Inspector General's
Annual Report of Activity

for the fiscal year ended
June 30, 2017

September 8, 2017

Montgomery County Maryland
Office of the Inspector General

A Message from the Inspector General

Each year, the Office of the Inspector General publishes formal reports which detail significant findings and recommendations. During fiscal year (FY) 2017, this office completed the following ten work products, nine of which were made publicly available. The tenth work product contains information that the provisions of the Maryland Public Information Act prevent us from distributing and making publicly available. Summaries of each publicly available work product are presented in the body of this report.

- Advisory Memorandum: *Department of Permitting Services - Communication of Building Permit Information to SDAT* (August 2016)
- Report: *Department of Technology Services - Montgomery County Information Systems Security* (September 2016)
- Preliminary Inquiry Memorandum: *Department of Health and Human Services - Lawrence Court Halfway House Meal Provision to Residents* (October 2016)
- Advisory Memorandum: *Department of Health and Human Services – Healthcare Billing Practices* (November 2016)
- Report: *Department of Liquor Control – Managing Alcohol Inspections* (January 2017)
- Report: *Department of Health and Human Services – Administration of Contracts Awarded to Maryland Treatment Centers* (January 2017)
- Report: *Department of General Services – Follow-up Review of Preventative Maintenance and Compressed Natural Gas Tank Inspections of Ride On Buses* (March 2017)
- Preliminary Inquiry Memorandum: *Office of Community Partnerships – 2016 People of Distinction Humanitarian Awards* (March 2017)
- Advisory Memorandum: *Montgomery College – Oversight of the Montgomery College President's Expenses* (May 2017)
- Preliminary Inquiry Memorandum: *Department of Transportation -Yellow Signal Timing* (May 2017)

The Office of the Inspector General also routinely responds to complaints and conducts proactive inquiries that do not result in formal reports. During FY 2017, our office received 96 new complaints and closed 95 complaints including matters carried over from the prior year. Synopses of selected preliminary inquiries and referrals concluded during the second half of FY 2017 which did not result in formal reports are discussed in the body of this report. Preliminary inquiries and referrals that concluded during the first half of FY 2017 were discussed in the *Inspector General's Mid-Year Report of Activity for Fiscal Year 2017* which was released earlier this year and is included as Appendix A to this report.

Edward L. Blansitt III
Inspector General

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**Summaries of Unpublished Preliminary Inquiries and Referrals completed during the first half of Fiscal Year 2017 (July 2016-December 2016) are included in Appendix A*

Summaries of FY 2017 Issued Reports

Advisory Memorandum: Communication of Building Permit Information to SDAT

OIG Report 17-001 (August 25, 2016)

Background:

In recent years, property taxes have been Montgomery County's largest source of revenue. The property tax is primarily a local government revenue; less than 10% of the property tax collected goes to the State. The State Department of Assessments and Taxation (SDAT) assesses real property in Maryland. State law requires that property values be reassessed if substantially completed improvements are made which add at least $100,000 in value to the property. SDAT sometimes does not timely reassess these properties. State law also requires that properties be reassessed every three years.

The County Department of Permitting Services (DPS) issues building permits for improvements to real property in Montgomery County. DPS substantially complies with the requirement in State law that copies of building permits be immediately submitted to SDAT.

Key Points in the OIG Report:

We found that the County's best interests might be better served by providing SDAT with information that would facilitate SDAT's ability to more quickly identify the properties that need to be reassessed.

The SDAT Supervisor stated that if the County provided SDAT account numbers, SDAT staff could locate property records more quickly and thus could complete reassessments more quickly. The Director of DPS informed us that DPS planned to have SDAT account numbers incorporated into DPS data beginning on September 1, 2016.

SDAT uses estimates of construction costs as indicators of which properties are most likely to have substantially increased in value, and thus may merit reassessment. The SDAT Assistant Supervisor told the OIG that if a permit shows an estimated cost of less than $100,000, then the property is typically not reassessed outside of the three-year cycle.

The SDAT Supervisor stated that many cost estimates on County permits were low, and some were extremely low, even $0. The OIG calculated that the cost per square foot was under $50 on 18% of the 2,649 permits DPS issued from December 31, 2013 through May 4, 2016 for additions to single family homes. Average square foot construction costs were $113 to $144, according to an International Code Council (ICC) report dated June 2016. Even if the ICC numbers are not exactly comparable, $50 per square foot is far below this range.

We analyzed applications for permits from 27 properties that appeared to have significant work done on them at low reported costs. We found that for 76% of the applications we reviewed, the estimated costs entered in DPS' computer system were lower than the estimated costs written in the applications, indicating incorrect data entry. In the rest of the cases, they were equal to the estimated costs in the applications. More than half (53%) of the discrepancies were related to the entry of an incorrect number of zeroes. For example, one application stated an estimated cost of $730,000, but the DPS computer record showed $73,000.

According to SDAT, notice of a final inspection would help staff identify properties that are required to be reassessed because the work has been completed. DPS informed us that DPS was developing a report that would indicate when residential properties were ready for occupancy, and DPS would provide that soon to SDAT.

We recommended that DPS: 1) continue to work toward incorporating SDAT account numbers into the building permit information it communicates to SDAT, 2) determine what changes are necessary to improve the accuracy of the estimated costs, and 3) continue to work toward communicating to SDAT when residential properties are ready for occupancy.

Key Points in the County Chief Administrative Officer's Response:

The CAO wrote that DPS had begun to provide tax account numbers and occupancy permit reports to SDAT.

Regarding the accuracy of reported costs, the CAO wrote that DPS would explore developing a program to provide a calculation based upon square footage of construction, type of construction, and an assumed estimated construction cost. The CAO wrote that the ICC construction cost tables were developed for setting permit fees and are not representative of specific construction.

Key Outcomes:

The Director of DPS stated that DPS responded to SDAT's requests for account number and final inspection information, but that in regard to cost information, DPS does not recommend diverting its resources from its core functions and responsibilities.

As of August 2017, the County's Office of Legislative Oversight was working on a project that builds on this report.

Report: Montgomery County Information Systems Security

OIG Report 17-004 (September 19, 2016)

Background:

The Office of the Inspector General (OIG) completed a review of Montgomery County government's information systems security, particularly over personally identifiable information. Our objective was to assess whether the county is taking reasonable steps to safeguard such data.

Key Points in the OIG Report:

Montgomery County Code section 2-151(k) requires that an Office of the Inspector General report must be made public, subject to the Maryland Public Information Act (MPIA). The MPIA[1] states, "A custodian shall deny inspection of the part of a public record that contains information about the security of an information system." Accordingly, our report was not made publicly available and will not be discussed in detail here. However, a closed session briefing on the report was given to members of the Government Operations and Fiscal Policy Committee by the Inspector General and appropriate members of the Chief Administrative Officer's staff.

Key Points in the County Chief Administrative Officer's Response:

Consistent with the requirements of the MPIA, the Chief Administrative Officer's response to this report was not made publicly available, or posted to our web site.

Preliminary Inquiry Memorandum: Lawrence Court Halfway House Meal Provision to Residents

OIG PIM 17-001 (October 6, 2016)

Complaint Summary:

During the course of a broader audit regarding the administration of Montgomery County Department of Health and Human Services (DHHS) contracts awarded to Maryland Treatment Centers (MTC), OIG staff learned that Lawrence Court Halfway House (LCHH), a 24-hour residential treatment facility, may not be providing clients the number of meals stipulated within its contract with the County.

A more comprehensive review of MTC contract compliance and monitoring was published under OIG Report 17-005.

Outcome:

The FY 2016 total approved budget for the LCHH facility was $474,958 and included $106,000 allocated for food and dietary costs. MTC's contract with the County requires that LCHH provide residents "at a minimum, two prepared meals per day Monday through Friday, a self-serve breakfast, and weekend meals that may be reheated by residents and/or staff." Thus, it is expected that LCHH clients be provided at least three meals per day. During FY 2016,

[1] Maryland Code, General Provisions Article, section 4-338

documentation submitted to the County in support of the LCHH monthly invoices routinely indicates that LCHH is providing/billing the County for 3.5 meals per day.

However, during the course of our audit of MTC, the OIG received information indicating that LCHH only provides residents two meals per day, omitting lunch. It was alleged that residents were expected to provide their own lunches. Based on the ratio of lunch rates to the total daily rates listed under the US General Services Administration standard rates for Meals and Incidental Expenses, we estimate that of the $106,000 budgeted for food and dietary costs, up to $25,000 could have been the cost of providing lunch to LCHH clients in FY 2016.

We confirmed that the number of meals provided to residents at LCHH did not comply with the terms of the MTC contract with Montgomery County. DHHS agreed with our findings and took appropriate steps to bring the contractor into compliance with its contract.

We suggested that DHHS continue to follow up with MTC to ensure compliance at LCHH and consider evaluating meal provision to clients at other MTC-serviced facilities. We were advised that DHHS conducted an unannounced site visit at Avery House, another MTC-operated residential facility. During that visit, DHHS staff observed that meals were being provided as stipulated in that contract.

Advisory Memorandum: Healthcare Billing Practices

OIG Report 17-002 (November 30, 2016)

Background:

For some of the programs provided by DHHS, there is an untapped opportunity to collect additional revenues through insurance billing, client fees, or donations. In May 2014, the County engaged Health Management Consultants, LLC (HMC) to provide "medical billing revenue maximization consulting services."

The Montgomery County Office of the Inspector General (OIG) received a complaint alleging ineffective billing of insurers for DHHS-provided medical services for behavioral health. The complainant reported that DHHS recently hired HMC to find out why DHHS fails to bill effectively. However, despite the contractor's analysis, behavioral health programs continue to struggle with timely billing and the submission of clean claims that can be readily approved by insurance carriers for payment. OIG staff reviewed DHHS' implementation of the HMC's recommendations.

Key Points in the OIG Report:

DHHS explained that the decision to enter into the HMC contract was self-initiated in FY2014 due to multiple circumstances. First, the Affordable Care Act accelerated an existing trend for public and behavioral health programs to replace grant funding with fee-for-service arrangements. This created a need for DHHS to explore billing opportunities in order to generate the revenue necessary to maintain service levels. Second, the recent changeover from paper health records to the NextGen Electronic Health Record (EHR) system has given DHHS the capability to bill for more services.

We found that the implementation of the NextGen EHR system has allowed DHHS to more fully track the status of medical billing claims and to more easily pinpoint bottlenecks and problems with medical billing. We anticipate that DHHS will continuously utilize the metrics provided by the new system to increase revenue collection and improve employee accountability for the DHHS programs that are currently billing. We recommended that DHHS formalize a plan to hold staff and management accountable for successful medical billing.

In the Crisis Center and Access Program, other services are provided that can be appropriately reimbursed by Medicaid and/or Medicare but are not currently billed. HMC was hired in part to identify such opportunities. Additionally, HMC's work concluded over a year ago. Following our initial meeting with DHHS management, an action plan was created to address the contractor recommendations. To date, DHHS has informed us that it is actively exploring the opportunities presented by the contractor, but has fully implemented billing in only one of the recommended areas. We recommended that, in consultation with the CAO, DHHS determine which of the contractor's recommendations should be implemented and begin billing for those services.

