



Office of the Inspector General

2011 Annual Report



Baltimore City Hall Rotunda



OFFICE OF THE INSPECTOR GENERAL BALTIMORE CITY

100 N. Holliday Street, Suite 640
BALTIMORE, MD 21202



Honorable Mayor, Members of the City Council, and Citizens of Baltimore:

It is my privilege and honor to provide you with this 2010/11 Annual Report for the Office of the Inspector General (hereinafter "OIG").

The OIG was created as an oversight authority that could effectively investigate at all levels of City government, while remaining autonomous, independent and insulated from political influences. I am pleased to report that Mayor Stephanie Rawlings-Blake and her leadership team have fully respected the independence of the office and provided the necessary support whenever requested.

The scope of authority and powers of inquiry vested in the OIG are, by necessity, quite broad. These include conducting objective and independent audits, reviews and investigations relating to Baltimore City Government and, in some cases, those who do business with the City, in order to:

- promote economy, efficiency and effectiveness;
- detect and deter fraud, waste and abuse; and
- promote ethical, fiscal and legal accountability

The OIG is uniquely positioned to serve as a major contributor in the effort to strengthen and maintain trust in City government and to assist the City in achieving better results with limited resources. We are committed to working toward an open, honest and accountable government and have begun publicly posting synopses of our investigations and findings. The public postings may be found on the OIG webpage at: <http://www.baltimorecity.gov/Default.aspx?tabid=111> . Additionally, those interested in our actions may follow the OIG (OIG_BALTIMORE) on Twitter; detailed instructions can be found on our website.

Lastly, I am mindful that our efforts could not be successful without the support and assistance of the overwhelming majority of City employees who do their jobs honestly and effectively every day and the ever vigilant public who bring forward their concerns and observations.

I encourage your continued support in our efforts to build a stronger, more efficient and open City government.

Very Truly Yours,

David N. McClintock

Overview

The OIG's Annual Report is intended to serve three purposes:

- 1) To set forth our mission, our focus and explain our currently defined core functions;
- 2) To summarize the Office's activities for the past year, present certain findings and recommendations; and
- 3) Outline our objectives for the coming year.

During this reporting cycle the OIG accomplished several non-case related goals or initiatives during this reporting period.

Case management systems and tracking were identified as a critical improvement area in early 2010. The OIG recently secured a new case management system from Legal Links and plans to transition to the product during the September/October period of this year. The case management system was selected in large part to enhance the OIG's ability to intake, assign and track Investigator activity more completely, while also providing a smart searchable repository for all common file formats in a secure environment. As a result, the system becomes a more powerful intelligence resource with the addition of each new document and provides a powerful organizational and management portal for Investigators and Managers alike.

Seeking to mutually increase our efforts, the OIG and the Department of Public Works (hereinafter "DPW") have entered into an agreement for DPW to fund a position for the existing budget year that will be able to focus on DPW-related operations and concerns. This endeavor is designed to provide the additional focus DPW desires and also enable the OIG to continue our broader efforts in the same manner as we otherwise would have. It is anticipated that this position will be filled in September of this year.

Working with the Mayor's Office, the Office of the Comptroller, the Department of Finance and the Department of Law, the OIG developed and implemented two innovative programs that have the potential to produce significant increases in recoveries and savings. The first is a "Self-Reporting Program" that provides an incentive for contractors and vendors to self-report suspected illicit activities in exchange for the City recommending transactional immunity and agreeing not to pursue administrative actions. The second is a "Rewards Program" that provides financial incentives to individuals who provide information that results in certain prosecutorial actions and/or significant monetary recoveries.

The OIG extended its training program beyond the New Employee Orientation and Supervisory Training Program during this period. The OIG partnered with the Department of Human Resources and the Fire Department to present a block of instruction on conducting investigations. The effort was geared towards enhancing the structure and consistency of the internal processes used during the internal

investigative process. The block was presented to over 70 managerial-level officers tasked with performing certain field-level investigations.

Reporting Period

By Executive Order, the OIG Annual Report is due by September 1 of each year. The data used in this report adheres to the reporting period of 08/20 through 08/20, which was adopted in 2010.

Legislative Authority

The Baltimore OIG was created by an Executive Order dated July 27, 2005, signed by Mayor Martin O'Malley.

Office Organization

The OIG currently has five positions and four permanent staff members: the Inspector General, two Investigative Agents, one Special Assistant and one Detective on temporary assignment from the Baltimore City Police Department. The current annual OIG budget for FY12 is \$538,615.

