Maryland

OFFICE OF THE INSPECTOR GENERAL FOR HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Shelly Marie Martin, Inspector General

To: Teresa Heath
Deputy Director and Chief of Staff, Maryland's Office of Overdose Response

From: Shelly Marie Martin - *Shelly Marie Martin*
Inspector General

Subject: Special Review Report – FY 2024 Prince George's County Health Department - MOOR Grants

Date: July 31, 2025

Background and Objective

The Office of the Inspector General for Health (OIGH) received a referral from the Maryland Department of Health (MDH)'s Office of Internal Controls, Audit Compliance & Information Security regarding concerns raised by the Office of Overdose Response about the use of Maryland's Office of Opioid Overdose Response (MOOR) grants by Prince George's County Health Department (PGCHD) during Fiscal Year 2024.

The concerns primarily relate to whether grant expenditures were aligned with their approved purpose and whether a grant-funded employee is performing their duties effectively. Specifically, it was reported that funding was requested for the renovation of a county office, ostensibly to serve clients and the public. However, discussions with employees of the grant recipient revealed that the renovated office is not currently being used for public services, and no employees are stationed there. This raises questions about whether the grant funds were utilized in accordance with their approved purpose.

In addition, concerns were expressed about the efficiency and accountability of a grant-funded employee, as there were reported challenges in reaching the individual and uncertainty regarding their active engagement in assigned responsibilities.

In response to these concerns, the OIGH initiated a special review to assess PGCHD's use of MOOR grant funds and to evaluate the performance and efficiency of the grant-funded employee. The review focused on compliance with grant agreements, the appropriateness of expenditures, and employee accountability for FY2024. The objective of this review is to assess whether

PGCHD utilized MOOR grant funds in Fiscal Year 2024 in accordance with the approved grant agreements and intended purposes. Specifically, the review will determine:

1. Whether the MOOR grant funds allocated for the renovation of the county office were used appropriately and in compliance with grant requirements.
2. Whether the renovated office is serving its intended purpose of providing services to clients and the public.
3. The efficiency and accountability of the grant-funded employee, including whether the individual is actively performing assigned duties and meeting grant expectations.

Results of Review

The OIGH identified significant deficiencies in the PGCHD administration of the MOOR Block and Competitive Grants. These deficiencies resulted in questioned costs, inaccurate reporting, and unachieved performance objectives. Specifically, $49,110 in renovation expenses were misclassified and disproportionately charged to the MOOR grant, lacking proportional benefit or consistent public service utilization. Additionally, personnel costs were inaccurately allocated, with staff performing duties for multiple programs while exclusively charged to the MOOR grant.

PGCHD also failed to report salary and other expenditure to the MDH. Further, the department lacked proper inventory tracking for Narcan supplies and reported inconsistent programmatic performance data. Widespread account misclassifications compromised financial reporting reliability. Ultimately, PGCHD did not meet the majority of strategic and collaborative performance targets outlined in both MOOR grants, thereby limiting the overall effectiveness of the funded initiatives. Details regarding these findings and the OIGH's recommendations are included in the attached report.

cc: Khalil Cutair, Grants Program Director, Maryland's Office of Overdose Response
Frederick D. Doggett, Director, MDH, Office of Internal Controls, Audit Compliance & Information Security
Deneen Toney, CFE, Deputy Director Audit Compliance, MDH, Office of Internal Controls, Audit Compliance & Information Security

Office of the Inspector General for Health

Special Review

July 31, 2025

Confidential

Prince George's County Health Department – MOOR Grants

For the Period of July 1, 2023 through June 30, 2024 FY24

Maryland

OFFICE OF THE INSPECTOR GENERAL FOR HEALTH

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Background

The Office of the Inspector General for Health (OIGH) received a referral from the Maryland Department of Health's Office of Internal Controls, Audit Compliance & Information Security regarding concerns raised by the Office of Overdose Response about the use of Maryland's Office of Overdose Response (MOOR) grants by Prince George's County Health Department (PGCHD) during Fiscal Year (FY) 2024.

The concerns primarily relate to whether grant expenditures were aligned with their approved purpose and whether a grant-funded employee is performing their duties effectively. Specifically, it was reported that PGCHD requested funding for the renovation of the county office, citing its intended use for client and public services. However, subsequent discussions with PGCHD personnel indicated that the renovated office may not be actively used for public service delivery, raising questions about the appropriateness of the expenditures.