In addition, DHHS explained that it is working to secure insurance contracts with the Medicaid Managed Care Organizations (MCOs), which will allow DHHS to improve reimbursement rates and bill for some items that Medicaid does not cover. Additionally, for Crisis Services, DHHS states that it is pursuing a change in regulation that will allow DHHS to bill Medicaid for Crisis Services but continue to provide services free of charge to other clients who do not have Medicaid coverage. We understand that DHHS plans to continue to diligently pursue both options in order to maximize future revenues.

Key Points in the County Chief Administrative Officer's Response:

The CAO agreed with our findings and recommendations and indicated that DHHS is committed to improving its billing practices.

Report: Managing Alcohol Inspections

OIG Report 17-003 (January 6, 2017)

Background:

There are over 1,000 establishments licensed to sell alcohol in Montgomery County. Licensees are inspected by the Department of Liquor Control (DLC) for compliance with laws governing underage alcohol sales, sales to intoxicated individuals, food sales, training, and other topics. The Board of License Commissioners (BLC) issues licenses to sell alcohol and can revoke licenses and impose fines for violations of requirements.

In a 2014 report, the OIG recommended that DLC data on alcohol inspections be used to develop management reports for monitoring and managing inspections and determining if inspections required by law were conducted.

Key Points in the OIG Report:

Almost three years after the CAO informed the OIG that DLC was developing requirements for an enhanced database management system that would produce management reports, the OIG found that DLC did not have such a system, and that management did not receive reports of completed inspections and compliance with legal requirements. The OIG also found that because of data and software inconsistencies, producing management reports was difficult.

The OIG assembled and analyzed inspection data provided by DLC and determined that in FY 2016, 53% of establishments licensed that year did not receive all the monthly inspections required under State law, and found that not all licensees active for FY 2016 received the two required annual inspections.

The OIG recommended that DLC develop and management review periodic reports of compliance with legal requirements and track whether required monthly and annual inspections occurred. The OIG also recommended that the BLC consider amending its regulations to designate the fiscal year as the period in which annual inspections must be done for each licensee, rather than allowing different periods for different licensees.

Key Points in the CAO's Response:

The CAO agreed with our recommendations. The CAO stated that DLC was pursuing a comprehensive single tracking system to monitor and report on all inspections. The CAO stated that while that system was being developed, inspectors were tracking inspections on spreadsheets, and the compliance manager was tracking the twice-annual inspections on a hard copy list. The CAO stated that DLC will track twice-annual inspections by fiscal year.

Key Outcomes:

DLC management now receives computer-generated reports indicating inspections conducted and measuring progress toward meeting legal requirements. DLC uses these to manage inspections, and DLC provides monthly and fiscal year end reports to the BLC. In July 2017, DLC and the County Executive recommended a change in State law to require quarterly inspections of all new license holders, rather than monthly inspections of certain ones.

Report: Administration of Contracts Awarded to Maryland Treatment Centers by the Department of Health and Human Services

OIG Report 17-005 (January 30, 2017)

Background:

The OIG received multiple complaints regarding the Montgomery County Department of Health and Human Services (DHHS) administration of contracts with Maryland Treatment Centers (MTC), a behavioral health care organization offering substance abuse, mental health, and dual diagnosis education, prevention, and treatment. In FY2016, MTC received County contract awards valued at over $5 million to operate eight substance abuse treatment programs within the County. MTC provides a variety of treatment options on behalf of the County including detoxification, residential, outpatient, and women or adolescent targeted services.

The OIG received complaints from a wide spectrum of individuals including a County employee, a former facility resident, and current and former MTC employees. Reported allegations included ineffective contract monitoring. Additionally, the OIG received information alleging that MTC was experiencing financial difficulty, billed the County for monthly expenses but failed to use the County reimbursement to pay the vendor, and failed to meet specific contract requirements related to the operation of County-funded MTC facilities.

Key Points in the OIG Report:

For all DHHS contracts with MTC that were active during FY2015 and FY2016, we requested and reviewed a complete copy of the original contract and all subsequent amendments. OIG staff met with the contract monitor assigned to each project, discussed their administration and experiences regarding their assigned MTC contracts, and requested they provide sample invoices and backup documentation submitted by MTC and approved for payment by the County during the review period. OIG staff conducted these steps to verify that both MTC and the County complied with the terms of the contract and applicable rules and regulations. Additionally, OIG staff attended the DHHS Behavioral Health and Crisis Services Contract Monitoring Unit's[2] quarterly site visits at four of the five facilities managed by MTC.

We found instances where MTC failed to comply with the terms of its contracts with the County. Specifically, MTC was not providing the required number of meals to residents of Lawrence Court Halfway House, a 24-hour residential treatment facility, and was paying a number of employees at a rate that was less than required under the Montgomery County Wage Requirements (Living Wage) Law. We found that DHHS contract monitors approved invoices for payment which contained supporting documentation evidencing the contractor's noncompliance with the County Wage Requirements Law.

We recommended that the County require MTC to comply with the terms of its contract, including the payment of back wages and proper meal service. Also, we recommended that DHHS contract monitors be alert to County Wage Requirements Law requirements and discuss instances of suspected noncompliance with the contractor and report ongoing concerns to the County Office of Procurement so that appropriate enforcement action may be taken.

We also noted several recent signs that MTC may have been experiencing cash flow challenges. The OIG expressed the opinion that MTC's potential cash-flow challenges should result in greater enforcement and monitoring of the County's contracts with MTC.

Key Points in the County Chief Administrative Officer's Response:

The CAO agreed with our findings and recommendations. In order to increase contract compliance, DHHS stated that meal service requirements have been better monitored at MTC facilities. Additionally, we have seen evidence that DHHS has made efforts to calculate and require that MTC pay back wages to the underpaid employees.

[2] The DHHS Behavioral Health and Crisis Services Contract Monitoring Unit serves as the liaison between the County and this contractor and is responsible for processing contract invoices and ensuring that contract requirements for reporting, performance, outcomes, and program results are met with acceptable timeliness and quality.

Report: Follow-up Review of Preventative Maintenance and Compressed Natural Gas Tank Inspections of Ride On Buses

OIG Report 17-006 (March 20, 2017)

Background:

On November 20, 2014, the Office of the Inspector General (OIG) issued a Final Advisory Memorandum, *Preventive Maintenance and Compressed Natural Gas Inspections of Ride On Buses.* The report addressed complaints the OIG received related to non-compliance with County, State, and Federal requirements for Montgomery County Ride On Buses in areas of preventative maintenance and compressed natural gas (CNG) inspections conducted by Fleet Management Services (FMS) within the Department of General Services (DGS).

FMS is required to maintain these vehicles in compliance with state and federal inspection regulations. Within FMS' fleet of Ride On buses, some are powered by CNG. CNG is a readily available alternative to gasoline, consisting mostly of methane. CNG is odorless, colorless, and tasteless. To ensure the safety of passengers, CNG tanks require periodic inspection. The CNG tank inspections follow National Fire Protection Association (NFPA) 52: Vehicular Natural Gas Fuel Systems and Compressed Gas Association (CGA) C-7 guidance on using and maintaining CNG tanks.

In 2014, the OIG found that preventative maintenance inspections and CNG tank inspections for Ride On Buses had not been performed in compliance with established mileage requirements. We issued two findings: (1) FMS did not conduct preventative maintenance inspections of the Ride On Bus fleet at the mileage intervals required, and (2) FMS did not conduct CNG inspections of the Ride On Bus fleet at the mileage intervals required. The Chief Administrative Officer (CAO) agreed with our findings, citing several corrective measures that have been taken to meet inspection requirements going forward.

Montgomery County officials and managers are responsible for implementing the corrective actions that they have agreed to undertake in response to the audit report. The OIG conducts follow-up reviews to verify that pledged actions have been taken and are effective in correcting reported deficiencies. The objective of our follow-up review was to determine whether sufficient corrective measures have been taken based on our recommendations.

Key Points in the OIG Report:

We determined that from November 2014 to June 2016, only 74 percent of preventative maintenance inspections and 71 percent of CNG tank inspections were conducted on-time. Both are below FMS' required compliance rate of at least 80 percent. However, we found that FMS has made improvements in relation to prior inspection timing.

We recommended that DGS implement the following: (1) require FMS to identify the causes precluding preventative maintenance inspections and CNG tank inspections from occurring on-time, (2) develop a plan to correct and address FMS' identified causes that impact its ability to conduct inspections on-time, and (3) require FMS' Training and Quality Assurance unit to conduct periodic reviews to test compliance with on-time regulations of both preventative maintenance and CNG Tank inspections.

Key Points in the County Chief Administrative Officer's Response:

The Chief Administrative Officer (CAO) agreed with our recommendations and indicated that FMS already implemented our recommendations. The CAO indicated that FMS identified several causes that hindered the ability to perform scheduled inspections and revised their preventative maintenance process to enable on-time preventative maintenance and CNG tank inspections of Ride On Buses.

Preliminary Inquiry Memorandum: 2016 People of Distinction Humanitarian Awards

OIG PIM 17-002 (March 22, 2017)

Complaint Summary:

The Montgomery County Office of Community Partnerships (OCP) serves as a bridge builder between the County government and community organizations serving the residents of Montgomery County with special focus on underserved and emerging communities and residents in need.

The OIG received a complaint regarding the cancellation of an event that was scheduled to be co-sponsored by OCP and the People of Distinction Humanitarian Foundation (PDHF), a private entity. The complainant stated that one of the Senior Fellows working for the Office of Community Partnerships cancelled the event, the 2016 People of Distinction Humanitarian Awards Ceremony (PDHA), without providing a valid reason for cancelation. Although PDHF was refunded the money it put toward the venue, the complainant expressed concern that PDHF's reputation had been damaged by the cancelation.

During late 2015, a Senior Fellow identified by the complainant gained approval from the OCP Director to co-sponsor the 2016 PDHA with PDHF. Although OCP reserved a venue for the event, several months before the event, OCP withdrew its sponsorship and canceled the booking. That withdrawal is the basis of this complaint.

Outcome:

We learned that OCP agreed to co-sponsor the 2016 Annual PDHA celebration because one of its part-time Senior Fellows and its work in the County would be highlighted. The Senior Fellow subsequently decided that she did not wish to receive an award and expressed concern that PDHF was not a 501(c)(3) nonprofit organization. In response, the OCP Director agreed to withdraw the sponsorship, cancel the reservation that OCP had made for the Silver Spring Civic Building, and request a refund of the venue deposit to PDHF. OCP believed that without the recognition of the OCP employee, there would be no nexus to the mission of OCP, and it would not be appropriate for the office to co-sponsor the event.

We concluded that OCP's withdrawal of its sponsorship for the 2016 Annual People of Distinction Humanitarian Awards celebration did not prevent PDHF from continuing with the event as planned. While the fee for the venue would have increased without the County government sponsorship, PDHF had the option of booking the same location for the same date and continuing with the ceremony as planned. Instead, PDHF chose an alternate date and location in the Washington DC area. The 2016 PDHA event took place at the new venue, included two members of the U.S. Congress as guest speakers, and was described by the PDHF CEO as sold-out and successful. It appears that the withdrawal of the Montgomery County co-sponsorship did not prevent a successful outcome for the 2016 PDHA event.