Office Development

In order to deliver fully on the intended services, the OIG team requires staff that has the capacity to perform the required skill sets of investigation, auditing and technical support. During both the previous and the current reporting periods the office possessed only investigative resources and was dependent upon outside resources for support in the audit and technical support areas. The OIG FY12 budget requested additions of staff to fill both the audit and the technical support areas.

Despite the severe fiscal restraints faced by the City, the OIG was provided additional funds (reflected in the FY12 budget noted above) to retain an OIG Evaluator. The new position will develop and implement a program to conduct forensic analysis and data mining of City records for indicators of fraud, waste, abuse and related financial irregularities in City government. In addition, the Evaluator(s) will support the investigative staff during investigations requiring forensic financial review.

The need for in-house technical support has become increasingly more important with the increasing saturation of electronic media throughout business and communications. Retrieval and assessment of electronic data has become an element in many investigations. We remain dependent upon the City's support services which present questions of independence and confidentiality, as well as potentially significant burdens on support staff.

We will continue to work toward responsibly growing the Office to include staffing in all three key skill sets. This is viewed as critical to ensuring effective operations that are both independent and confidential.

Intake, Review and Report Issuance Process

Matters alleging fraud, waste, abuse and corruption within or impacting the City are considered as tips or leads. Incoming tips or leads, regardless of source, are logged into an electronic database and assigned a tracking number.¹ Our goal is to review each tip or lead within seven days. During this review jurisdiction, sufficiency of information and potential impact on the City are assessed.

If the case merits further inquiry, it will be assigned for a preliminary inquiry designed to determine whether a formal investigation is warranted and this period shall not exceed 45 days. The preliminary inquiry period permits the OIG to gather the sufficient level of information needed to establish case direction. During this period efforts include, but are not limited to: securing evidence, conducting limited interviews, reviewing documents, requesting additional information, monitoring of electronic data and, on occasion, the issuance of subpoenas.

Upon completion of the preliminary inquiry one or more of the following actions may be taken:

- **Referral or Informal Resolution** – The decision to refer the case to another agency for internal processing may be used in instances where it is determined that the case does not indicate criminal activity; no significant or institutional fraud, waste or abuse; corruption; or a matter unrelated to public trust.
- **Administrative Investigation** – When the Inspector General determines that a formal investigation, agency procedural review and/or audit are warranted.
- **Criminal Investigation** - If it is determined that violations of criminal law may have occurred, the case may be worked jointly with the proper authority or referred to prosecutorial authorities upon competition.
- **Unfounded or Closure** – When it is determined that there is insufficient evidence to support the complaint. If the complainant is known, a written response and status will be provided. Any involved agency, vendor or contractor will also be advised of the case status and any relevant recommendations made. Cases in this category may be placed in monitoring status for periodic review.

Upon completion of a full investigation, the OIG Investigator will prepare a draft report of investigation which includes any recommended policy or program enhancements resulting from the investigation. The draft report is forwarded to the affected department head, if any, for review and response. During this period the

¹ Beginning in 03/2010 we initiated recording incoming tips and leads independently from preliminary inquiries/cases as part of the enhanced tracking process. Prior to this time, some were recorded as cases while others were not. The impact of this change in process is that data prior to this period may not represent valid historical markers.

relevant department head may also present additional factual information that may bear on the findings and comment on any recommendations.

Upon completion of the draft phase and any additional investigation, the OIG issues a final report of investigation to the Mayor, City Solicitor and affected department heads. This final report serves as a foundation for the public synopsis, which is issued via the internet and is available in hard copy upon request.

Case Statistics

The OIG has continued to track data in a consistent fashion over the 2009/10 and 2010/11 reporting cycles. In addition, where records were available, data from the 2008/09 reporting cycle was correlated in the same manner. As such, we are able to provide meaningful data comparisons over a three-year cycle which will remain the operating norm for future annual reports.² The use of acronyms is used throughout this report. Please refer to table T1 below for further clarification as needed.

