



OFFICE OF THE INSPECTOR GENERAL

Montgomery County, Maryland



MEMORANDUM OF INVESTIGATION

TO: Richard S. Madaleno
Chief Administrative Officer

FROM: Megan Davey Limarzi, Esq.
Inspector General

DATE: February 26, 2026

SUBJECT: Investigation into Unsupported Invoice Submitted by MCPD to MCPS

The Montgomery County Office of the Inspector General (OIG) recently concluded an investigation of an allegation that the County's police department (MCPD) remitted an invoice to Montgomery County Public Schools (MCPS) for approximately \$149,000 to pay for police services that were not actually provided. The complainant also alleged that proper procedures were not followed when generating the invoice, resulting in MCPS's inability to obtain reimbursement from a state grant.

Our investigation found that MCPD's Budget and Capital Management Division's (BCMD) director did not follow standard office practices when preparing the invoice and billed MCPS for unsupported charges¹ and expenses for which MCPS had previously paid. Unaware of the misstatements on the subject invoice, MCPS paid the invoice. Our investigation also found that BCMD did not have formal written procedures for invoice processing and did not comply with the County's Accounts Receivable (AR) policy.

Background

In June 2025, the OIG received a complaint regarding an invoice MCPD created in June 2023 that totaled \$149,063.35 (MCPD Invoice) for police officer coverage at MCPS special events during fiscal year (FY) 2023. The complainant alleged that these services were not actually rendered, that the procedures for preparing invoices were circumvented to meet a grant deadline, that MCPS paid the MCPD Invoice without obtaining proper supporting documentation, and that the lack of supporting documentation prevented MCPS from getting the expenses reimbursed under a state grant.²

In 2023, MCPS received a \$500,000 grant award through the Maryland Center for School Safety's (MCSS) School Resource Officer Grant ("SRO Grant"). This grant provides funding for school resource officers and school security employees, and can be used to reimburse schools for expenses related to police officers who work overtime at school events as well as eligible

¹ MCPS later submitted a claim for reimbursement through a State of Maryland grant award but was denied reimbursement because the MCPD invoice lacked sufficient support.

² The OIG has addressed the allegations involving MCPS in a separate Memorandum of Investigation dated February 26, 2026, titled *Investigation into Improper Invoice Payment Made by MCPS and SRO Grant Reimbursement Denial*.

training and equipment. Grant funds are provided through MCSS on a reimbursement basis for the fiscal year in which they were granted and require proper supporting documentation.

On June 22, 2023, MCPS's then-chief safety officer emailed the BCMD director to request an invoice for police overtime coverage at MCPS events during FY2023. The charges would then be reimbursed through the SRO Grant. In response, the BCMD director sent MCPS an invoice totaling \$149,063.35 and a summary report of police scheduling data for police services provided between July 1, 2022 to June 30, 2023.

Image 1 displays the description and cost breakdown from the invoice. The second page of the invoice contained a table of "reference codes" that described various types of MCPS-related events and corresponding codes for compensatory leave (comp leave or CLE) or overtime. We interpreted these codes to represent the activities for which MCPD was requesting compensation and their related pay categories.

Image 1: *Billed Amount on the MCPD Invoice*

Description	Pay	Hours	FICA	Total
Police services provided during most recent grant period of the State Adequate Local Law Enforcement Coverage grant - July 1, 2022 - June 30-2023	\$138,465.00	1,629	\$10,598.35	\$149,063.35

In a June 26, 2023 email, the BCMD director indicated that they used a pay rate of \$85 per hour to calculate the total listed in the "pay" category on the MCPD Invoice. The BCMD director also acknowledged in an interview with the OIG that they used scheduling data to identify the officers' total hours of coverage. MCPS paid the MCPD Invoice by check on June 30, 2023. MCPD staff deposited the check and allocated its revenue to MCPD's general fund special events reimbursement account.

Inquiry and Outcome

An MCPD fiscal assistant typically prepares and submits invoices to MCPS for payment. In this case, for reasons the BCMD director could not explain, the MCPD Invoice was prepared by the BCMD director. When asked in an interview if they received any training related to the invoicing process, the director responded that they had not and said no one showed them any related policies and procedures. In reviewing the MCPD Invoice prepared by the director, we found they used scheduling data instead of actual expenses incurred to calculate invoice charges, undercalculated the amount of police overtime billable to MCPS, and billed for hours tied to police overtime that had already been paid by MCPS.

According to MCPD staff, invoices are typically calculated using actual hours incurred and actual hourly pay rates. Instead, in creating the MCPD Invoice, the BCMD director used scheduling data and an \$85 average hourly rate to calculate the billed amount. The BCMD director could not explain why they relied on scheduling data and an average hourly rate to calculate the amount billed to MCPS. The director additionally acknowledged that they did not verify that the officers worked on the dates reflected on the invoice. The BCMD director also could not explain what data they used to calculate the \$85 per hour average pay rate used in the invoice.