Because OCP has no documented policies and procedures for the role of its Senior Fellows or OCP's sponsorship or cancellation of events within the community, it may have been difficult for OCP to explain to the complainant how the event did not comport with the OCP mission. We suggested that OCP consider drafting a relevant written policy more clearly defining these roles.

Since the completion of our inquiry, OCP has put significant effort into developing written guidelines for deciding when OCP will cosponsor events.

Advisory Memorandum: Oversight of the Montgomery College President's Expenses

OIG Report 17-007 (May 31, 2017)

Background:

Montgomery College (the College) is a public, fully accredited, open admission institution. According to the College website, the College is the largest community college in Maryland and serves more than 60,000 students each year through credit and noncredit programs. The campuses are in Germantown, Rockville, and Takoma Park/Silver Spring. The College provides Workforce Development & Continuing Education centers and other off-campus sites throughout Montgomery County.

The College's President serves as the chief executive officer of the College, reports to the Board of Trustees, and serves as Secretary-Treasurer of the Board of Trustees. The President is responsible for the day-to-day administration, management, leadership, and oversight over the operations of the College. The Board of Trustees is the College's legal governing body and is comprised of citizens of Montgomery County who volunteer their time to serve. The Board derives its authority from Title 16 of the Education Article of the Annotated Code of Maryland, which provides the legal basis for the control and administration of Maryland's community colleges.

The Board of Trustees exercises general control over the College and oversees the duties of the President. The Board of Trustees appoints the College President and is authorized to enter into collective bargaining agreements with elected bargaining agents of the College faculty and staff. Montgomery College initially entered into an employment agreement with the current President on May 12, 2010. The current agreement is an amended and restated Employment Agreement between the College and the current President that was signed on June 24, 2015 (Employment Agreement).

The Employment Agreement addresses matters including, but not limited to, compensation; an annual performance bonus; benefits; travel, entertainment, and other business expenses; an automobile allowance; professional membership expenses; and a housing allowance.

On November 28, 2016, a local Washington, D.C. television station broadcast a report on the travel and other expenses of the College President. Subsequent to the news report and additional published articles from other news outlets, the Office of the Inspector General (OIG), the County Executive, and County Council all received requests to conduct a review of these allegations.

The OIG undertook this review to (1) determine if the College is following the provisions of the Employment Agreement, and (2) determine if travel and other expenses of the President were consistent with Montgomery College's established policies and procedures.

Key Points in the OIG Report:

We reviewed the President's expense reports for the period July 2014 through December 2016. These expenses were charged to the President's corporate credit card. The expense reports document the purchase date, merchant name, purchase amount, item description, budget account number, and description of business related purpose. The expenses appeared to be for travel, entertainment, and other business expenses incurred by the President in the performance of her duties.

Most of the expenses during the period of our review were for out of state travel. We found that the President made 25 trips over the 30-month period reviewed. We learned that the President's monthly expense reports were generated by a designated staff person, validated by the President, and then approved by the President's Chief of Staff/Chief Strategy Officer and the Senior Vice President for Administration and Fiscal Services.

The College's Employment Agreement with the President states in the section entitled "Travel, Entertainment, and Other Business Expenses" that the Chair of the Board will appoint a special auditor to (1) review the proposed expense reimbursement budget for the President before it is approved, and (2) review the President's expense reimbursements. We concluded that neither part of this provision was implemented by the Chair of the Board of Trustees.

Additionally, it was unclear how special auditor reviews of the proposed expense reimbursement budget would be implemented and whether such third-party reviews could provide value. We were not aware of any objective measure that an outside third party could use to determine the necessity of a budgeted business trip. In the absence of such appropriate criteria, the value of a travel budget review would have been at best limited.

We issued two recommendations:

1. The Board of Trustees should: (a) In future Employment Agreements with the President, omit the language stating that the Chair of the Board will appoint a special auditor to review the proposed expense budgets; and (b) Obtain the special auditor review of the President's travel and other expense reimbursements annually. One option to accomplish this economically and with little additional impact on the staff is through a task order to be performed as part of the annual financial statement audit of the College.

2. The Board of Trustees should work with the President to ensure that the President's travel and other business expenses are made transparent to all stakeholders, including the student body, all staff members, taxpayers, and donors. Information provided should reflect how travel and other expenses are necessary to support the objectives of the College and are consistent with the budget.

Key Points in the Chair of the Board of Trustees' Response:

The Chair of the Board of Trustees agreed with our finding and recommendations and believes that measures to act on the OIG recommendations will improve how spending is understood by stakeholders. The Chair stated that a review will be regularly conducted of the President's expenses. The Chair also stated that the Board of Trustees will be asked to consider removing the language from the President's Employment Agreement to use a special auditor to review proposed budget expenses.

Preliminary Inquiry Memorandum: Yellow Signal Timing

OIG PIM 17-003 (May 17, 2017)

Complaint Summary:

The OIG received two complaints related to Montgomery County's Department of Transportation (MCDOT) timing of yellow signals along State highways.

The initial complainant stated that the County had set some yellow signals to a duration less than the 3.5 seconds required by the State Highway Administration (SHA). The complaint alleges that MCDOT and the Montgomery County Police Department have stated that the 3.5 second SHA policy is a recent one, but SHA told the complainant that the policy originated in 2003.

The OIG received a separate complaint stating that the County had unfairly placed red light cameras at intersections where the yellow signal duration was less than 3.5 seconds. The complainant provided a link to a December 8, 2016, ABC news 7 segment covering the topic.[3]

Outcome:

The OIG learned that in lieu of creating separate, written County policies, MCDOT has adopted SHA policies for the operation of all traffic signals within the County. Current SHA guidelines state that yellow signals should last at least 3.5 seconds.

Although the 3.5 second minimum was set by SHA in 2003, MCDOT maintains that it was not formally notified of the guideline until May 2015. Since May 2015, as it retimes signals during the course of its regular operations, MCDOT indicates that it has been retiming yellow signals to comply with the SHA policy. According to MCDOT, at the time of our review, 13% of the County-operated signals have a yellow signal duration of less than 3.5 seconds and need to be retimed.[4] Also, per MCDOT, the remaining traffic signals, including all signals equipped with red-light cameras, are in compliance with SHA policy regarding yellow signal timing. We did not test or verify the accuracy of the information provided by MCDOT.

MCDOT was unable to provide a timeline for completion of the retiming project. SHA has also indicated that it would like more formal reports of the County's progress regarding yellow signal retiming efforts and would be willing to assist the County in its retiming efforts if necessary. We suggested that the County seek SHA assistance in signal retiming if needed.

[3] http://wjla.com/features/7-on-your-side/montgomery-county-turns-off-red-light-camera-responsible-for-350k-in-fines, last accessed on May 3, 2017.

[4] A representative of MCDOT stated that yellow signals meet the federal minimum of three seconds in duration.

The OIG suggested that MCDOT should develop a formal schedule with a defined completion date for yellow signal retiming. The CAO responded to the memorandum and indicated that MCDOT would do so.

In August 2017, a drivers' rights group, the Maryland Drivers Alliance, posted on its website that it examined county records and reported that the number of violations at Georgia Avenue and Seminary Road dropped by half when the yellow light duration was increased from 2.9 seconds to 3.5 seconds to meet the state's minimum requirement for a 35 MPH road. That result was a 52 percent drop in the number of violations at the intersection from January through May 2017 (the longer yellow) compared to January through May 2016 (the shorter yellow) period. A few miles north at Georgia Avenue and Norbeck Road, an intersection at which the yellow times did not change, data available through a link from the website shows that violations declined less than 2.6 percent compared to 2016.

Summaries of Unpublished Preliminary Inquiries

Summaries of unpublished preliminary inquiries closed during the second half of FY 2017 are presented here. See Appendix A,* Inspector General's Mid-Year Report of Activity for Fiscal Year 2017, *for summaries of unpublished preliminary inquiries concluded during the first half of the FY 2017 reporting period.

It is OIG policy to respond to Complainants with the results or conclusions on each matter. In each of the following summaries, we have done so, unless the complaint was anonymous.

Preliminary Inquiry: Misuse of DTS Purchase Card

OIG-17-005

Complaint Summary:

The OIG received a complaint alleging that a Department of Technology Services (DTS) manager routinely asks one of his employees to separate purchases made using her County-issued purchase card into multiple smaller transactions (split purchases) in order to keep each transaction below the $10,000 threshold which would require that DTS utilize a competitive process to choose the vendor.

Outcome:

OIG staff analyzed purchase card transactions for the identified employee for the period of July 2012 through mid-June 2016 by creating a pivot table based on the transaction date. We identified five sets of transactions that were flagged as possible instances of split-purchasing and chose a sample of two of those for detailed analysis. Both were cleared and do not appear to be the result of a split purchase. Based on these results, the matter was closed.

Preliminary Inquiry: Misuse of Position at DOCR

OIG-17-019

Complaint Summary:

The Montgomery County Ethics Commission (Ethics Commission) requested OIG assistance in the investigation of a complaint alleging that a number of Department of Correction and Rehabilitation (DOCR) employees used their public positions and/or offices to promote and/or advance the outside employing entity with which they are affiliated. The identified employees previously received Ethics Commission approval for outside employment.

Specifically, it was alleged that (1) one of the employees, while on County time and at a DOCR training event, distributed flyers about the outside business and otherwise promoted that business, which is engaged in firearms training and such training may be a pre-requisite for DOCR employment; (2) another employee had possibly distributed information via email about the private entity's training program to a colleague; and (3) two of the employees in question engaged in a prohibited supervisory relationship with respect to the outside employment.

Outcome:

The OIG initiated an investigation to determine if there was a systemic effort to use public office for the advancement of a private enterprise. As part of the investigation, the OIG interviewed several individuals, analyzed email data, reviewed relevant documentation and reviewed applicable laws, rules, and regulations.

The OIG found that the training described in the complaint was not required for DOCR employment and individuals who enrolled in the classes were personally responsible for any associated costs without the benefit of any department or County reimbursement.

One witness stated that one of the employees in question had distributed literature, consisting of a flyer and business card, promoting or related to a private business with which he was affiliated on official time during a DOCR ethics training class. However, the OIG was unable to acquire evidence either refuting or corroborating that assertion from any other witness. Additionally, the witness stated that the distribution was done as part of an ethics instruction. Specifically, the witness stated that the employee passed out the materials and then inquired of the trainees whether passing out the material violated a standard of conduct.

We also found that information concerning the private firearms training was forwarded or transmitted to employees at their County email addresses. However, an analysis of the points of origin of the emails, advertising or promoting the private entity indicates that the emails originated from the private entity's email system and not the County system.

Applying the applicable laws and regulations, the OIG was unable to find adequate evidence to conclude that the employees in question used official resources, inclusive of time and materials, for non-official purposes in promotion of the private entity or for personal gain.

The OIG gathered evidence concerning whether two DOCR employees engaged in a prohibited supervisory relationship as one of the employees supervised the other at DOCR and both were employed by the same outside employer. The relevant Ethics Commission regulation (19A.06.02.04 (4.3)) with respect to outside employment provides that:

> *"County employees are prohibited from working for any person(s) or any entity in which an economic interest is held by a person(s) the county employee supervises or who supervises the County employee as part of their county employment."*

The Public Ethics Law (Ethics Law) (Sec. 19A-4 (j)) defines economic interest as "any source of income or any other legal or equitable economic interest." The OIG reviewed relevant documentation including outside employment request forms and ethics rules/regulations. On the outside employment request forms, both employees responded negatively to the question of: "Does a person who you supervise or who supervises you with respect to your County position have an economic interest in the outside employer".