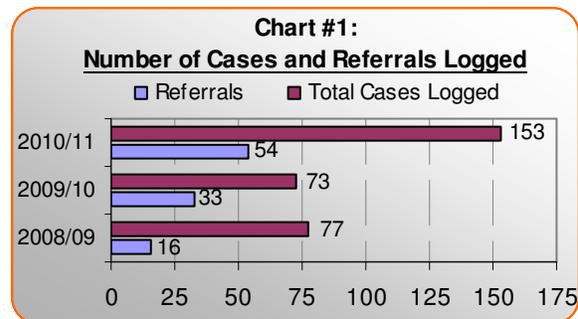
List of Common Acronyms Used

DOT: <u>Dept. of Transportation</u>	DHCD: <u>Dept. of Housing and Community Development</u>
HABC: <u>Housing Authority of Baltimore City</u>	DHR: <u>Dept. of Human Resources</u>
DPW: <u>Dept. of Public Works</u>	DRP: <u>Dept. of Recreation and Parks</u>
BCPD: <u>Baltimore City Police Dept.</u>	EEOC: <u>Equal Employment Opportunity Commission</u>
BCFD: <u>Baltimore City Fire Dept.</u>	FIN: <u>Dept. of Finance</u>
BCSO: <u>Baltimore City Sheriff's Office</u>	OIG: <u>Office of Inspector General</u>
DGS: <u>Dept. of General Services</u>	PABC: <u>Parking Authority of Baltimore City</u>

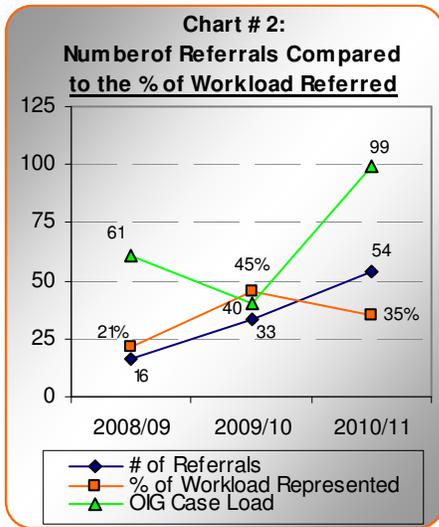
Also relevant to getting the most from the data below is recognizing the difference between a “case,” a “referral” and an “investigation.”

- **Case:** The general term for all matters logged by the OIG.
- **Referral:** A case that has been formally sent to an agency or department for handling internally.
- **Investigations:** Cases that remain with the OIG for investigative purposes and represent the majority of the OIG Agents’ and Evaluator’s time and effort.

Chart #1 reflects two significant findings. First, that the number of total cases logged during the 2010/11 approximately doubled to 153 cases from the relatively steady 73 and 77 cases reported during the previous two periods. Viewed as a percentage, the overall case load increased by 110% between the 2009/10 and 2010/11 reporting periods. It is believed that the increase in cases is relative to the increased awareness of our mission, efforts and effectiveness.



² Reporting periods run from 08/20 through 08/20 of the respective years.



Second, is the inverse relationship that developed over the last two reporting cycles between the OIG case load and the percentage of referrals.

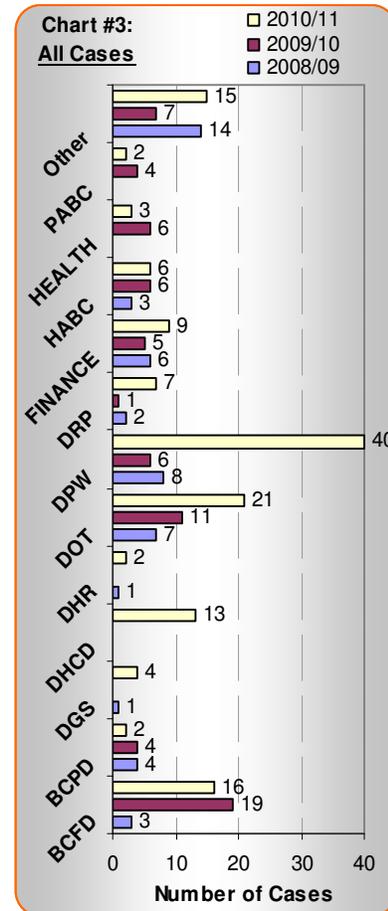
Chart #2 demonstrates that the even though the OIG referred 21 more cases during the 2010/11 reporting period than in the 2009/10 reporting period, the percentage of the overall case load represented by those referrals actually decreased from 45% to 35%. As such, the OIG's efforts to refer more cases to the departments has resulted in a significant increase from 16 to 54 referrals annually during the three-year period reviewed. However, it is equally as clear that the increase in referrals have been

outpaced by the number of overall cases coming into the system.

