



## MARYLAND OFFICE OF THE INSPECTOR GENERAL FOR EDUCATION

### INVESTIGATIVE SUMMARY | 22-0002-I

#### **Findings Regarding the Misuse of State of Maryland Issued Corporate Purchase Cards by Maryland State Department of Education Employees for the Purchase of Holiday Party Refreshments and Other Prohibited Items.**

The Maryland Office of the Inspector General for Education (OIGE) initiated an investigation after receiving a complaint alleging that members of the Maryland State Department of Education (MSDE) had misused their government-issued corporate purchase card (CPC) to purchase holiday party favors and other prohibited items.

The OIGE investigation revealed that during the prior State Superintendent of School's administration, two members of the MSDE – Office of Business Services were instructed to use their government-issued CPC to pay for holiday party favors, food, balloons, a drink dispenser, holiday tree, an entertainer, and a piano tuning. An MSDE employee informed OIGE investigators that the former Assistant State Superintendent for the Office of Business Services (Assistant) made all the decisions regarding food, entertainment, decorations, etc. The cost of the holiday party exceeded \$10,000. (This event occurred in December 2019)

The OIGE investigation also determined that some MSDE staff were instructed to meet on a Saturday to shop for party items. In addition to the weekend shopping event, MSDE staff stated they had gone shopping on several workdays during business hours. MSDE staff said, "the Assistant chose all of the items purchased," and instructed the CPC holder to pay for everything with their CPC card.

The OIGE found that MSDE members who were CPC holders did not receive the appropriate training in using State-issued credit cards. The OIGE further found that several MSDE CPC holders were unfamiliar with the State procurement manual and policies governing the use of a State-issued corporate credit card. MSDE members stated that although they used their CPC routinely, they never received any formal training governing its use. The OIGE found that staff routinely spent thousands of dollars monthly on various purchases. Our investigation also found that the Assistant did not have a CPC issued but was responsible for approving the monthly CPC logs for each holder. This practice allowed the Assistant to avoid further review by senior management.

The OIGE also found that the MSDE – Office of Business Services failed to suspend the accounts of staff members who were no longer using their cards or had separated from state employment.

The OIGE investigation substantiated the allegation as a violation of the Comptroller of Maryland, General Accounting Division, Accounting Procedures Manual, Section 3.1.10, Types of Unacceptable Invoices. According to the Accounting Procedures Manual,

“Invoices for funeral flowers, special gifts, or other emoluments and non-related work expenses will not be paid to any vendors from the State Treasury. These are personal expenses and are chargeable to the individual incurring such expenses. When invoices for catering/food services are submitted, documentation must be included, which provides the name and purpose of the function and who attended it, by name or affiliation. Invoices will not be paid for food served during normal type meetings. Invoices will not be paid for expenses incurred at State employees’ social functions such as Christmas parties.” (pg. 38-39).

**NOTE:** The Assistant separated from employment with MSDE upon the appointment of the current State Superintendent of Schools.

The OIGE has completed its investigation.

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Unless otherwise noted, the OIGE applies the preponderance of the evidence standard in determining whether local school system personnel have committed misconduct.