Since one of the employees in question works for the County under the supervision of another employee in question and both appear to be compensated for work with the outside entity, both employees have economic interests. In light of the arrangement, in which both employees are working for the same entity as peers, both employees' answers to the question concerning economic interest on the outside employment forms are inaccurate.

The details of our investigation were provided to the Ethics Commission for appropriate action.

Preliminary Inquiry: Private Use of County Electric Vehicle Charging Stations

OIG-17-040

Complaint Summary:

The OIG received a complaint from a Montgomery County employee alleging that two privately-owned Nissan Leaf cars routinely connect to the electric vehicle (EV) charging station in the COB garage, even though there is a sign which states that the charging stations are for "County Vehicles Only." The complainant was concerned that the County was bearing the cost of recharging private vehicles.

Outcome:

OIG staff found that while the County initially limited use of the COB garage recharging stations to County-owned vehicles, more recently the County had started offering use of the charging stations in the secured parking area to County employees. Users are billed the same fee that is billed at other County-owned EV charging stations located in public parking lots and recreation centers.

Following our preliminary inquiry, the signs indicating that each EV charging station is for County vehicles only were replaced with new signs stating, "Electric car parking only while charging".

Preliminary Inquiry: DTS Contractor Abroad

OIG-17-054

Complaint Summary:

The OIG received a complaint alleging that a contracted employee performing work for the Department of Technology Services (DTS) had been working remotely for several weeks while outside of the United States attending to a sick family member. The complainant alleged that the contracted employee continued to be paid, even though the DTS contract specifies that employees performing work on the contract are required to perform work on Montgomery County Government premises.

Outcome:

OIG staff reviewed the DTS contracts referenced in the complaint. None of the contracts reviewed specified that contract work must be conducted onsite. Rather, the contracts provide separate payment rates for onsite and offsite work and state that the "*Contractor may be afforded remote access privileges to County Resources, or otherwise, work on or interface with County Information Resources.*" Based on the contract wording, we determined that the complainant's allegations were unfounded.

Preliminary Inquiry: Snow Emergency Employee Reporting Instructions

OIG-17-060

Complaint Summary:

The OIG received a complaint regarding the time reporting instructions provided to County employees for the County's general emergency snow closure that occurred on March 14, 2017. The employee claimed that the employee was required to utilize an hour of leave, for time missed that morning, despite the fact that the employee's shift began at 6:00 a.m., which was after the County government announced its closure.

Outcome:

OIG staff reviewed various public postings and County emails regarding the event and found the following:

At 5:04 a.m. on the date of the snowstorm, the Montgomery County Government Facebook page posted an update stating,

> *"Due to continuing winter storm impacts, County Executive Ike Leggett has declared County government and County facilities will be closed on Tuesday, March 14. Essential personnel must report as scheduled. Government facilities, other than public safety facilities, will be closed. http://www2.montgomerycountymd.gov/mcgpo…/Press_Detail.aspx…"*

Both the Montgomery County Office of Emergency Management and Homeland Security and the Office of Human Resources posted similar status updates on their Facebook pages at 5:10 a.m. and 5:57 a.m. respectively.

Additionally, an Alert Montgomery email was received by multiple County employees at 5:13 a.m. on March 14, 2017 stating,

> "*Montgomery County Government is CLOSED today, Tuesday 3/14/17. All essential employees are expected to report at their regularly scheduled times."*

Some County employees also recall receiving a text with the same language at approximately the same time.

Despite the earlier public notifications, it was not until 7:13 a.m. that an email was specifically directed to County employees (#MCG.ALL email group). This email contains the exact same language as the initial Facebook posting at 5:04 a.m.

<u>Analysis</u>

Since none of the notifications provided a specific time at which the closure would commence, at least one employee returned home mid-way through their commute upon receiving one of the early notifications between 5:00 and 6:00 a.m.

However, the timekeeping instructions provided to County managers for the date of the snowstorm states that the County government was on liberal leave status until 6:59 a.m. and closed for the general emergency beginning at 7:00 a.m. Employees who did not report to work for the snow day and whose workday typically begins between 5:00 a.m. and 7:00 a.m. were asked to use leave for the portion of their workday that occurred before 7:00 a.m.

Referral

OIG management discussed the matter with a representative with the CAO's office to better understand why employees were required to utilize leave for worktime that occurred after the County publicly declared its closure. The representative of the CAO's office researched the matter and advised us that new procedures were being developed to clarify the instructions provided to employees during future snow emergencies. Based on the CAO's response, OIG staff determined that the matter is being adequately addressed.

Preliminary Inquiry: Misuse of Montgomery College Foundation Donations

OIG-17-069

Complaint Summary:

The OIG received an anonymous complaint suggesting the OIG review the expenses the College President charges to the Montgomery College Foundation. The complaint further stated that donors to the college have questioned where their money goes.

At the time that the complaint was received, OIG staff was engaged in a review to determine whether the College President travel and other expenses of the College President were consistent with Montgomery College's established policies and procedures and the terms of the Employment Agreement between the College President and the College. See OIG Report # OIG 17-007, *"Advisory Memorandum: Oversight of the Montgomery College President's Expenses."*

Outcome:

OIG staff opened a preliminary inquiry in response to the complainant. The objectives of the inquiry were to determine whether the OIG would have authority over spending by the Montgomery College Foundation.

We determined that while Montgomery College is a publicly (taxpayer) supported institution, the Montgomery College Foundation is a privately-funded, 501(c)(3) charitable organization. All private contributions for the College and its students are made to the Montgomery College Foundation, which is governed by a board of directors.

Because the Foundation is neither an independent County agency nor a County-funded agency as identified in Montgomery County Code section 2-151 - Inspector General, the OIG concluded that review of any expenses charged to the Foundation would be inconsistent with our authority.

Preliminary Inquiry: Wasteful Spending by MCFRS

OIG-17-078

Complaint Summary:

The OIG received an anonymous complaint alleging that for at least the past year every new car, SUV, or van purchased by Montgomery County Fire and Rescue Services (MCFRS) has been purchased in white and then painted red. The complainant believed that this is a wasteful practice, as MCFRS could have ordered the vehicle in red from the manufacturer instead of paying a body shop $8,000 - $15,000 to strip and paint each new vehicle.

Outcome:

OIG staff discussed the allegation with the MCFRS Fleet Manager, who explained that the MCFRS graphics policy requires a specific shade of red for MCFRS vehicles. MCFRS determined a unique color red for its brand in 2007, which was incorporated into the light-duty vehicles in 2016. Currently, County Fleet Management Services orders vehicles to MCFRS' specifications based upon a replacement plan.

The MCFRS Fleet Manager explained that Ford was willing to paint a custom color if a minimum order of five is placed of the exact same vehicle. However, the MCFRS Fleet Manager stated that likelihood of a multi-unit order for the exact same vehicle in a fiscal year is slim, as MCFRS' light-duty fleet is relatively small. Therefore, vehicles are ordered in white and repainted. According to the MCFRS Fleet Manager, a number of Ford Interceptors and Ford F-150 pickup trucks have been repainted, but not at the cost reflected in the complaint. The Ford F-150 pickup trucks were $6,453 each and the Ford Interceptors were $6,209 each. OIG staff did not verify the information provided by the MCFRS Fleet Manager.

OIG staff reviewed the MCFRS Policy entitled "Standardized Identification and Safety graphics for County-Owned or County-Supported Apparatus," dated August 1, 2016. The policies outlined in the document required that various MCFRS vehicles "be painted solid red, Sikken #FLNA 30253 or equivalent."

Based on our limited review of the statements of the MCFRS Fleet Manager and the MCFRS policy, OIG staff concluded that this concern did not warrant further inquiry.

Summaries of Unpublished Referrals to Other Entities

Summaries of unpublished referrals closed during the second half of FY 2017 are presented here. See Appendix A,* Inspector General's Mid-Year Report of Activity for Fiscal Year 2017, *for summaries of unpublished referrals concluded during the first half of the FY 2017 reporting period.

It is OIG policy to respond to Complainants with the results or conclusions on each matter. In each of the following summaries, we have done so, unless the complaint was anonymous.

Referral: Police Sergeant Accused of Falsifying Timesheets

OIG-16-103

Complaint Summary:

A complainant stated that since April 2014, a County Police Sergeant has routinely failed to work his entire regular shift, but reports a full work-week as well as additional overtime hours on his time sheet. The complainant also alleged that the Sergeant has been using his police vehicle to transport family members and conduct personal errands.

Outcome:

This matter was referred to the Department of Police, Internal Affairs Division (Internal Affairs) for appropriate investigation and resolution. At the conclusion of the investigation, the Internal Affairs Director advised the OIG that they determined there were no administrative violations committed by the Sergeant.

Referral: Alleged Bribery of HOC Employee

OIG-17-018

Complaint Summary:

The OIG received an anonymous complaint that an individual and his granddaughter improperly obtained a housing voucher from the Montgomery County Housing Opportunities Commission (HOC) for a three-bedroom, detached single family home.

The Complainant alleged that the resident's son (and father of the granddaughter) resides in the home as an undeclared resident, and that the son's undeclared income, when added to the grandfather's declared income, would cause the family unit to exceed income limits for voucher qualification.

The Complainant further alleged that the grandfather had been awarded the larger, three-bedroom home because he had "passed some money" to someone in HOC.

Outcome:

The OIG referred this complaint to the HOC's Internal Auditor, who responded that he had reviewed the HOC files relating to the home's resident and terms of the voucher agreement, and had determined that "the resident is properly housed". The HOC Internal Auditor also reported that the unit was on the schedule for a routine inspection and that he would instruct the inspector to look for evidence regarding the number of people living in the house.

The HOC Internal Auditor was unable to investigate the alleged payoff of HOC staff, lacking Complainant-provided information that would be needed to conduct an investigation. He did affirm, however, that as an internal control to help prevent this type of thing from happening, HOC randomly reassigns voucher residents to the specialists that recertify a resident's qualifications.

As the HOC had affirmed that internal controls are in place to help prevent collusion between residents and HOC staff and that a future inspection would look for the presence of the third person in the home, no further OIG action is warranted regarding the matter.

Referral: Online Property Tax Payment

OIG-17-033

Complaint Summary:

The OIG received a complaint from a Montgomery County taxpayer, indicating that the online property tax payment system failed to credit his payment for his tax bill. He asserted that the online payment was initially accepted and later rejected. The complainant provided copies of his tax bill and what appeared to be his bank statement.

Outcome:

The OIG referred the complaint to the Department of Finance and requested that it research the details of the complainant's tax bill. The Department of Finance researched the matter and explained that the online payment the complainant made failed to go through because the bank routing number entered by the taxpayer was invalid.

Referral: County Vehicle Observed Picking up Children from School

OIG-17-039

Complaint Summary:

A complainant reported that a County-owned vehicle was seen picking up a child from Tyler Page Elementary School. The complainant assumed that the vehicle operator was picking up their own child, and opined that such conduct was a misuse of tax dollars and placed undue liability on the County.