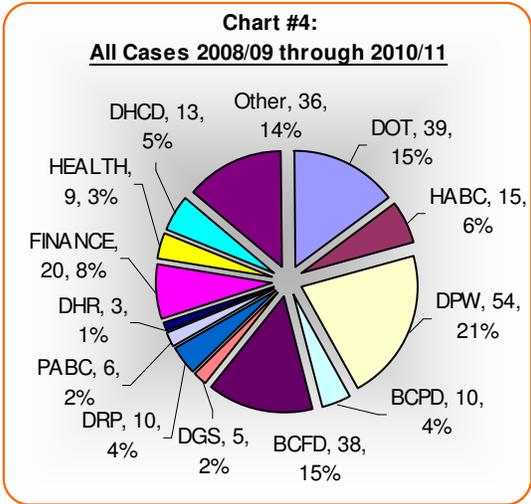
When comparing 2010/11 OIG case load of 99 against the previous two reporting periods, the data reflects a 62% increase over the 61 seen in 2008/09 and a 147% percent increase over the 40 seen during the 2009/10 period. Averaging the individual increases together for comparison purposes reflects a 105% increase in the OIG case load between the 2010/11 reporting period and the two previous reporting periods ($147\% + 62\% / 2 = 104.5\%$).

Chart #3 reflects the allocation of the cases by source department, agency or office for the three relevant reporting cycles. Most departments saw a general rise in the number of cases related to their areas of operation over the three-year period, which is generally attributed to the increase in cases reported. However, the BCPD, PABC and Health Departments saw reduced complainant levels.

Most striking are the increases seen in the complaint levels for the DPW, DOT and DHCD. It has been observed antidotally that the release of OIG reports concerning specific departments or issues often is followed by additional complaints in the same area or operation that are likely driven by increased awareness.



A new metric for this reporting cycle examines the percentage of cases by department across the full three-year reporting cycle. See Chart #4 below.



This metric helps to minimize temporary or short-term spikes in activity and seeks to provide a more reliable data set using longer periods of observation. The largest source of cases over the three-year period has been the DPW at 21% of the total. Following behind, but clustered closely together, are the DOT and the BCFD. The three entities combined account for 51% of all cases over the prior three-year period.

The utilization of referrals allows the OIG to focus limited resources on higher value investigations and those that support

broader program goals, while also ensuring that other actionable information is addressed.

Chart #5 displays the number of referrals received by each of the departments over the past three reporting cycles. The data also reflects the single-year spikes mentioned previously and most clearly demonstrated by the DPW and the BCFD. In both agencies the number of referrals has seen significant single-year increases. Beyond the aforementioned spikes, the data does not reflect any significant trends.

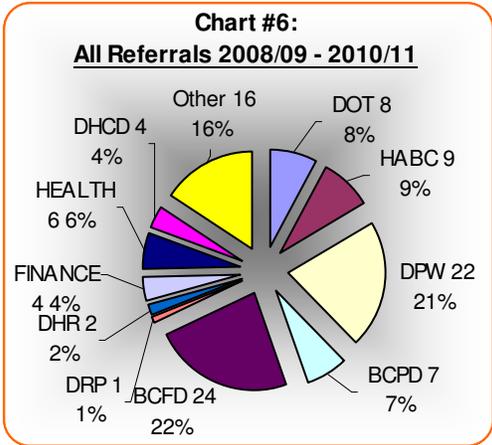
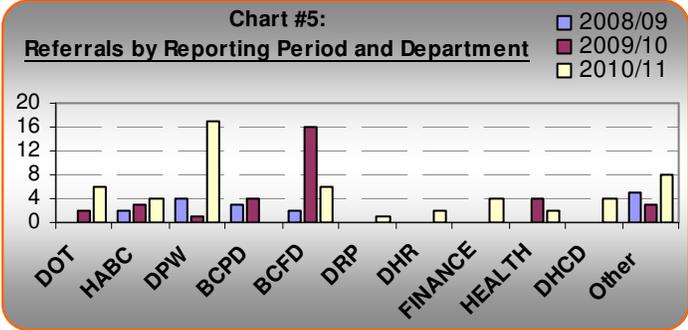


Chart #6 displays the total distribution of referrals over the previous three reporting cycles in the aggregate. As with the previous chart examining all cases, the All Referrals chart presents a more reliable view of agency referrals by averaging the data over time. The data reflects that 43% of all referrals were to the BCFD (22%) and the DPW (21%). The HABC, DOT, BCPD, and Health Department were all clustered in a second tier with between six and nine referrals each and combining for 30% overall.

The OIG does recognize that there are outside factors that influence the number of cases and referrals related to a specific agency. In the case of the DPW and the DOT, there have been concerted efforts to work with the OIG in a more proactive manner. Those efforts most certainly influence the data. As such, care should be

taken not to draw bright line conclusions regarding elevated data. By way of example the DPW partnership to fund an OIG position dedicated to that agency can be expected to increase the numbers in several areas for the DPW over the next reporting cycle.

