

**OFFICE OF THE INSPECTOR GENERAL**  
**CITY OF BALTIMORE**



**Isabel Mercedes Cumming**  
**Inspector General**

**Investigative**  
**Report Synopsis**

OIG Case # 23-0022-I

Issued: October 11, 2023



OFFICE OF THE INSPECTOR GENERAL  
Isabel Mercedes Cumming, Inspector General  
City Hall, Suite 635  
100 N. Holliday Street  
Baltimore, MD 21202



October 11, 2023

Dear Citizens of Baltimore City,

The mission of the Office of the Inspector General (OIG) is to promote accountability, efficiency, and integrity in the City of Baltimore (City) government, as well as to investigate complaints of fraud, financial waste, and abuse. On January 6, 2023, the City's Law Department (Law) alerted the Office of the Inspector General (OIG) to three Worker's Compensation (WC) checks never received by the intended recipient, a law firm (Firm). Instead, the WC checks were allegedly fraudulently deposited into an unknown individual's bank account.

### **BACKGROUND**

Law's WC Division oversees all City agencies' WC Programs and handles claims, in coordination with the City's third-party WC vendor (WC Vendor), for injured City employees utilizing WC benefits. The WC Vendor provides daily operational claims services, including claim investigation, case management, and payment of invoices for the WC program.

### **INVESTIGATION**

The OIG learned that Law's WC Vendor issued three WC checks to the Firm between December 2021 and February 2022 for \$3,237.50, \$1,483.36, and \$3,827.63. The Firm denied receiving the checks and contacted Law regarding the lack of payment. Law then filed three separate claims with the City's financial institution (City's Bank), alerting it to the fraudulent activity. The City's Bank requested an investigation to be conducted by the unknown individual's financial institution (Individual's Bank). Approximately 13 months after the first check was issued, Law reported the missing checks to the OIG while still awaiting a resolution from the banks.

The OIG's review of the banking transactions between the City's Bank and the Individual's Bank yielded the identification of a suspect in the theft of the checks. The OIG subpoenaed bank statements in the suspect's name and found records of online deposits for all three checks into the suspect's banking account. The investigation did not find evidence connecting the suspect to the City, the WC Vendor, or the Firm. Consultation with law enforcement concerning the checks found that recent increases in U.S. Mail theft could potentially be the source of the theft.<sup>1</sup>

The OIG referred this matter and the investigative information found to law enforcement for potential criminal investigation. The OIG recommended that Law report potentially fraudulent transactions to the OIG or a law enforcement agency when discovered to avoid the hindrance of any investigation.

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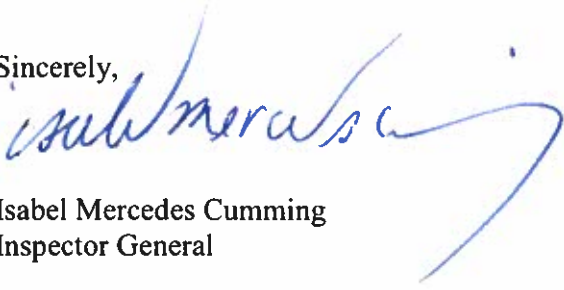
<sup>1</sup> In May 2023, the U.S. Post Office issued a press release regarding expended crime prevention measures resulting from an increased high volume of mail theft incidents from mail receptacles, including blue collection boxes, in FY22 and more than 25,000 in the first half of FY23.

**REPORT FRAUD, WASTE AND ABUSE**

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*This public synopsis is only a summary of a more comprehensive report of investigation submitted to the appropriate City management official*

Sincerely,



Isabel Mercedes Cumming  
Inspector General

CC: Hon. Brandon M. Scott, Mayor of Baltimore City  
Hon. Nick Mosby, Baltimore City Council President  
Hon. Bill Henry, Baltimore City Comptroller  
Honorable Members of the Baltimore City Council  
Hon. Ebony Thompson, Acting Baltimore City Solicitor

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