Outcome:

The matter was referred to and investigated by the Department of General Services (DGS), which exercises oversight and management of the County's fleet resources. DGS informed the complainant that the vehicle is assigned to the Department of Health and Human Services (HHS) Child Welfare Services (CWS).

At the time that the vehicle was observed by the complainant, the operator was on county business, which includes transporting children who are involved with CWS. DHHS supervisory staff reviewed the schedule and confirmed that the employee was scheduled to be at that school that day.

Referral: Rude DPS Inspector

OIG-17-043

Complaint Summary:

A complainant asserted that a Department of Permitting Services (DPS) electrical inspector on two occasions had engaged in an extremely rude, offensive, and vulgar political diatribe. The complainant described two events, both of which occurred as the inspector was leaving the complainant's home at the conclusion of either an initial or final electrical inspection.

The inspector allegedly used profanity while verbally attacking members of the Democratic party including a former President, presidential candidates, and members of Congress. It was also alleged that the inspector accused the complainant of not supporting the current Republican President.

Outcome:

The OIG referred this complaint to the DPS Director, who responded that DPS investigated the complaint and took appropriate action. The DPS Director stated that DPS management counseled the inspector, clarifying what constitutes appropriate behavior and advising the employee of the provisions of Montgomery County Ethics Code section 19A-14(e), which prohibits the employee from expressing his political views while conducting a County inspection.

Referral: HOC Recipient Fraud

OIG-17-080

Complaint Summary:

The OIG received an anonymous complaint alleging that a Montgomery County Housing Opportunities Commission (HOC) voucher recipient was renting out her basement to illegal immigrants, resulting in more than ten people living in a 3-bedroom unit. The complainant provided the name of the HOC tenant but no information regarding the address of the unit or the identities of the additional tenants. OIG staff referred the information provided to the HOC Internal Auditor for appropriate investigation and resolution.

Outcome:

The HOC Internal Auditor indicated that the unit recently received an annual inspection, and the HOC inspector did not report seeing any indication that the unit had more people living there than they should have.[5] Because the complaint was anonymous and limited information was provided, HOC was unable to do much beyond this annual inspection to research the matter. Based on the HOC response, OIG staff determined that no further inquiry is warranted.

[5] The HOC Internal Auditor stated that inspectors are expected to look for signs that more people live in the unit than are included on the lease during the annual inspection process.

FY 2017 Organizational Accomplishments

Implementation of the FY 2017 Work Plan

Work Plan Priorities

The FY 2017 work plan identified two priorities:

- Promptly review each complaint and respond to the complainant. We have done this by timely addressing each complaint and initiating action 97% of the time.
- Follow-up on prior audit recommendations. We did this through the issuance of two follow-up reports in FY 2017: *Managing Alcohol Inspections* and *Preventative Maintenance and Compressed Natural Gas Inspections of Ride On Buses*.

Five of the eight specific planned reviews identified in the work plan have been completed and are summarized in this report. The remaining projects are either in progress or have been deferred in favor of work we considered more urgent. Ongoing work includes a review of the County Disability Retirement Program, a forensic audit and internal control review of a County economic development program, a review related to the Department of Correction and Rehabilitation, and an investigation being conducted at the request of the Ethics Commission.

Budget vs Actual Expenditures

OIG Resources - Fiscal Year 2017	Budget	Actual	Unexpended
Personnel Expense:	981,185	985,109	(3,924)
Operating Expense:	65,399	8,762	56,637
Total Resources	***1,046,584***	***993,871***	***52,713***

Performance Measures

Performance Measures	Goal	2016 Actual	2017 Actual
Percent of incident reports reviewed and action initiated within 5 business days:	90%	99%	97%
Percent of inquiries completed within 60 days:	70%	83%	79%
Percent of incident reports resolved or referred to management within 90 days:	70%	95%	87%
Percent of audit/inspection/investigation reports completed within 6 months:	50%	11%	50%
Percentage of audit / inspection / investigation recommendations accepted:	67%	33%[6]	100%

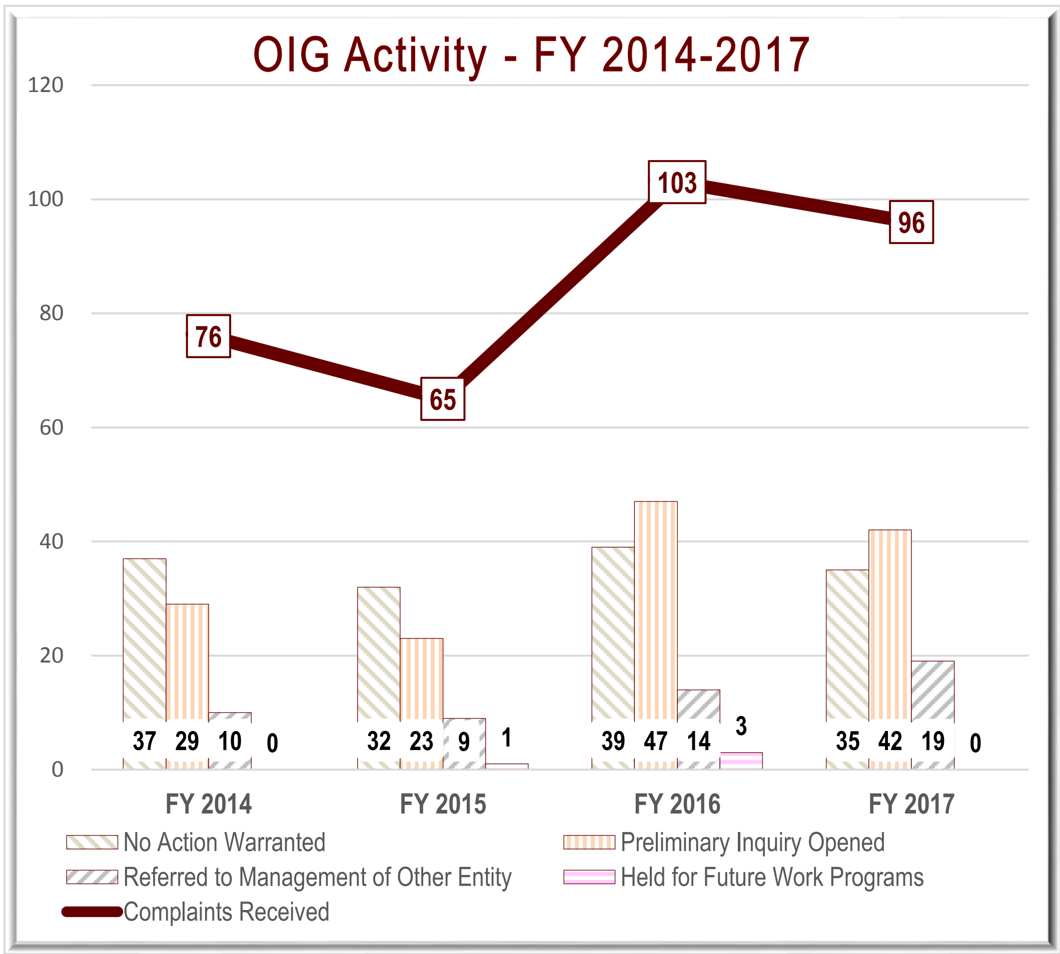
6 During FY 2016, of the nine reports issued, three contained formal recommendations – there were six recommendations in total. Of the six formal recommendations, management clearly agreed to implement two. In other cases, management stated it "will evaluate" the issue, "will take into consideration" the issue, or "is investigating" the issue.

Audit/Investigation/Inspection Activities

In our Mid-Year Report of Activity, we reported that from July 1, 2016 to December 31, 2016, we received 34 new complaints, opened 24 preliminary inquiries, and issued four reports plus one Preliminary Inquiry Memorandum (PIM).

From January 1 to June 30, 2017, we received 62 complaints, opened 18 preliminary inquiries, and publicly issued three reports plus two PIMs.

The chart below details OIG Activity from FY 2014 through FY 2017.



Staff Activities and Individual Accomplishments

This year John Hummel, our Deputy Inspector General, was nationally recognized by the Association of Government Accountants (AGA), as the 2017 recipient of their Einhorn-Gary Award. This award formally recognizes major contributions advancing government accountability. The award program cited Mr. Hummel's leadership in financial audits and transparent and useful reporting, and further noted that for more than 40 years he has improved local governments in the Washington D.C. area, serving citizens through audit, investigation, and volunteer efforts.

During this reporting period, Assistant Inspector General Charles J. Willoughby represented the Office of the Inspector General as a participant in the AGA Internal Control Work Group, Intergovernmental Partnership. Other participants in the work group included state government representatives from Arizona, Maryland, Massachusetts, North Carolina, and Virginia, as well as representatives from the Library of Congress and the Government Accountability Office of the federal government. Mr. Willoughby was the only participant representing the Inspector General community.

Under the direction of the AGA Director of Intergovernmental Relations, the Work Group was established to create an internal guide or toolkit for use by management within states and local governments. The guide, placed on the AGA website, is intended to assist state and local government managers to understand best practices, recommended approaches, and serve as a useful tool for the establishment of internal controls.

Professional Relationships and Outreach

The OIG maintains memberships with the Association of Inspectors General (AIG) and the Association of Government Accountants (AGA), which enhance overall performance and broaden our staff's professional perspective. During FY 2017, our Inspector General was elected the First Vice President of the District of Columbia Chapter of AIG and is currently serving as the Acting President of this local chapter until a permanent one is chosen. Additionally, Assistant Inspector General Mollie Habermeier serves on the Training Committee for the AIG local chapter.

The IG and OIG staff are actively engaged in educating Montgomery County government employees and the public about preventing fraud, waste, and abuse. During this FY 2017, the OIG distributed an online survey instrument to all County employees. The survey was intended to provide our office with information regarding the extent to which our services are responsive to County employees.

Over 2,000 employees responded, and we learned a great deal about County employee perceptions. One of the most significant things that we learned is that many County employees were unsure of exactly which issues should be reported to the Office of the Inspector General.

Accordingly, we have looked for ways to better communicate the mission of our office. In that vein, we emailed employees explaining what sort of issues our office considers as well as how to access information about what our office does, our written Work Plan, our Annual Reports, and published reports of our work on our website. Additionally, we provided employees a flier defining fraud, waste, and abuse and it applies to the OIG's review of County programs and practices. Immediately following the survey, we saw an uptick in the number of employees contacting our office.

Future Directions

As outlined in Montgomery County Code section 2-151, an Inspector General must not serve more than two full four-year terms, not including time served as Inspector General to complete an unexpired term. On June 13, 2017, Inspector General Blansitt was reappointed by the County Council to serve a second full four-year term to begin on July 1, 2017. Consistent with the County Code, by October 31, 2017, the Inspector General expects to submit to the County Council and County Executive a projected budget and work plan for the entire four-year term.