Based on payroll records, the OIG calculated that MCPD officers were paid a total of \$103,289.46 (including payroll taxes) for the hours charged, approximately \$45,774 less than the \$149,063.35 billed to MCPS by MCPD.

A further comparison of the scheduling data used by the BCMD director to County payroll records also revealed 20 discrepancies in officer names and associated overtime hours. For example, we noted that at least four officers who earned overtime pay were not listed in the BCMD director's scheduling data. In four other instances, the scheduling data reported higher overtime hours worked by certain officers than was reflected in the payroll records. In total, we found that the BCMD director could have billed MCPS an additional 55.5 overtime hours.

Lastly, we determined that the MCPD Invoice included charges for 30 hours of police overtime hours (valued at the time at \$2,700.13) that were previously billed to and paid by MCPS. We observed that MCPD staff informed the BCMD director of the prior payment request on two separate occasions prior to the director sending the invoice to MCPS. When questioned about the duplication of charges, the BCMD director said that it was a "possibility" and "with the volume of work that we receive... humans make mistakes."

Outcome for MCPS

Though no billing agreement exists between the parties, MCPS relied on its long-standing relationship with MCPD and assumed the charges submitted on the invoice were accurate. When MCPS sought reimbursement for these charges through the SRO Grant in February 2024, MCSS informed MCPS that the documentation MCPD submitted in connection with the MCPD Invoice was insufficient. Between May and June 2024, MCPS requested additional supporting documentation from MCPD, particularly officers' time sheets, but did not receive adequate records to support its reimbursement request. Consequently, MCSS denied MCPS's request for reimbursement, and MCPS was unable to recoup any portion of its \$149,063.35 payment to MCPD. When this was brought to the BCMD director's attention, they stated that they had no reason to believe they had not followed the proper invoicing process because MCPS had told them that it had what it needed when MCPD sent the invoice. The lack of an agreement with MCPS that defines the conditions and terms under which MCPD can bill for services may have caused some of the noted errors.

Accounts Receivable Policy Violations

Through this investigation, we learned that MCPD uses a manual process for generating and tracking MCPS special event related invoices. This is contrary to the County's Accounts Receivable (AR) policy which requires that departments use the County's financial management system or have their own formal billing, collection, and receivable system. We also noted that MCPD did not have written policies and procedures documenting its revenue practices, also a violation of the AR policy.

The BCMD director indicated that they did not know what happened with the invoice after they created it. They admitted that they were unaware of the County's AR policy and their team's AR process. Other BCMD staff also acknowledged that their division does not work with the Department of Finance to generate invoices, and some said they were unaware of this policy

requirement. A documented AR policy can ensure controls are in place that create checks and balances, a separation of duties, adherence to policy, and deter fraud, waste, and abuse.

Conclusion and Recommendations

We found that the BCMD director prepared and submitted an invoice with improper calculations devoid of appropriate supporting documentation. This resulted in MCPD invoicing MCPS for and collecting at least \$45,773.89 in unsupported charges and billing \$2,700.13 for expenses that MCPS had already paid. The BCMD director's actions also contributed to MCPS not being able to recoup any portion of the amounts paid to MCPD from the SRO Grant.

We also found that BCMD is not complying with the County's AR policy.

We recommend that MCPD:

- (1) Implement formal written billing procedures that align with the County's Accounts Receivable policy;
- (2) Develop a process for invoicing and billing officer coverage at MCPS events; and
- (3) Recalculate the charges for police support of MCPS events in FY2023 and reconcile any identified discrepancies with MCPS.

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

cc: Fariba Kassiri, Deputy Chief Administrative Officer
Marc R. Yamada, Chief of Police, Montgomery County Police Department

Attachment: County Chief Administrative Officer's Response

The OIG provided the County's Chief Administrative Officer with a confidential version of this report on February 27, 2026, and received the following response on February 27, 2026.



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

Richard S. Madaleno
Chief Administrative Officer

MEMORANDUM

February 27, 2026

TO: Megan Davey Limarzi, Inspector General

FROM: Richard S. Madaleno, Chief Administrative Officer *RSM*

SUBJECT: Confidential Memorandum of Investigation – Unsupported Invoice Submitted by MCPD to MCPS

We appreciate the opportunity to respond to the findings of the Office of Inspector General's investigation regarding an unsupported invoice submitted by Montgomery County Police Department (MCPD) to Montgomery County Public Schools (MCPS). We are deeply concerned about the issues identified surrounding incorrect invoice calculations, insufficient invoice supporting documentation, and non-compliance with the County's accounts receivable policies by the Director of MCPD's Budget and Capital Management Division. We will work closely with MCPD leadership to address the issues raised in the OIG report. This investigation underscores the importance of consistent adherence to County policies, adequate training, and strong management oversight.

Thank you for bringing these matters to my attention.

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