Select Cases and Information

The following synopses reflect a snapshot of the work the OIG has completed during this reporting cycle.

IG 101399-106

The investigation involved the review of a contract for personal services obtained by the Department of Transportation (hereinafter "DOT"). The employee was later tasked with duties related to support of the Office of the City Council President. The investigation revealed that the manner and processes used to authorize a contractor's dual work assignments and compensation were not in compliance with certain provisions of the City rules and procedures governing contracts and contractors.

IG 101409-106

This case involved an investigation relating to the Department of Housing and Community Development's (hereinafter "DHCD") personnel management practices regarding employees in the Code Enforcement Section. The report found that certain staff in this section had failed to meet mandatory requirements of their classification. Further, that the Assistant Superintendent of the Housing Inspection Division of the Baltimore DHCD, was not qualified for the position he was originally appointed to or that he currently held.

IG 101371-106

This case involved an investigation into contract management practices at the Parking Authority of Baltimore City (hereinafter "PABC"), as well as certain aspects and costs of security services within managed facilities. The investigation resulted in findings that the subject contract manager was engaged in a relationship with an individual who owned a security company that was employed by a PABC Garage Operator who was also under the contract manager's oversight.

It was also determined that certain practices involving the retention and compensation of security personnel were in need of review. Current practices did not adequately ensure that security personnel were lawfully able to provide the services rendered. Further, records indicate that for FY07, PABC expended \$719,540.83 for security services, which represents a full fiscal year utilizing unarmed security services whereas PABC expended \$1,570,200.75 in FY09, representing a full fiscal year of armed security services. The FY09 increase amounted to an additional \$850,660 in security costs that represented an increase of approximately 118%. It should be noted that PABC FY10 security expenses were \$1,107,390.43, which is down from FY09 by \$462,810 or a 29% decrease, indicating the PABC had already initiated action to reduce costs in this area.

The matter has been referred to the Ethics Board for further review.

IG 101410-109

The investigation involved reviewing the circumstances regarding the former Mayor continued possession of valuable City-owned security equipment. It was determined that the property should have been returned within a reasonable period after her tenure as Mayor ended. As a result of renewed efforts by the OIG and the Baltimore City Police Department, the equipment, valued at \$12,000.00, was retrieved from former Mayor Dixon's residence.

IG 111413-110

This case involved an investigation relating to allegations that a DPW employee was engaging in payroll fraud involving unauthorized overtime and compensatory leave accrual. The investigation did find evidence indicating that the employee had identified and manipulated weaknesses in the payroll process, resulting in an identifiable loss to the City of \$54,892.53.

The matter has been referred to the Baltimore City State's Attorney's Office for consideration.

Self Reporting Program & Rewards Policy

The OIG did not record any cases pursuant to the Self Reporting Policy during this reporting period. Further, while there have been cases recorded that may be eligible for a monetary reward during this reporting period, those case have not yet progressed sufficiently for the proper evaluation to be conducted. We would like to take this opportunity to remind the reader that complainants bringing new information forward that results in a monetary recovery may be eligible for rewards up to 10% of all funds recovered with no cap. Please contact the OIG for further details.

How We Measure Success

The OIG embraces the measurement of performance through the use of metrics and Baltimore's efforts to utilize meaningful data as guideposts during the budgetary decision-making process. The City has adopted "Outcome Budgeting" as a framework to accomplish the budgetary/performance evaluation. Outcome Budgeting focuses on measurements of efficiency, effectiveness, outcomes and outputs.

As part of the FY11 process, the OIG developed measures in each of these areas and instituted internal systems to capture the data necessary to track information. These measurements have been continued through this reporting period as set forth below.

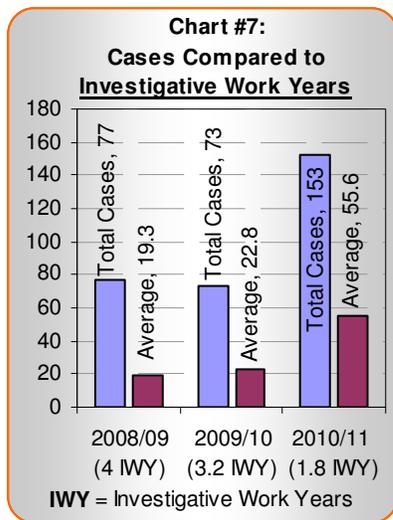
Efficiency

Some of the efficiency measures selected by the OIG are:

1. Number of Formal Investigations and Audits per Investigator.
2. Number of Vendor Background Screening (hereinafter "VBS) hours per Investigator.