Our work plan for the next four years will likely focus on a few broad topics:

- We will place an increased emphasis on the effectiveness of governance structures and resulting internal control systems. We believe that, given the breadth of County activities and limited audit resources, internal controls and ethics are the only lasting safeguard against nefarious activities.
- We will continue our increased emphasis on further developing relationships with management/internal auditors at County Agencies. We supported Maryland's creation of an Inspector General at the Maryland National-Capital Park and Planning Commission, and we are eager to work with and assist the individual selected for the position in developing an effective office.
- We see continued and likely growing risk in the area of information technology security. We realize our skills in this area are moderate at best. We hope to team with other auditors (perhaps federal or those of independent County agencies) or contract with subject matter experts to fill gaps as needed.
- We intend to develop a work plan that addresses the County's preparation for transitions that are likely at the leadership levels during the next four years.

Appendix A:

Inspector General's
Mid-Year Report of Activity
for the fiscal year 2017

Contains synopses of significant and
preliminary inquiries and referrals for
the period July - December 2016

Inspector General's Mid-Year Report of Activity

for Fiscal Year 2017

July - December 2016

Montgomery County Maryland
Office of the Inspector General

A Message from the Inspector General

Each year, the Office of the Inspector General publishes a number of formal reports, which are publically released and detail significant findings and recommendations. During the first half of fiscal year (FY) 2017, this office completed four reports and one Preliminary Inquiry Memo (PIM).

- Follow-up Report on Managing Alcohol Inspections by the Department of Liquor Control
- Advisory Memorandum: Healthcare Billing Practices by the Department of Health and Human Services
- Preliminary Inquiry Memorandum: Lawrence Court Halfway House Meal Provision to Residents
- Report of Montgomery County Information Systems Security
- Advisory Memorandum: Communication of Building Permit Information to SDAT

Of those reports, all except one were made publicly available. The fourth report contains information that provisions of the Maryland Public Information Act prevent us from distributing and making publicly available. Summaries of each will be presented in our Annual Report of Activity which is expected to be issued at the conclusion of FY 2017.

The Office of the Inspector General also routinely responds to complaints and conducts proactive inquiries that do not result in formal reports. During the first half of FY 2017 our office received 34 new complaints and closed 41 complaints including matters carried over from the prior year. This Mid-Year Report of Activity presents summaries of the results of some of these unpublished activities which concluded during the first half of FY 2017.

Although most of those efforts did not result in OIG reports, each had an outcome, some of which were significant. For example, we developed initial evidence indicating that a County employee competed in a professional football championship game in the summer of 2016 while receiving workers' compensation benefits for an injury that the employee claimed created an inability to perform normal work duties. The subsequent full investigation and hearing process found that the employee's need for medical treatment was not causally related to the reported injury sustained while on duty. This resulted in a cost avoidance of approximately $64,000. Additionally, we have several examples of our work with the County Ethics Commission to further ethical accountability, and several examples of coordinating with the County Office of Internal Audit to research and resolve problems.

Synopses of those and other preliminary inquiries and referrals are presented in the body of the attached report.

Mid-Year Report of Activity for Fiscal Year 2017

Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

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Mid-Year Report of Activity for Fiscal Year 2017

Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

Summaries of Unpublished Preliminary Inquiries

(It is OIG policy to respond to Complainants with the results or conclusions on each matter. In each of the following summaries, we have done so, unless the complaint was anonymous.)

Preliminary Inquiry: Income Tax Offset Credit

OIG-16-079

Complaint Summary: The Maryland Office of Legislative Audits forwarded to the OIG a complaint regarding the Montgomery County Department of Finance's administration of the Income Tax Offset Credit (ITOC) program. Previously, the OIG received a related complaint asserting that the County should deny the Income Tax Offset Credit to those homeowners who do not have an approved homestead property tax credit (HTC) form on file with the State.

Outcome: OIG staff reviewed relevant County Code sections and found that the section governing the ITOC states that "an eligible taxpayer is any homeowner who qualifies for a homestead property tax credit under Maryland Code, Tax-Property Article, Section 9-105, or any successor provision" [1] but also states that "a taxpayer need not file an application to receive the credit."[2] While the County Code states that no application is needed to receive the ITOC, to receive the HTC, relevant State law states, "[t]o qualify for the credit under this section, a homeowner shall submit an application for the credit[.]"[3]

Following the OIG's receipt of the complaint, the County Council's Governmental Operations and Fiscal Policy (GO) Committee discussed the ITOC and specifically addressed the idea that some citizens believe that the law requires people to file the form for the HTC, stating that they are the owner occupant of their homes, in order to receive the ITOC, although the County has not interpreted the law that way. The GO Committee decided that: (1) taxpayers should not be required to file the application for the HTC in order to receive the ITOC, and (2) legislation should be submitted that would clarify this.

Additionally, a representative of the County Attorney's office stated that he does not believe that the State legislation enabling the County ITOC would allow the County to require that a person submit the form for the HTC in order to qualify for the ITOC.

As of the date of our review, this matter was being vetted by County government officials. The OIG will continue to follow ITOC developments. The outcome of our inquiry was provided to the Office of Legislative Audits in a letter responding to its referral.

[1] Montgomery County Code § 52-11B(b)
[2] Montgomery County Code § 52-11B(d)
[3] Md. Tax-Property § 9-105(d)(6)(i)

Mid-Year Report of Activity for Fiscal Year 2017

Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

Preliminary Inquiry: Former Montgomery County Police Officer Pleads Guilty to Perjury and Workers' Compensation Fraud

OIG-16-080

Complaint Summary: The OIG opened a preliminary inquiry in response to a Baltimore City OIG report concerning a former officer of the Montgomery County Police Department (MCPD). OIG staff learned that on October 16, 2014, the officer pled guilty to perjury and workers' compensation fraud for conduct tied to his former employment as a Baltimore City Police Officer.

The Baltimore City OIG report stated that the former Baltimore City officer retired on disability pension in November 2007 as a result of injuries sustained during a motor vehicle accident while on duty working for Baltimore City. In May 2008, the former Baltimore City officer was sworn in as an officer for the Towson University Police Department. In September 2008, despite his active employment at Towson University, the officer testified at a workers' compensation hearing related to his employment as a Baltimore City officer, that he had been unable to work since his earlier injury with the Baltimore City Police Department. This conduct was the basis of the officer's October 2014 perjury and workers' compensation fraud convictions.

Outcome: Our preliminary inquiry was intended to obtain information regarding the individual's employment with Montgomery County and the events leading up to the Baltimore City OIG investigation.

We learned that the former officer was hired by MCPD in July 2010. According to a representative of MCPD, during the hiring process, MCPD contacts previous employers and determines the reason for resignation or termination. However, if the reason provided for leaving a previous employer is a disability, MCPD does not inquire as to the details of that disability.[4] Instead, each MCPD officer is required to attend a physical provided by the Office of Human Resources, Office of Occupational Medical Services (OMS). It is expected that OMS will make a determination regarding whether the prospective candidate is fit for duty at MCPD. Based on the described MCPD hiring process, MCPD would not be expected to know the details of the Baltimore City policies and procedures related to disability retirements or what injury or illness caused Baltimore City to determine that it was appropriate to grant the former officer a disability retirement.

In July 2013, the officer filed a workers' compensation complaint regarding an injury sustained while working for Montgomery County. During the course of managing that claim, an employee of the Montgomery County Attorney's Office conducted legal research and found that the officer previously received a large workers' compensation award related to his work at Baltimore City. The officer was questioned under oath regarding the matter and admitted that he was receiving

[4] A representative of MCPD stated that they believe that it may be a HIPPA violation to ask for details regarding an applicant's medical records.

disability payments from Baltimore City. As a result, in June 2014, the Montgomery County Attorney's Office referred the matter to the Baltimore City OIG, who subsequently prosecuted the former officer for his false testimony and conduct during 2008. During the October 2014 court proceedings, the officer's attorney stated that the officer agreed to resign his position with Montgomery County. The individual is no longer employed by the County.

Based on our limited review of the MCPD hiring process, it appears that reasonable procedures would have been followed in hiring the individual. OIG staff determined that no further inquiry was required.

Preliminary Inquiry: DHHS Billing at Rollins Avenue Behavioral Health Facility

OIG-16-100

Complaint Summary: The OIG received a complaint detailing the following allegations regarding the Department of Health and Human Services (DHHS) Behavioral Health facility located at Rollins Avenue:

1. DHHS Rollins Ave. has "literally stopped billing" insurance.
2. There is a lack of necessary group therapy (PTSD, sexual assault, etc.) at the facility, which may result in a high dropout rate.
3. The Medication Assistance Treatment Program (MAT) for opiate recovery has only 30 participants, when it is funded for 100 participants.
4. Only 2 out of 10 therapists at the facility are properly completing health records for patients, including timely submission of patient notes.

Outcome: OIG staff met with the DHHS Chief Operating Officer (COO) to discuss this complaint. The DHHS COO explained that the DHHS Outpatient Addictions program at Rollins Avenue had experienced "deep-seated problems with personnel and other things" which had become evident during the recent transition to an electronic billing system. Since that time, DHHS has spent time addressing these issues including hiring additional staff, providing extra resources, and funding an organizational climate[5] study to assess the problems.

At the time of our inquiry, it appeared that DHHS was aware of and addressing the issues outlined by the complainant. The DHHS COO confirmed that billing had been suspended for this particular program as DHHS felt that certain employees' clinical notes were not reliably robust enough to bill for services. Another factor in the DHHS decision to suspend billing was a lack of

[5] An organizational climate refers to the conditions within an organization as viewed by its employees. The word climate usually describes the practices involved in communication, conflict, leadership and rewards. Definition obtained from reference.com website. See https://www.reference.com/world-view/definition-organizational-climate-2bf667a32c01bab6, last accessed on January 20, 2017

required groups. DHHS stated that it was contemplating reassigning certain staff to fix the problems and reinstate billing.

During, this fiscal year, the OIG subsequently engaged in and issued a separate, more comprehensive review of DHHS medical billing practices (see *Healthcare Billing Practices OIG Report #17-002*).

Preliminary Inquiry: Germantown Library

OIG-17-008

Complaint Summary: A complainant reported several experiences at the Germantown Library that he believed constituted a violation of law as well as waste, fraud, or abuse, including:

1. The elevator, which has not worked periodically, did not have a posted inspection sticker, although such posting is required by law. The complainant believed the certificate expired 8 months ago.
2. The rest rooms are consistently out of order and are not fixed in a timely manner.
3. A staff member was punched in the face by a 15-year-old patron.

The OIG determined that managerial issues and non-systematic quality of service complaints such as those alleged in allegations 2 and 3 were not topics to be addressed by our office. A limited preliminary inquiry was initiated to address the alleged elevator issue.

Outcome: OIG staff contacted the Chief Elevator Inspector, Safety Inspection-Division of Labor and Industry for the State of Maryland. The Chief Elevator Inspector reported that the elevator in question had last been inspected in February 2016. During that inspection, a maintenance issue was identified and a work order was issued. Since that time, a re-inspection had been requested and the library was awaiting that inspection which should have resulted in a new certificate if the listed issues had been addressed.

The Chief Elevator Inspector clarified that not seeing a certificate or seeing an expired certificate was not an indication of the working ability of the unit. Elevators identified to have egregious safety issues are taken out of service. The Chief Elevator Inspector opined that the library appeared to be taking the proper steps to address the identified issues, a re-inspection had been scheduled, and he was not concerned with the status of the elevator at the time. Based on the Chief Elevator Inspector's statements, the OIG determined that the matter did not warrant further attention by our office.