In addition, concerns were expressed about the efficiency and accountability of a grant-funded employee, as there were reported challenges in reaching the individual and uncertainty regarding their active engagement in assigned responsibilities.

In response to these concerns, the OIGH initiated a special review to assess PGCHD's use of MOOR grant funds and to evaluate the performance and efficiency of the grant-funded employee. The review focused on compliance with grant agreements, the appropriateness of expenditures, and employee accountability for FY 2024.

Objectives

The objective of this review is to assess whether PGCHD utilized MOOR grant funds in Fiscal Year 2024 in accordance with the approved grant agreements and intended purposes. Specifically, the review will determine:

1. Whether the MOOR grant funds allocated for the renovation of the county office were used appropriately and in compliance with grant requirements.
2. Whether the renovated office is serving its intended purpose of providing services to clients and the public.
3. The efficiency and accountability of the grant-funded employee, including whether the individual is actively performing assigned duties and meeting grant expectations.

Scope and Methodology

To accomplish our review, we conducted a preliminary investigation and performed review procedures that included an assessment of internal controls and procedures, interviews with relevant personnel, inspection of supporting documents and records, and testing of selected transactions.

Transactions were selected for testing based on auditor judgment, with consideration given to factors such as risk, timing, transaction amount, and significance to the area under review. Unless specifically noted otherwise, statistical or non-statistical sampling methods were not employed. As a result, the findings from our tests should not be extrapolated to the entire population from which the transactions were drawn.

This special review was conducted in accordance with generally accepted government auditing standards. These standards require that reviews be planned and performed to obtain sufficient and appropriate evidence to provide a reasonable basis for the findings and conclusions. We believe the evidence obtained during our review provides a reasonable basis for our findings and conclusions based on the objectives outlined in this engagement.

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.

Criteria (Government Laws, Regulations, and Policies)

The OIGH conducted its review and developed findings and recommendations based on the following established criteria:

- The Maryland Department of Health's Local Health Department Funding System Manual, which outlines the fiscal framework, program responsibilities, and reporting obligations for local health departments.
- Maryland Department of Health (MDH) policies and regulations, including guidance related to grant compliance, procurement, fiscal accountability, and reporting.
- The Conditions of Award for the FY2024 Maryland's Office of Overdose Response (MOOR) Grant, which defines allowable expenditures, required deliverables, and terms of use for the allocated grant funds.
- The Generally Accepted Government Auditing Standards (GAGAS), issued by the U.S. Government Accountability Office, which establish principles of independence, professional judgment, and evidence-based audit conclusions.
- The Maryland Code of Regulations (COMAR), Title 10 – Department of Health, which governs administrative, financial, and operational practices within Maryland's public health system.
- State of Maryland Financial Management Information System (FMIS) policies and procedures, which set forth standardized requirements for financial documentation, coding, and approval workflows.

These criteria served as the foundation for assessing whether PGCHD managed MOOR grant funds in a manner that complies with state and federal requirements, aligns with the intended purposes of the grant, and ensures accountability in the use of public funds.

Findings and Recommendations

Finding 1 – Inaccurate Renovation Costs Allocation and Underutilization of Renovated Space
PGCHD's expenditures for facility renovations were inappropriately allocated to the MOOR Grant without adequate justification or proportional benefit to the program.

Analysis

The OIGH's review on the MOOR Grants revealed that PGCHD incurred and charged the full cost of the $49,110 for the renovation of a county office space s at 9201 Basil Ct. Suite# 318, Largo, MD 20774 to the MOOR Grant. This expenditure, which facilitated the renovation of one storage area and four cubicles, was improperly classified as "Consultant Services" in financial records. The utilization of these renovated facilities and the associated cost allocation have the following concerns:

- **Misclassification of Renovation Costs**: The expenditure on construction and renovations was incorrectly classified as "Consultant Services" within the financial records. This represents a fundamental misclassification of renovation costs as a service expense.

- **Shared Use of Grant-Funded Storage**: The renovated storage area, funded entirely by the MOOR grant, was observed to store supplies pertinent to both the MOOR grant and other grants, specifically the Cigarette Restitution Fund (CRF) grant. This indicates that the utility of this renovated space extends beyond exclusively serving the direct needs or objectives of the MOOR Grant.