Number of Cases per Investigator

This measure is designed as a broad efficiency assessment comparing the available investigative work years (hereinafter "IWY") to the total cases processed. Chart #7, on the following page, reflects the average number of cases processed per IWY across the most recent three reporting periods. For comparison purposes, it is useful to combine and average the relatively consistent data from the 2008/09 and 2009/10 cycles, which equates to a 21.05 IWY



($19.3+22.8/2=21.05$). Comparing the 21.05 IWY to the data from the current reporting period reveals a 160% increase in cases per IWY to 55.6.

The reduction in work years seen in the current cycle was the result of changes in staff and period of extended excused leave. This level of work load has and will continue to result in longer periods of initial assessment; longer average investigative and referral periods; and the referral of matters that the OIG would otherwise desire to handle internally. The retention of additional staff and the return of existing personnel should return this metric to levels more conducive to efficient processing of incoming tips and the resulting referrals, investigations and audits.

Number of Hours per VBS

The VBS program was designed to provide a timely and extensive background screening of potential contractors and vendors in an effort to ensure that only responsible parties and businesses are provided with the opportunity to provide goods and services to the City.

Since placing this program into the OIG work plan in FY10, we have developed program guidelines, secured access to associated electronic databases, and worked with the Department of Law to assess how information could be effectively used by the City to support better quality contractual relationships. This advancement of this program in earnest remains tied closely to funding and staff availability.

Effectiveness

Some of the effectiveness measures selected by the OIG are:

1. Percent of Recommendations considered as adding value to subject Department, Agency or Office;
2. Percent of Tips and Leads Assessed within Seven Business Days; and
3. Percent of Formal Investigations completed in 180 days.

Percent of Recommendations considered as adding Value to subject Department, Agency or Office.

This measure is intended to help assess the effectiveness of the OIG in adding value to City operations. At the conclusion of many reports of investigation and investigative memorandums the OIG will make program-based recommendations to the departments or agencies reviewed. The OIG does not make recommendations on personnel actions or disciplinary decisions.

The receiving entities ordinarily provide written comments concerning the report and/or their intent to accept, modify or reject any recommendations that were made. This information serves as a useful performance measure. The recommendation process is among the most significant tool the OIG possesses. For the purposes of this metric, a recommendation is considered “accepted” if the recipient department either accepts the recommendation in writing or alternatively modifies business practices or policies in a manner that significantly accomplishes the same outcome. A recommendation is considered “rejected” if the recipient department either does so in writing or does not alter business practices or polices to substantially address the area of concern.

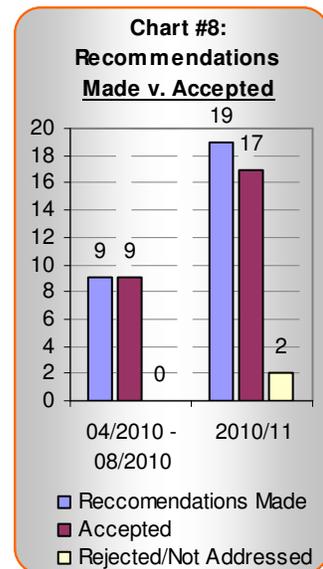


Chart #8, right, reflects that approximately 90% of the OIG’s recommendations are accepted.

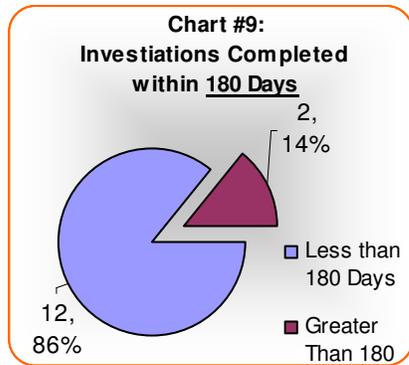
Percent of Tips and Leads Assessed Within Seven Business Days.

Perhaps one of the most common criticisms of an OIG is the perceived pace of the process. While investigations can become very involved and legitimately span many months and, on rare occasion, longer, we are cognizant of the need to focus on efficiency of process wherever possible.

One such area is that of the initial assessment. Our goal is to assess the preliminary information received within seven (7) business days. This data was not tracked prior to 03/2010. During the partial period of data available for the 2009/10 reporting cycle, the OIG was able to assess and determine the initial track of 69%

of the 49 cases logged. During the current 2010/11 reporting cycle, 83% of incoming cases were assessed and assigned a track within seven (7) business days from their receipt.