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Montgomery County Maryland Office of the Inspector General

Preliminary Inquiry: Reported Illegal Dumping by County Employee

OIG-17-016

Complaint Summary: The OIG received a complaint reporting that over the past few months the complainant repeatedly witnessed someone in a County Vehicle dumping garbage in the woods behind East Village in Montgomery Village. The complainant reported that she and/or a neighbor witnessed the dumping a few times a month over a period of approximately five months.

Outcome: OIG staff determined that the identified vehicle was assigned to the Department of Environmental Protection (DEP). OIG staff contacted DEP, which assisted in investigating the allegations. It was confirmed that a County employee parked a County vehicle in East Village neighborhood of Montgomery Village and entered the woods. However, we were unable to validate that any garbage was dumped illegally.

The identified area was checked and no trash bags or larger trash items were found. Additionally, the County employee who drove the vehicle stated that he parked in the neighborhood several times after work hours to walk on the trail in the woods, but denied disposing of any waste there. DEP reported that the County employee driving the vehicle would be counseled that he is not to use the County vehicle during non-work hours for personal or non-work related activities.

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Montgomery County Maryland Office of the Inspector General

Preliminary Inquiry: Possible phishing attempt using Alert Montgomery

OIG-17-020

Complaint Summary: A complainant reported that he received an email that appeared to be from Alert Montgomery but might be a fraudulent phishing attempt. The complainant reported that he received an email which indicated it was from Alert Montgomery but originated from a non- County server. (conf-1370903652@everbridge.net)

The email stated:

> **THIS IS A MESSAGE FROM ALERT MONTGOMERY**
> *On Nov 14, Alert Montgomery is removing old accounts who have no(t) signed up to the new system. You are receiving this message because you have not yet signed up.*
> *To register for a new account, go to www.alert.montgomerycountymd.gov and click on "Sign Up".*
> *If you value this service, please click "1=YES", otherwise click "2=NO".*

Outcome: OIG staff determined that the link contained in the email received by the complainant appeared to take the user to the Alert Montgomery website but actually redirected to https://member.everbridge.net/index/1332612387832009#/. The link directed the user to log in to their Alert Montgomery account.

OIG staff discussed the matter with the Operations Chief for the County Office of Emergency Management and Homeland Security (OEMHS) and determined that the email referenced in the complaint was legitimate but did contain a typographical error. The website included in the email should have been http://alert.montgomerycountymd.gov, not www.alert.montgomerycountymd.gov. OEMHS advised OIG that they intended to email those affected to correct the faulty website provided.

The Operations Chief explained that the County identified approximately 96,000 Alert Montgomery accounts which were registered on the old system. They were in the process of notifying account holders and requesting that they re-register on the new system. Alert Montgomery users who did not re-register would see their accounts retired on November 14, 2016. Everbridge is a County contractor hired to assist in the transition which is why the email came from conf-1370903652@everbridge.net rather than a County email address. This also explained why the link provided in the email redirected to everbridge.net.

Based on the information provided by the Operations Chief, the OIG determined that the email was legitimate, and no phishing attempt had occurred.

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Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

Preliminary Inquiry: DHHS Employment Support Services Contract

OIG-17-021

Complaint Summary: The OIG received a complaint alleging that a contracted manager under a Department of Health and Human Services (DHHS) Employment Support Services contract was not following County regulation or the terms of the contract in managing the program. The complainant, a former employee of the DHHS contractor, claimed that her former manager, (1) violated HIPPA by allowing personal client data to be viewed by the public, and (2) failed to comply with specific contract stipulations regarding DHHS client services, quality assurance, and contracted employee training.

Outcome: OIG staff identified the DHHS contract referenced in the complaint and interviewed the DHHS Program Manager responsible for the administration of the contract. The DHHS Program Manager stated that her staff had previously received a similar complaint regarding the contractor and investigated the allegations. The DHHS Program Manager explained that her staff found no evidence of a HIPPA violation or a failure to meet the contract stipulations and determined the allegations to be unfounded.

OIG staff obtained a summary of DHHS's investigation and findings and relevant supporting documentation. The OIG reviewed the documents presented by DHHS and determined that DHHS's reported actions and conclusions appeared reasonable.

Preliminary Inquiry: Operator of County Vehicle Drove Erratically

OIG-17-025

Complaint Summary: The OIG received a complaint alleging that an individual operating in what the complainant believed to be a County government vehicle was driving erratically (cutting in and out of traffic) on Route 27 in Damascus. The provided license plate number ended in "CG".

Outcome: OIG staff contacted the Fleet Division of the Department of General Services and learned that the identified vehicle was personally owned and did not belong to the County government. OIG staff confirmed that the tags for county vehicles contain "LG" or "MG".

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Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

Preliminary Inquiry: Poor Supervision at Montgomery County Public Schools

OIG-17-028

Complaint Summary: The OIG received a complaint from a Montgomery County resident concerning the walkout/demonstration staged by Montgomery county students in response to the recent 2016 presidential election. The resident alleged that Montgomery County Public Schools (MCPS) neglected its duties by not preventing the walkout/demonstration and allowing students to leave their schools without supervision; denying student educational opportunities; and not exploring the roles of teachers and parents in either encouraging the students' actions or assisting them in some fashion by perhaps furnishing signs and even leading the effort.

Outcome: OIG staff conducted a limited review of the media's presentation of the events. We found that the media reports on the students' actions and MCPS superintendent's response to those actions were inconsistent with the complainant's contentions. We found that the news accounts made no mention of any role by parents, teachers, or administrators in encouraging the actions of the students, participating in the demonstration, or furnishing signs. In a press release, the superintendent indicated that MCPS did not encourage the demonstration, stated that students absent from their classes would be marked as unexcused, and reminded students of MCPS regulations which allow for peaceful demonstrations on school grounds that would allow for adequate supervision.

The OIG wrote to the complainant and requested that he provide information regarding the basis for the conclusions drawn in his complaint. The resident's response indicated that he had no particular knowledge of what role MCPS teachers or administrators played in the events. Rather, the complainant indicated that he had relied on news accounts of the demonstrations as a basis for his assertions.

Based on the foregoing, we determined that no further action was warranted.

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Montgomery County Maryland Office of the Inspector General

Summaries of Unpublished Referrals to Other Entities

(It is OIG policy to respond to Complainants with the results or conclusions on each matter. In each of the following summaries, we have done so, unless the complaint was anonymous.)

Referral: Poor Service from MC311

OIG-16-011

Complaint Summary: A complainant stated he had been trying to reach someone in the Department of Housing and Community Affairs (DHCA) but could only reach MC311, which had not addressed his request. The complainant reported that he was trying to renew a license and after the online system crashed twice, he tried to reach someone at DHCA on the phone. He reached MC311 and after having to wait ten minutes, told them his issue. The complainant said it took the MC311 person a long time to understand the situation, and the caller believes the MC311 person was not very well trained and/or not well-informed about DHCA. He was told that MC311 would get back to him in 3-4 days, but they failed to follow-up within the stated timeframe.

The complainant expressed concern that DHCA appeared to have no working direct phone number and routed all of their calls to MC311. He believed this was a problem for residents, as it makes it difficult for them to call and get help. The complainant reported that he had a similar experience with another unidentified County department.

Outcome: Although we determined that this and a number of similar complaints the OIG has received should be addressed, the issues raised primarily dealt with MC311's service quality, which is generally not part of the OIG mission. However, the Deputy Inspector General asked the County Office of Internal Audit (IA), to consider MC311 as a topic of review. The Internal Auditor subsequently identified MC311 as a likely audit area for 2018 in their current Multi-Year Internal Audit Plan.

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Montgomery County Maryland Office of the Inspector General

Referral: Hiring of former DOT Manager by County contractor

OIG-16-058

Complaint Summary: The OIG was alerted to the possibility that a County contractor's employment of a former County employee who, during his County employment, significantly participated in activity between the contractor and the County might violate the County Ethics Law. The OIG was copied on an email from the County Ethics Commission (Ethics) to the County Attorney and the Director of the County's Department of Transportation (DOT). Ethics asked the two offices to look into the propriety of a County contractor's hiring of a former Chief of the County's Division of Highway Services. Ethics was asked for an opinion regarding the matter by the County contractor.

Section 19A-13(b) of the Public Ethics Law prohibits a former public employee from entering into any employment understanding or arrangement with any person or business if the public employee significantly participated in any procurement or other contractual activity concerning a contract with the person or business, unless the Ethics Commission grants a waiver of the restriction.

Outcome: The OIG did not participate substantively in the matter, but monitored the outcome of the work conducted by the County Attorney and DOT. It was found that in March 2015, a DOT manager briefed the former Chief of the County's Division of Highway Services about several procurement issues including the need to extend a DOT contract with the subject contractor beyond its normal expiration date. Because the former Chief of the County's Division of Highway Services did not object to the information presented in the briefing, the manager felt empowered to proceed along the course of action he presented. In the County Attorney's Opinion, the former Chief of the County's Division of Highway Services' tacit approval constituted significant participation in the matter.

The former Chief of the County's Division of Highway Services retired from County service in October 2015. In January 2016, he requested a waiver from the Ethics Commission, to allow him to work for the contractor despite his limited participation in the contract. The former Chief of the County's Division of Highway Services stated that his proposed work with the company would not create a conflict of interest as it focused on projects outside the County. DOT concurred with the waiver request because the Director did not believe the proposed employment was "likely to create an actual conflict of interest." Based on this information the waiver was granted.

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Montgomery County Maryland Office of the Inspector General

Referral: MPDU Fraud

OIG-16-083

Complaint Summary: A complainant called the OIG to report that a man who rents a Moderately Priced Dwelling Unit (MPDU) apartment and receives a rental subsidy based on his limited income is not reporting the income of all the residents in the apartment. The caller stated that a woman who is earning additional income is also living there, but her income has not been reported. The caller believed that their combined incomes should disqualify them from the subsidy.

Outcome: The OIG referred the matter to the County Department of Housing and Community Affairs (DHCA). DHCA reported that its staff checked the property's management to learn about the status of the resident's lease. During recertification, the resident signed a certified statement indicating that the woman named in the complaint is not living in the residence and the property manager was satisfied that he was telling the truth and approved the lease for another year. DHCA indicated that based on the signed statement and the property manager's recertification, County MPDU staff at DHCA consider this matter closed.

Referral: Fraud in Section 8 Housing

OIG-16-095

Complaint Summary: The OIG received a complaint alleging that a tenant in the Section 8 housing program has not reported all of her income or of the total number of people living in her unit. The complainant reported that the tenant had reported false information for the past two years, including during a very recent recertification. The complainant alleged that three additional, unreported adults live in the unit and provided names for the alleged unreported inhabitants.

Outcome: The OIG referred the matter to the Montgomery County Housing Opportunities Commission (HOC), who investigated the issues but was unable to substantiate any of the allegations.

HOC reported that during the most recent inspection of the unit, HOC found no signs that there were more people living in the unit than reflected on the lease. Additionally, during an August 2016 recertification process the resident reported an increase in income, resulting in an increase in rent. HOC reported that based on these facts, they were unable to find any evidence of an unauthorized guest or unreported income.