- **Underutilization of Renovated Cubicles by MOOR-Funded Staff**: Of the four newly created cubicles, only one was regularly occupied by a staff member (the Narcan Trainer) whose position is directly funded by the MOOR grant. The remaining three cubicles were either utilized intermittently by employees whose positions are not funded by the MOOR grant or remained vacant during the review period.

- **Inconsistent Alignment with Stated Public Service Purpose**: The funding administration's concern was that these grant-funded renovations were purportedly intended to enhance services for clients and the public. However, observations during the site visit and information gathered from security personnel and office employees suggest a primary administrative function rather than direct, consistent public client service within the renovated footprint. The office door prominently displays signage for "Prevention and Youth Initiatives – Health Department – Prince George's County," with a contact number associated with the "Prevention, Recovery & Tobacco Program," confirming that office suite #318 serves multiple programs. Moreover,

security personnel indicated that client or public visits are rare, with the building primarily utilized by PG County employees. While smaller client training sessions (1 to 5 clients) reportedly occur in areas adjacent to the renovated space, which reported were newly arranged prior to the site visit, the review noted that training within the office infrequently occurs. Consequently, the actual utilization of the renovated office space does not consistently align with the primary function of direct, consistent public client service as might be inferred from the grant's stated purpose for these facility improvements. PGCHD had informed the MOOR grant administration that the public would receive services in the renovated area, alongside administrative functions. However, the review's observations suggest the primary use is administrative, with limited direct public access to the renovated space.

In conclusion, the MOOR grant funds allocated for office renovation were not utilized in full compliance with grant requirements, specifically regarding cost classification and the intended purpose of enhancing direct public services. The observed shared use of facilities and underutilization by MOOR-funded staff further indicate potential inefficiencies and an inappropriate allocation of renovation costs solely to the MOOR Grant.

Recommendation 1
The OIGH recommends that the MOOR Funding Administration direct PGCHD:

a. Ensure accurate classification of renovations.
b. Allocate renovation costs proportionally across all benefiting grants.
c. Ensure future renovations align directly with stated grant-specific public service goals.

Suggested cost disallowances of $49,110 renovation cost due to non-programmatic use.

Finding 2 – Inaccurate Personnel Cost Allocation
PGCHD's expenditures for personnel cost were inappropriately allocated to the MOOR Grant without proportional benefit to the program.

Analysis
The OIGH's review on the MOOR Grants disclosed that the Program Supervisor was reported as budgeted 100% under the MOOR grant in FY24. However, during the interview, it was disclosed that he concurrently performed duties for both the MOOR and Cigarette Restitution Fund (CRF) grants. Charging 100% of his personnel costs to the MOOR grant without proper allocation for CRF-related activities raises concerns of potential noncompliance with cost principles and inaccurate personnel expenditure reporting.

Recommendation 2
The OIGH recommends that the MOOR Funding Administration direct PGCHD:
Ensure accurate reporting of personnel costs based on actual effort dedicated to each grant.

Finding 3 – Inaccurate Expenditure Reporting and Reconciliation
PGCHD failed to report a substantial portion of grant-related expenditure to the MDH, resulting in incomplete and unreliable financial reporting.

Analysis
The OIGH review determined that the PGCHD failed to accurately and completely report grant-related expenditures to the MDH for Fiscal Year 2024. This deficiency indicates a significant lack of reconciliation between PGCHD's internal financial records and its external reporting obligations to the granting agency. Specifically:

- **MOOR Block Grant Unreported Expenses**: For the MOOR Block Grant, PGCHD did not report expenditure comprising both salary and printing expenses to MDH.

- **MOOR Competitive Grant Unreported Expenses**: Similarly, for the MOOR Competitive Grant, PGCHD failed to report expenditure which included salary and advertising expenses to MDH.

These omissions collectively result in an incomplete and inaccurate representation of grant fund utilization, thereby hindering MDH's ability to effectively monitor and evaluate the financial performance of these critical programs. The absence of a robust reconciliation process between internal financial data and external reports poses a control weakness, impacting the reliability and transparency of grant expenditure reporting.

Recommendation 3
The OIGH recommends that the MOOR Funding Administration direct PGCHD:
a. Ensure complete and accurate reporting of all salary and advertising expenses to MDH.
b. Establish a dedicated review mechanism for expenditure reports before submission.