Percent of Formal Investigations Completed in 180 Days.



In contrast to the previous measure, which addressed the front end of the process, this one is designed to measure the back end. Our goal is to bring all cases to a conclusion within 180 days. This will not always be possible, but it is an achievable goal for the majority of investigations initiated.

This data was not tracked prior to this reporting cycle and as such is limited; however, the data in Chart #9 reflects that 86% of our significant

investigations were completed within 180 days.

Outcome

Some of the outcome measures selected by the OIG are:

1. OIG Savings and Recoveries;
2. Number of Referrals to Law Enforcement or Prosecutorial authorities; and
3. Number of Tips or Leads developed via all Sources.

OIG Savings and Recoveries.

The meaningful calculation of savings to the City is one of the more difficult tasks for any OIG. Often then true financial impact is not known for several years after the corrective action was taken and the legitimate cost of efficient operations are known. The following three cases represent the most significant savings able to be demonstrated during this reporting period.

Filter Contract

A filter replacement company was awarded a three-year blanket contract in February of 2007 with a bid of \$124,383.00 to perform maintenance service of filters in most City-owned and operated facilities. After concerns over the rising cost of the service surfaced, an investigation involving staff from the Department of Law, the Department of Audits and the OIG determined that the City was being invoiced for filters that did not meet the quality controls; were not allowable by the contract terms; and at rates far in excess of the contract (\$.20 throwaway filters billed at \$29.50 each), etc. The contract was terminated.

Over the 14 months following the award of the contract the filter company sought a series of increases totaling \$698,256.05 above the initial \$124,383.00 for a total of \$822,639.05. Extrapolating the 14-month trend, the final three-year contract period would have cost approximately \$2,259,000.00. Conversely the City's new vendor for filter replacement has been paid \$129,715.76 over the 14 months elapsed to

date. Extrapolating the 14-month trend for the current contractor indicates that a 36- month period of service would total approximately \$333,500.00.

Therefore, the difference between the terminated filter vendor's calculated three-year cost and the replacement vendor's calculated three-year contract is \$1,925,500 or an annual savings of \$641,833.00.

IG 091255-103

This case was noted in the 2009/10 Annual Report regarding the prosecution and the potential recovery via restitution of \$187,000.00. However, now that we have had the opportunity to consider the City's fuel usage in the same operational area post investigation, we can more reasonably determine the City's annual savings.

Looking first to volumes of diesel fuel purchased, we find that during 2008, the City purchased 318,757 gallons, as compared to an average of 39,191 gallons per year in 2009 and 2010. The average gallons purchased dropped by 279,566 in 2009 and 2010. Stated differently, the City was able to accomplish the same operational goals in 2009 and 2010 while purchasing 12.3% of the fuel annually as was purchased in 2008.

Turning now to the cost savings, we find that the cost of diesel fuel for the three years in question was \$3.20/gal in 2008, \$1.87/gal in 2009 and \$2.50/gal in 2010. Chart #10 demonstrates the actual fuel cost per year, the annual savings in 2009 and 2010 and the average annual savings of \$922,289.81:

Chart #10				
Year	Gallons Purchased	Actual Cost	Savings over 2008	Avg. Annual Savings
2008	315,174	\$1,008,556.80		
2009	37,177	\$69,520.99	\$939,035.81	
2010	41,206	\$103,015.00	\$905,541.80	\$922,289.81

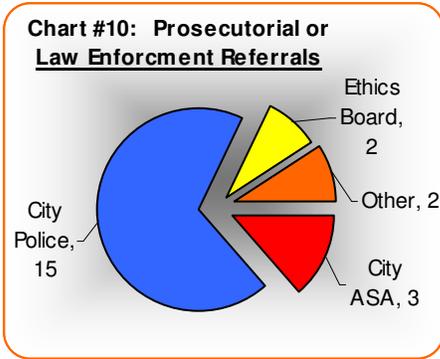
IG 11413-110

The investigation revealed a systematic overtime and compensatory time payroll scheme that resulted in a loss to the City of approximately \$1407.50 monthly over a 39-month period totaling \$54,892.53. The net effect of the investigation and the cessation of the scheme is a savings of \$16,890.00 annually.

The aforementioned cases represent a total annual savings of \$1,581,012.81. In addition, the OIG recovered \$12,483.58 in property and currency for a total of \$1,593,496.39 in savings and recoveries.

Number of Referrals to Law Enforcement, Prosecutorial or Other Authorities.

