for Snow Storms – Highway	Overtime Hours for Snow Storms – Highway for individuals named in the complaint
2023⁴	160	0	0	0
2024	323	34	183.5	167.5
2025	552	4	382.5	366.5
2026	50	13	10	10
Total	1,085	51	576	544

In analyzing overtime hours accrued by the employees named in the complaint as having received preferential treatment in overtime assignments, we found that they obtained most of their overtime hours by volunteering for DOT’s snow removal efforts during winter weather events. These assignments are dictated by DOT based on their own internal processes. We noted that although some individuals alleged to be associated with the subject manager appeared on lists provided by DHCA, the lists also included the names of several other individuals. DOT staff told us that they determine which volunteers to use for each event primarily based on the individual’s experience with the program and past performance as opposed to their seniority.

Conflict of Interest and Giving False Statements to the OIG

During an interview with OIG investigators, the manager denied being related to any DHCA employees. Subsequent investigation by OIG staff found evidence indicating that one of the

³ As of December 2, 2025.

⁴ DOT managers told the OIG they did not activate any snow removal contractors in 2023, thus did not require any volunteers.

employees is related by marriage to the manager and that the manager provided false information in response to OIG questions. During a second meeting with OIG investigators, the manager provided a written statement admitting that they are related to an employee in their section. The manager also told OIG investigators that they were a member of their relative's interview panel when they applied for their current position. The manager said they did not disclose the relationship to anyone in DHCA during the employee's hiring process or since.

The employee was interviewed by the OIG and denied being related to the subject manager. In a subsequent interview with OIG investigators, the employee recanted their previous statements and admitted that they are related to the manager by marriage. The employee confirmed that the manager was a member of their interview panel.

Conclusion

This investigation did not find evidence that the manager was circumventing established procedures to award overtime hours to related or favored individuals. However, our investigation substantiated that the manager participated in the hiring of a relative to a position at DHCA and failed to disclose the relationship. Additionally, both the manager and the employee provided false information to OIG investigators when initially questioned about their relationship.

I am referring this matter to you for appropriate inquiry and action. I am also providing our findings to the Ethics Commission for their awareness and consideration.

Please contact me with any questions, or a member of your staff can contact Deputy Frank da Rosa, Francisco.darosa@montgomerycountymd.gov, with any questions.

cc: Fariba Kassiri, Deputy Chief Administrative Officer
Michele El-Gamil, Internal Audit Manager
Scott Bruton, Director, Department of Housing and Community Affairs
Erin O'Connor, Chief Counsel/Staff Director, Montgomery County Ethics Commission

Attachment: County Chief Administrative Officer's Response

The OIG provided the County's Chief Administrative Officer with a confidential version of this report on March 16, 2026, and received the following response on March 18, 2026.



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

Richard S. Madaleno
Chief Administrative Officer

MEMORANDUM

March 18, 2026

TO: Megan Davey Limarzi, Inspector General

FROM: Richard S. Madaleno, Chief Administrative Officer ^{for} *FR*

SUBJECT: Confidential Memorandum of Investigation – Allegations of Prohibited Personnel Practices at DHCA

We appreciate the opportunity to respond to the findings of the Office of Inspector General's investigation concerning allegations of misconduct by a manager at the Department of Housing and Community Affairs (DHCA). Although the investigation did not substantiate procedures for granting overtime were circumvented, we are deeply concerned about the violation of not disclosing family relationships during the hiring process and the false information initially provided to the Office of Inspector General during their interviews. I have discussed these matters with DHCA leadership. We are undertaking all necessary measures to ensure all responsible personnel involved are thoroughly investigated and that appropriate corrective action is taken.

Thank you for bringing this matter to my attention.

cc: Fariba Kassiri, Deputy Chief Administrative Officer, Office of the County Executive
Michele El-Gamil, Internal Audit Manager, Office of the County Executive