

City Leadership Response*

Case # 25-0037-I

*The OIG received City Leadership's response to the report on February 20, 2026. While the OIG strives to publish responses in full, the response contained multiple exhibits that included personnel file information. Due to recent Maryland Public Information Act concerns from City Leadership, the OIG did not include those exhibits when publishing City Leadership's response.



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

February 20, 2026

Isabel M. Cumming, Inspector General
Office of the Inspector General
100 North Holliday Street
Baltimore, MD 21202

RE: OIG Case # 25-0037-I – Utilization of Procurement Cards (P-Card)

Dear Inspector General Cumming,

This correspondence will serve as the official response of the Mayor’s Office to the Office of the Inspector General (“OIG”) Report of Investigation #25-0037-I (the “report”), dated February 6, 2026. The report discusses the OIG’s findings and recommendations regarding the City of Baltimore (“City”) Mayoral Office’s utilization of procurement cards (P-Card), compliance with the City’s Procurement Card Program, and other financial expenditures.

Introduction

The Mayor’s Office takes its obligation to safeguard taxpayer funds seriously. Fiscal integrity is not merely an administrative requirement; it is essential to maintaining and strengthening public trust. For that reason, we are continuously working to improve our fiscal operations, and we have taken corrective actions, including holding staff accountable when appropriate.

Several of the operational improvements referenced in your report were already underway prior to its issuance. We welcome the opportunity to document that progress and outline any additional steps necessary to further strengthen oversight. At the same time, the report includes characterizations and implications regarding the Mayor’s Office’s use of taxpayer funds that lack important context, overstate materiality, or reflect areas of reasonable disagreement. In the sections that follow, we address both the formal recommendations and those broader assertions directly.

The substantive recommendations outlined in the report, as the Mayor’s Office discerns them, are:

City Hall – Room 250, 100 Holliday Street, Baltimore, MD 21202

1. *That the Bureau of Procurement (BOP) provide additional oversight and compliance resources over the use of P-cards;*
2. *That the City update its Expenditure Authorization policies to reflect Workday;*
3. *That the BOP engage in conversations with City financial institutions about additional ways to restrict P-card spending and develop a notification protocol for declined charges;*
4. *That the City require line-item descriptions in Workday that detail the reasons for purchases during the reconciliation process;*
5. *That the City update AM-303-1 Expenditure Authorization to reflect current invoice practices in Workday.*

Response to Substantive Recommendations

In order to address the report's specific recommendations, it is necessary to more thoroughly outline the existing protocols and the steps that the City has already undertaken before the release of this report.

The Bureau of Procurement's (BOP)'s audit process for procurement cards has been long-established and predates the current P-card program administrators. P-card training has always been required prior to issuing a card to any cardholder. In addition, card users must sign a Training and Wage Authorization form before the card is released. In FY26, two in-person training sessions were conducted and made available virtually to P-card holders and Agency Fiscal Officers to ensure broad access. As part of this training, BOP implemented P-Card qualification exams for City staff to strengthen compliance and reinforce accountability standards. Each of the cardholders identified in the report received their training before the exam protocol was implemented; however, moving forward every Mayor's Office cardholder will be required to complete the exam.

As noted in the report, BOP currently has (1) dedicated employee compliance staff member. However, it is important to note that there are three (3) staff members that assist on an as-needed basis, which significantly expands the office's bandwidth. Additionally, BOP is partnering with the Department of Human Resources (DHR) to reclassify an existing position to establish a second dedicated P-card audit and reconciliation role to permanently expand capacity.

In order to ensure compliance, BOP conducts approximately 10 to 20 random audits per month. These are conducted by auditors who access Workday and use the "Find Procurement Card Transaction Verifications" report to select transactions at random for the review period. Each transaction is reviewed to ensure: the purchase is related to official City business, the receipt matches the transaction description and dollar amount listed in the report, and that required waivers are attached, if applicable. If required documentation is missing or discrepancies are identified, the random audit is escalated to a full audit, which includes a review of statements and prior transactions.

If a full audit is warranted after reviewing multiple months of statements, BOP will issue an audit memorandum to the cardholder requesting supporting documentation and a written explanation of any questionable charges. The Agency Coordinator and Fiscal Officer are copied on the initial request. The audit memo identifies each questionable charge, including the transaction date and dollar amount. The cardholder is given 7–10 business days to respond with: detailed receipts, waiver requests if applicable, relevant email correspondence, a detailed explanation of the transaction, including its purpose and who the item(s) were for, and any additional information requested based on the nature of the transaction. Upon receipt of the requested documentation, BOP will determine whether the transaction qualifies as a legitimate City purchase. If so, the audit will be closed.

If documentation is not received by the deadline, or additional concerns remain, a second memorandum will be issued to the cardholder, Agency Coordinator, Fiscal Officer, and Agency Director. At that time, additional disciplinary and corrective actions may be taken, including suspension of card privileges.

If the cardholder satisfies all BOP requirements, BOP will determine whether the cardholder must complete refresher training prior to reinstatement of card privileges. If concerns remain unresolved, or no response is received from the cardholder or agency leadership, the audit file will be referred to the OIG, and the procurement card will remain suspended.

