TO: Ms. Laura O. Scarantino, Assistant Vice President, SPAC
University of Maryland, Baltimore

FROM: Shelly Marie Martin – *Shelly Marie Martin*
Inspector General

DATE: July 25, 2025

RE: Audit Report – University of Maryland, Baltimore

Background

Consistent with State law and regulations, the Maryland Office of the Inspector General for Health (OIGH) periodically conducts audits of health care providers to ensure that State funds have been expended in accordance with Maryland Department of Health (MDH) guidelines.

University of Maryland, Baltimore (UMB) is a public University in Baltimore, Maryland. During the audit period (July 1, 2020 to June 30, 2024), UMB received $54,750,039 from MDH in support of its mission.

Results of Review

As a result of procedures performed, in accordance with the examination, the OIGH determined that no monies are due to either party. Also, the audit did not disclose any findings or recommendations that warrant mentioning in this report.

The OIGH acknowledges the cooperation extended to us during the audit by UMB.

cc: Elizabeth Kroom, Acting Deputy Secretary, Public Health Services
Carrie Durham, PHPA, Chief of Staff, Prevention and Health Promotion Administration

Maryland Office of the Inspector General for Health

Audit Report

July 25, 2025

University of Maryland, Baltimore

July 1, 2020 through June 30, 2024

Maryland

OFFICE OF THE INSPECTOR GENERAL FOR HEALTH

Maryland Office of the Inspector General for Health

Audit Report: University of Maryland, Baltimore

The Maryland Office of the Inspector General for Health (OIGH)'s External Audit Division performed an audit of the accounts and records of the University of Maryland, Baltimore (UMB) relative to its Contracts (Schedule SC), with the Maryland Department of Health (MDH)'s Prevention and Health Promotion Administration (PHPA) for the period July 1, 2020 through June 30, 2024.

Objectives of the Examination

The OIGH conducted the audit to:

- Determine the amount of program revenue received and allowable expenditures incurred by the program for the contracts.
- Determine any amount due to the State or to the provider resulting from the operation of the programs during the audit period.
- Determine whether financial matters were conducted in accordance with the MDH's Human Services Agreements Manual (HSAM).
- Provide recommendations for improving internal control, ensuring fiscal compliance, or increasing efficiency.
- Determine the current status of any recommendations contained in our prior audit report.

Audit Scope and Methodology

To accomplish our audit objectives, our audit procedures included inquiries of appropriate personnel, inspections of documents and records and tests of transactions. Generally, transactions were selected for testing based on auditor judgment, which primarily considers risk. Unless otherwise specifically indicated, neither statistical nor non-statistical audit sampling was used to select the transactions tested. Therefore, the results of the tests cannot be used to project those results to the entire population from which the test items were selected.

Except as noted in the subsequent paragraph, this performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions, in alignment with our audit objectives. Based on the evidence obtained, we believe our findings and conclusions, as presented in this report, are well supported.

In accordance with GAGAS, a Peer Review is required to be conducted at least once every three years by an independent external firm. Peer Reviews serve as periodic evaluations of the quality and effectiveness of an organization's audit work and internal quality control systems. The Office of the Inspector General for Health (OIGH) External Audit Division has not undergone a Peer Review to date. However, the division has expressed its intention to comply with GAGAS Peer Review standards and plans to arrange for such a review in the future. Until a Peer Review is conducted, the OIGH External Audit Division remains non-compliant with the GAGAS Peer Review requirements.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Presentation of Audit Schedule
This report contains the following schedule:

- Schedule SC: Schedule of Contracts Audited

Internal Control
UMB's management is responsible for establishing and maintaining effective internal control. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records, effectiveness, and efficiency of operations, including the safeguarding of assets and compliance with applicable laws, rules, and regulations are achieved. Our study and evaluation performed of the internal control systems to achieve the objectives of the examination would not necessarily disclose all material weaknesses. Also, because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate. Accordingly, we cannot express an opinion on the system of internal control taken as a whole.

Our assessment of internal controls was based on provider procedures and controls in place at the time of our fieldwork. Our tests of transactions and other auditing procedures were generally focused on the transactions occurring during our audit period but also included transactions before or after this period as we considered necessary to achieve our audit objectives.

Our reports are intended to support MDH in fulfilling its oversight responsibilities by offering constructive recommendations to strengthen State operations. Accordingly, they focus on identifying areas requiring improvement and do not typically address activities that were reviewed and found to be functioning effectively.

Prior Audit Report
Our audit also included a review to determine, if any, the status of recommendations contained in our preceding audit report. UMB had no recommendations in their prior audit report.

Conclusion
As a result of procedures performed, in accordance with the examination objectives set forth above, the OIGH determined that no monies are due from either party.

Appeal Rights - Appeals to the Division of Cost Accounting and Reimbursement
If you wish to appeal the audit findings, you must notify Nedina Broy Stevenson, Division of Cost Accounting and Reimbursement at Nedinabroy.stevenson@marland.gov in writing by August 25, 2025.

Table of Contents

Schedule SC

UNIVERSITY OF MARYLAND, BALTIMORE
SCHEDULE OF CONTRACTS AUDITED
FISCAL YEARS 2021 THROUGH 2024
PHPA ADMINISTRATION

Contract Number	PCA	Contract Name	2021	2022	2023	2024
MA392DEN	T307G	Dental Services	$ 170,500	$ 246,305	$ 156,000	$ 160,700
CH649CRF	N562S	Cancer Research Grant	11,160,000	12,400,000	12,400,000	12,400,000
CH658CRF	N564S	Baltimore City Public Health Grant	1,212,000	1,212,000	1,212,000	1,212,000
FH046GEN	N4408, N4409, B4400	Clinical Genetics Services at Baltimore	161,707	215,609	215,609	215,609
		Total Dollars Audited by Fiscal Year	**$ 12,704,207**	**$ 14,073,914**	**$13,983,609**	**$ 13,988,309**

Total Number of Contracts Audited	**16**
Total Contract Dollars Audited	**$ 54,750,039**

Audit Team

Chau Nguyen, CPA
Acting Chief Auditor

Yvette Gorham-Dickens
Audit Supervisor

Lydia Stamper
Staff Auditor

Audit Job Number: 324