Finding 4 – Improper Account Classification
PGCHD failed to accurately classify expenditures, distorting financial reporting and undermining reliability.

Analysis
The OIGH review identified a pervasive issue of improper account classification within the PGCHD financial reporting for the MOOR grants. This consistent misclassification distorts the true nature of expenditure and undermines the reliability of financial reporting. Specifically, the following instances of incorrect account classification were observed:

- **Goods Misclassified as Client Services**: Purchases of tangible goods, including notebooks with sticky notes and pens, as well as polo shirts imprinted with the Prince George's County Health Department name for employees, were incorrectly classified and reported under the "Other

Client Services" line item. These items are inherently promotional or office supplies, not direct client services.

- **Non-Medical Items Classified as Medical Supplies**: Expenditures for items such as travel sacks, cosmetics, or toiletry bags were inappropriately classified and reported as "Medical Supplies." While management indicated these items were subsequently used for packaging Narcan and flyers to create distribution packages after training, these goods are not medical supplies themselves. Furthermore, the reported cost of distributing 470 Naloxone kits appeared underrepresented in this account, suggesting that the Narcan medication, which was received at no cost from MDH, was not adequately reconciled or accounted for in relation to the reported expenditures in this category.

- **Renovation Misclassified as Consulting Services**: Significant expenses totaling $49,110 for construction and renovations were incorrectly classified and reported as "Consultant Services."

This pattern of improper account classification compromises the accuracy and transparency of PGCHD's financial statements and grant expenditure reports, making it challenging to ascertain the true allocation of grant funds and assess compliance with grant-specific expenditure guidelines.

Recommendation 4
The OIGH recommends that the MOOR Funding Administration direct PGCHD:
a. Provide mandatory training on proper account coding for all relevant staff.
b. Implement a regular review process for expenditure classifications.
c. Ensure accurate classification of goods, medical supplies, and renovations.

Finding 5 – Deficiencies in Performance Measurement and Reporting
PGCHD's reporting lacked crucial performance data, hindering accurate program evaluation and accountability.

Analysis
The OIGH review identified significant deficiencies in the PGCHD performance measurement and reporting practices for the MOOR grants, which collectively impede the accurate assessment of programmatic achievements and resource utilization. Specifically:

- **Unreported Advertising Performance:** Despite incurring a substantial advertising expenditure of $46,842, PGCHD did not report any corresponding advertising activities or outcomes in the performance measures submitted to the MDH for Fiscal Year 2024. This omission indicates insufficient performance tracking and a weak alignment between financial outlays for advertising and the reported programmatic achievements.

- **Lack of Comprehensive Inventory Controls for Narcan Supplies:** PGCHD did not maintain a comprehensive and documented inventory tracking system for Narcan supplies received from MDH, nor for their subsequent distribution. It is understood that the Maryland Department of Health Office of Harm Reduction provides naloxone at no cost to Local Health Departments (LHDs) for free community distribution to individuals at risk of overdose through their authorized Overdose Response Programs. The absence of a formalized inventory system represents a control weakness that limits the ability to verify the completeness and accuracy of reported Narcan distribution totals for this critical, free-of-cost supply that serves a wide array of prevention and harm reduction initiatives.

- **Discrepancy in Narcan Kit Distribution and Training Metrics:** A notable quantitative discrepancy was observed between the reported distribution of 470 Naloxone kits in FY24 and the number of individuals reported as having received training (123 residents in specific cities and 41 "trainer trainers"). While management provided an explanation attributing this disparity, in part, to community organizations' reluctance to assume the responsibilities associated with becoming an Opioid Response Program (ORP) due to associated responsibilities, this explanation lacked sufficient quantitative detail to fully reconcile the reported numbers. This situation highlights a weakness in internal controls over Narcan distribution and performance attribution, as a clear and verifiable linkage between kits distributed and documented training recipients was not demonstrably established.

These deficiencies collectively compromise the reliability of PGCHD's performance data, hindering the ability of both PGCHD and MDH to accurately evaluate program effectiveness, measure progress against grant objectives, and ensure accountability for grant-funded activities.