On occasion the OIG develops information that is more properly addressed through law enforcement, prosecutorial, or other authorities. In those matters, the OIG may refer cases to the appropriate entity for further action. Additionally, referrals may be made at any point in the investigative cycle.

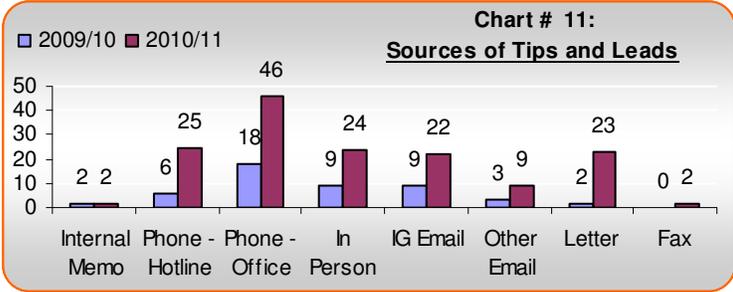


The data in Chart #10 clearly demonstrates our increased involvement with the Baltimore City Police Department. This trend is likely to continue as a significant number of tips and leads involve criminal aspects. In those circumstances the cases are evaluated on a case-by-case basis to determine the most practical investigative avenue. In many cases the decision has been that the matter involved a predominately criminal allegation and the case has been referred to the Police Department for

investigation. In those matters, the OIG may conduct an administrative review at the conclusion of the criminal matter.

Number of Tips or Leads Developed via all Sources.

The OIG understands that our ability to be effective is directly tied to our ability to generate information. We have increased efforts to develop a better understanding of our Office among City employees, vendors and the public. We have selected this measure as a reliable outcome indicator of those efforts.



The new process of logging all tips and leads provides useful data across several areas, including the source of the information. This chart indicates the dominant method of intake is the office phone with 18 tips received, followed by the Inspector General’s common email and in-person complaints with nine each.

Output

Some of the outcome measures selected by the OIG are:

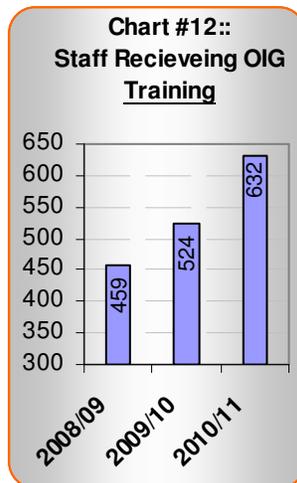
1. Number of VBS.
2. Number of Employees Briefed or Trained by OIG Staff.

Number of VBS.

In addition to efficiency performance measures based on the VBS program, we have also established an output measure to assess the program once underway. Please refer to the section above listed under the efficiency measure for additional information about the status of the VBS program.

Number of Employees Briefed or Trained by OIG Staff.

Chart #12 demonstrates the number of staff the OIG has had the opportunity to provide instruction to during this period. Typically, the OIG speaks with all new City



employees during orientation and also with those becoming supervisors during their initial training. During the most recent cycle the OIG taught a block of instruction on the organization of investigations to over 70 managerial staff from the Fire Department.

The number of staff receiving the instruction rose by 14% between the 2008/09 and the 2009/10 reporting cycles and another 21% between the 2009/10 and 2010/11 reporting cycles. Lastly, it is of some interest that the OIG is frequently contacted by attendees of our training sessions and has received actionable information as a direct result of contacts made in this venue.

Goals and Recommendations for 2011/12 Reporting Period

Over the next reporting period, the OIG will continue to increase our focus on vendor and contract compliance. With the anticipated retention of an Evaluator Manager, the OIG plans to begin the process building a forensic capability that leverages existing data within the City structure. We also will continue to work towards staffing levels that permit the initiation of the VBS process that is designed to examine vendor history prior to engagement.

We will continue to investigate any allegations of fraud, waste and abuse where it is believed that either existing policy is not being followed on a broad scale or where existing policy and procedure requires reevaluation to address modern business and personnel dynamics.

Lastly, the OIG will continue to work towards developing technical position within the office that is able to work more effectively and efficiently with the vast array of electronic data available in most every case. This area, especially the recovery of electronic data as evidence, has become increasingly complex and specialized. We look forward to working with the Mayor and City Council toward the development of an Inspector General's Office that provides an outstanding return on investment through saving and recoveries, as well as serving to reinforce the public's faith in government.

(as of 08/20/2011)

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Open, Honest, and Accountable Government

2011 Annual Report

❖ *Reporting period 08/20/2010 through 08/20/2011*

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