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Montgomery County Maryland Office of the Inspector General

Referral: County Employees and Retirees Inappropriately Dropped from Insurance Rolls

OIG-16-101

Complaint Summary: The OIG received a complaint alleging that active and retired Montgomery County employees who participate in County group insurance plans are often unexpectedly dropped from the insured rolls.

The complainant believed that the reason participants are often dropped may be the County's method of communicating with insurance carriers. The complainant explained that various health, dental, and vision insurance carriers request that the County provide them monthly updates of participants whose status changed (i.e,. marriage, divorce, death, dependents reaching age 26, etc.). However, rather than provide information for only the specific participants with a status change, the County sends each carrier a new file each month containing information for all participants. The complainant believes that this is much harder for the carriers to process than a file with the status changes only and is likely a contributing factor to the dropped participants. The complainant stated that she had brought the matter up with management over the years, but the problem persists.

Outcome: The OIG referred the matter to the Office of Internal Audit (IA) as a potential topic for review. As a result, IA staff contacted MC311, which collects information regarding Office of Human Resources customer calls. Although MC311 was able to provide information regarding the number of calls received about dropped insurance, they were unable to report original (first-time) calls and how many were repeat callers. Thus, IA could not determine the magnitude of the potential problem. As part of its research, IA spoke with a representative of the Office of Human Resources and a Program Manager in the Department of Finance, who IA staff learned was interested in addressing this matter.

IA staff were told that the following steps would be taken to address the issue raised in the OIG complaint:

1. To better track the magnitude of the issue, MC311 will add a code (or codes) to its recordkeeping to differentiate between first-time and repeat complaints regarding dropped group insurance participants.
2. By the beginning of calendar year 2017, the Office of Human Resources intended to do a major clean-up of its group insurance rolls to be sure they are correct.

IA agreed to monitor these steps until they are implemented, and to inform the OIG of the status as each one changes.

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Montgomery County Maryland Office of the Inspector General

Referral: Abuse of Housing Subsidy

OIG-17-001

Complaint Summary: The OIG received correspondence reporting multiple allegations regarding tenants of a property owned by the Montgomery County Housing Opportunities Commission (HOC). The anonymous complainant alleged that two families resided in the residence which violates HOC voucher rules. It was also alleged that one occupant failed to provide HOC with accurate information regarding his income and has been verbally and possibly physically abusive to other residents of the unit.

Outcome: The OIG referred the matter to the HOC, which investigated the issues and ultimately issued a termination letter to the HOC voucher-holder for the residence. The voucher-holder is appealing the decision and scheduled for an informal hearing with HOC and an independent third-party hearing officer during early 2017. The hearing officer will hear testimony from both sides and decide whether the resident may stay in the HOC voucher program.

Referral: Possible Elder Abuse

OIG-17-002

Complaint Summary: A complainant contacted the OIG and reported that the care her grandmother is receiving from her Department of Health and Human Services (DHHS)-provided home health aide was poor in quality. The complainant reported that the assigned aide, an employee of Home Care Partners, a DHHS contractor, is often late or absent from work. Additionally, the complainant stated that hours of service have recently changed without adequate notice or consideration, and her grandmother has recently experienced uncharacteristic bruising.

Outcome: OIG staff identified the assigned DHHS contract administrator for the Home Care Partners contract and provided the DHHS contract administrator the details of the complaint. Additionally, the complainant was provided contact information for the DHHS contract administrator and notified that they would be the appropriate person to appropriately address this type of quality of service complaint.

The complainant was also provided contact information for and encouraged to reach out to Adult Protective Services regarding the bruises found on her grandmother.

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Unpublished Activities Between July 1, 2016 and December 31, 2016

Montgomery County Maryland Office of the Inspector General

Referral: Conflict of Interest in DHHS Manager's Outside Employment

OIG-17-006

Complaint Summary: The OIG received a complaint alleging that a manager in the Department of Health and Human Services (DHHS) Outpatient Addiction Services is also employed by Suburban Hospital, a County contractor. The complainant stated that the manager has not sought the required Ethics Commission (Ethics) approval for the outside employment. The complainant also asserted that the manager is aware that he needs approval, as he disciplined a subordinate for the same conduct.

Outcome: Ethics reported that they were already aware of the allegations. The employee recently sought outside employment approval, but only after Ethics pushed him to do so. Ethics confirmed that working for contractors of your County agency is prohibited unless a waiver is granted by the Commission. The employee was in the process of seeking a waiver to continue the outside employment.

Referral: Montgomery County Firefighter Denied Workers' Compensation

OIG-17-007

Complaint Summary: The OIG received a complaint alleging that a current firefighter for the Montgomery County Fire and Rescue Service (MCFRS) was out on disability and receiving workers' compensation, yet competed in a professional football championship game in the summer of 2016. The MCFRS employee purportedly played under another person's name and wore a different jersey number to disguise participation.

OIG staff research found that the named MCFRS employee appeared on the current online roster for the team who played in the game referenced in the complaint. The name that the complainant reported that the MCFRS played under during the game appeared on the roster as well.

OIG staff located pictures of the game in a professional photographer's online album which include the player. In one of the pictures, it appeared that the name on the back of the jersey of the player has black tape over it.

The OIG found sufficient evidence that the events reported by the complainant may have occurred and referred the matter to the Montgomery County Division of Risk Management (Risk Management) for further investigation and appropriate resolution.

Outcome: Risk Management directed its claims service to employ the services of a surveillance firm to further investigate the allegation. It was confirmed that the injured worker participated in the championship game. Additional still photos and video were obtained of the game.

Risk Management told us that the serious nature of the injured worker's diagnosis would have precluded participation in the 2016 game, which occurred after the reported work-related injury was sustained. Therefore, the claim for lost wages and medical treatment was denied.

Following the claim denial, the injured worker continued to seek treatment. Therefore, a hearing was set before the Workers' Compensation Commission. The Commission found that the employee's need for medical treatment was not causally related to the accidental injury sustained on duty. The Commission further denied the employee the authorization for treatment. The Division of Risk Management estimates that denial of the claim has resulted in a cost avoidance of approximately $64,000 for the County.

Referral: Political Activity by Uniformed Police Officers

OIG-17-011

Complaint Summary: The OIG received a complaint alleging that in August 2016, two uniformed Montgomery County Police Officers were seen in a golf cart-like vehicle at the Montgomery County Fair, with a blue sign placed prominently on the front of the vehicle which read: "Marylanders for TRUMP." The complainant reported that he witnessed two other officers in a similar vehicle heading the other way, who stopped and said they liked the sign. The officers in the first vehicle offered them a similar sign, but they declined. The complainant believed that it was improper and asked whether it would be a violation of the Hatch Act[6] for Montgomery County Police Officers to promote political candidates while on duty and in uniform.

Outcome: The OIG referred the matter to the Ethics Commission (Ethics) for appropriate resolution. Ethics subsequently informed the complainant that while State and County employees are not subject to a Hatch Act equivalent, there are ethical principles and State and local statutes that prohibit a County employee's use of County time or equipment in furtherance of political activities.

Ethics stated that there was a question of whether the police officers witnessed by the complainant were working for the County at the time of the activities observed. Pursuant to the

[6] The Hatch Act is a federal law passed in 1939 which limits certain political activities of federal employees, as well as some state, D.C., and local government employees who work in connection with federally funded programs. Obtained from the U.S Office of Special Counsel Website, last accessed on January 26, 2017. https://osc.gov/Pages/HatchAct.aspx

County's collective bargaining agreement (CBA) with the police union, police are permitted to engage in uniformed security for private employers in the County. The practice of police engaging in outside employment in uniform has been justified as being in the public interest as it demonstrates a greater police presence than paid for by the taxpayer. In theory, in an emergency, these uniformed officers can invoke their police authority (as off duty police may engage, under certain circumstances, their police authority on a 24-hour basis).

Therefore, while the officers appeared to be working for the County by virtue of what they were wearing, Ethics explained that they may have been serving an outside employer and stated that the restrictions in the CBA would not clearly prohibit the activity identified by the complainant. Ethics agreed to add the concerns broached by the complainant to its list of concerns regarding Police outside employment for discussion with the County Council and County Executive.

Referral: Fraudulent Housing Subsidy

OIG-17-013

Complaint Summary: The OIG received a complaint alleging that a recipient of a Montgomery County Housing Opportunities Commission (HOC) housing subsidy was falsely reporting that she had no income in order to continue receiving her housing subsidy. The complainant stated that two families were residing at the rental property, including two employed, male truck drivers. The complainant explained that the housing subsidy recipient's employed husband is not on the lease and neither is the second family.

Outcome: The OIG referred the matter to the HOC, who investigated the issues but was unable to substantiate any of the allegations.

Referral: Abuse of Housing Subsidy and DHHS benefits

OIG-17-014

Complaint Summary: A Complainant reported that her nephew receives a Montgomery County Housing Opportunities Commission (HOC) voucher. She believed the terms of the voucher require him to be the sole resident of his apartment, but he has 4-5 people living with him. The complainant believed that her nephew also inappropriately receives food stamps from the Department of Health and Human Services (DHHS). The complainant previously spoke with a DHHS Counselor regarding the issue who told the complainant she would no longer discuss the matter and suggested the Complainant call the OIG.

Outcome: The portion of the complaint regarding the Housing Opportunity's Commission (HOC) voucher was referred to appropriate officials at HOC for appropriate investigation and resolution. We received a response from HOC indicating that the complainant's nephew was not a participant in any of their programs. The unit address provided was not a unit listed in any of their programs. The complainant was notified of the HOC findings.

OIG staff discussed the food stamp matter with the DHHS Counselor to whom the complainant previously spoke. The DHHS Counselor explained that in general terms, a person's eligibility for food stamps may not be affected by the number of residents in the home. If the applicant is separately responsible for the purchase of his own food, he may potentially qualify for benefits regardless of the income of other members of the household.

Referral: Improper Charging of Ride On bus fares

OIG-17-026

Complaint Summary: The OIG received a complaint alleging that a Ride On bus (route 61 to Shady Grove) was improperly giving out free rides to citizens on October 31, 2016 at approximately 9:00 am. The complainant stated that he rode the bus and the driver placed his hand over the swipe box and told him he would not be charged. The complainant stated he witnessed approximately 11 other riders (both cash and swipe card offerors) who were told there was no charge.

During the complainant's ride only one person was charged, an Indian gentleman who asked for directions. Complainant did not know why this person was charged for the ride or why the other riders were not. Based on this person's payment it was clear to the complainant that the swipe box was in working order.

Outcome: The OIG discussed the matter with the County Office of Internal Audit (IA), which referred the allegations to the County Department of Transportation (DOT) Division Chief for Ride On bus services for further review and inquiry.

DOT reported that there were two drivers working that route at the time reported by the complainant. Both operators were interviewed and the video was reviewed and showed all passengers either using a "SmarTrip" card or putting their fare in the fare box. There was no video on either bus showing the operators putting their hands over the fare box or giving improper free rides.

We were unable to determine the cause of the discrepancies between the results of the DOT investigation and the characterization of events communicated by the complainant. DOT stated that it reviewed the policy with the bus operators to ensure that they are following fare policy and operating the bus in revenue service.