Recommendation 5
The OIGH recommends that the MOOR Funding Administration direct PGCHD:
a. Implement a comprehensive system to track advertising activities and outcomes.
b. Establish a documented inventory system for all Narcan supplies.
c. Reconcile Narcan kit distribution with documented training recipients.
d. Ensure consistent reporting of all programmatic achievements to MDH.

Finding 6 – Overall Performance Evaluation against Grant Targets
PGCHD failed to achieve a majority of the performance targets outlined in both the MOOR Block and Competitive Grants.

Analysis
The OIGH review determined that the PGCHD overall performance against established grant targets for the MOOR Block and Competitive Grants demonstrated inconsistency, with significant shortfalls in critical strategic and collaborative measures despite some successes in direct service delivery. This

condition indicates a lack of comprehensive achievement of programmatic objectives as outlined in the grant agreements. Specifically:

- **MOOR Block Grant Performance:**
  - Out of 15 measurable performance indicators, PGCHD met or exceeded targets for 6 (40%) measures, while 9 (60%) measures were not met.
  - **Areas of Exceedance:** Performance targets were notably exceeded in Naloxone kit distribution (188%), community outreach activities (167%), "train the trainer" sessions (167%), and community event participation (133%).
  - **Areas of Non-Achievement:** Critical deliverables related to public awareness, inter-agency collaboration, and education strategy planning were largely unmet. This included the complete absence of bus shelter advertisements (0% of target), no convened team meetings (0% of target), and the completion of only one out of four required prevention campaigns (25% of target). Additionally, targets for individuals trained as naloxone trainers (68%), programs or agencies represented among those trained (50%), agencies registered with the MDH Overdose Response Program (10%), and residents trained in cities of focus (82%) were significantly below expected levels.
  - **Overall Assessment (Block Grant):** The overall performance for the MOOR Block Grant is deemed inadequate, characterized by a failure to meet critical deliverables pertaining to strategic planning, outreach visibility, and stakeholder engagement.

- **MOOR Competitive Grant Performance:**
  - Out of 10 measurable performance indicators, PGCHD met or exceeded targets for 7 (70%) measures, while 3 (30%) measures were not met.
  - **Areas of Exceedance:** Strong results were observed in marketing prevention and education campaigns (150%), "train the trainer" sessions (200%), total individuals trained as naloxone trainers (135%), community event participation (233%), and residents trained in cities of focus (158%).
  - **Areas of Non-Achievement:** Critical strategic and collaborative measures were not met. Only one of six required convened team meetings was conducted (17% of targeted). Furthermore, the number of programs or agencies represented among those trained (50%) and agencies registered with the MDH Overdose Response Program (20%) fell significantly short of their respective targets.
  - **Overall Assessment (Competitive Grant):** While strong results were achieved in the direct service areas, the overall performance for the MOOR Competitive Grant is deemed partially adequate, indicating gaps in coordination and sustainability.

This inconsistent performance against grant targets, particularly the significant shortfalls in strategic planning, inter-agency collaboration, and comprehensive outreach visibility, indicates that the programs

did not fully achieve the intended objectives as outlined in the grant agreements. This limits the overall effectiveness and impact of the grant-funded initiatives.

Recommendation 6
The OIGH recommends that the MOOR Funding Administration direct PGCHD:
a. Implement strategic planning to ensure comprehensive achievement of all grant objectives.
b. Enhance efforts to meet unmet targets in strategic and collaborative areas.
c. Establish clear accountability for achieving all grant performance indicators.

Conclusion

The Office of the Inspector General for Health (OIGH) review of the Prince George's County Health Department's (PGCHD) MOOR Grants for Fiscal Year 2024 revealed significant and pervasive deficiencies across financial management, expenditure reporting, personnel cost allocation, and performance measurement against grant targets. Key findings included the misclassification of substantial renovation costs and other expenditures, a lack of accurate and complete expenditure reporting to MDH, and inadequate inventory controls for critical supplies such as Narcan. Furthermore, the review identified concerns regarding the appropriate allocation of personnel costs and the underutilization of grant-funded renovated office space that did not consistently align with its stated public service purpose. Cumulatively, these issues resulted in unreliable financial and performance data, hindering effective program evaluation and accountability, and indicating that the MOOR grant initiatives did not consistently achieve their intended objectives.

Review Team

Chau Nguyen
Acting Chief Auditor

Isis Powell
Audit Supervisor

Demissie Gebremedhin
Internal Auditor II

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