On the recommendations that BOP provide additional oversight and compliance resources over the use of P-cards and that BOP engage in conversations with City financial institutions, we believe the protocol outlined above addresses these recommendations in full.

On the recommendations that the City update its Expenditure Authorization policies to reflect Workday, require line-item descriptions in Workday, and update AM-303-1 Expenditure Authorization to reflect current invoice practices in Workday: the City will take these recommendations under advisement for the next round of planned periodic updates of these policies and systems. At this time, it is our assessment that, due to the limited severity of the examples raised in the report and the corrective actions that have already been taken, immediate action to update these policies and systems outside of their normal cycle is not warranted.

Additional Responses Regarding P-Card Usage in the Mayor's Office

Although the report did not make any formal recommendations about the Mayor's Office P-Card usage, it contains implicit criticisms that seem intended to raise broader concerns about the use of taxpayer funds or imply impropriety. Due to the nature of these insinuations, it is important to address them directly.

First, it is important to note that the \$167,455.06 in P-Card transactions that lacked submitted waivers but would have required them as identified in this report equates to an estimated 0.19% of the Mayor's Office budget over the time period reviewed.

Despite representing such a notably small portion of the Mayor's Office budget, we concur that every dollar matters in responsible stewardship of city resources. For that reason, we have taken additional steps to improve the Mayor's Office's internal processes. While the report notes the absence of completed waivers, the lack of waiver completion was not originally brought to our staff's attention. Upon being made aware, the administrative staff attempted to address the waiver concerns with the P-Card Program Coordinator but was informed that given the expenditures had already occurred, a waiver could not be issued. We have also begun engaging senior members of the Department of Finance and BOP to outline additional ways that concerns regarding missing waivers can be relayed in more timely fashion and will make efforts to prevent similar concerns in the future.

Once we were made aware of concerns regarding Cardholder 1's reconciliations, we took immediate action. As of December 5, 2025, Cardholder 1 is no longer an employee of the Mayor's Office (See Exhibit 1). Separately, as of February 1, 2025, Cardholder 3 is no longer an employee of the Mayor's Office (See Exhibit 2).

Prior to the release of this report, we created a new position within the Mayor's Office focused on internal fiscal oversight. On January 14, 2026, we posted a Fiscal Supervisor position intended "to support the Director of Administrative Services and Chief of Staff in managing the Mayor's Executive Office Budget. This role will provide leadership, training, and guidance on fiscal and budget matters to the Mayor's Executive Office and advise leadership on relevant matters in support of the administration's goals." This role is currently posted, and we have completed first-round interviews (see Exhibit 3).

Moving forward, we have voluntarily taken steps to implement professional development and refresher training on P-card use, waiver requirements, and fiscal operations for all relevant staff. This training will be required not only for cardholders and staff responsible for placing orders, but also for non-cardholding staff that may direct or request orders to ensure decision-makers fully understand the fiscal rules and constraints placed on the administrative staff that are responsible for them.

Additional Responses Regarding Use of Taxpayer Funds

Throughout this report, specific purchases and expenditures are selectively highlighted. This serves to spotlight those uses of taxpayer money without applying proper context for the decisions behind those expenditures or how they fit in the broader workflow of the Mayor's Executive Office. For that reason, it is necessary to provide additional information to properly

contextualize these decisions and, where applicable, to identify additional steps taken to address any remaining concerns.

Food Purchasing

Throughout the report, the Mayor's Office is critiqued for food purchases, with many of the examples raised being framed to seem extravagant or unnecessary. As addressed earlier in this report, the Mayor's Office concedes the missing waivers and is in the process of addressing them.

However, as a broader note, it is important to state that these purchases of food are not extravagant perks for the Mayor's staff or unnecessary uses of taxpayer dollars. They are legitimate expenses that support efficient and necessary operations of city government.

Employees are frequently required to work long hours, including late nights, early mornings, or during typical lunch hours. While employees are always encouraged to take their available breaks, ensuring that they have adequate access to food and sustenance helps support their work on behalf of residents for a relatively minimal expense. This is particularly true in moments when Mayor's Office staff are engaged in meetings or events that may be organized around competing schedules of other entities, like members of the City Council or external organizations and residents, where early morning, late evenings, or lunchtime hours are the most easily accommodated for all involved. Additionally, the Mayor's Office regularly takes on the responsibility for providing food for both its own employees and employees of other City agencies, particularly during major activations or extended operations like those seen in the Emergency Operations Center (EOC).

Public servants should not lose access to basic dignity and necessary logistical support when they opt to work long, and sometimes inconvenient, hours in service of their neighbors. While we are taking steps to address waiver protocol, the Mayor's Office will continue to contend that these are necessary and justifiable expenses to fulfill our responsibility in supporting our staff.

Flower Purchasing

Our office purchases flowers for a variety of occasions, most importantly and frequently in the event of a death that impacts the office. These arrangements are not recreational expenses, they are a modest expression of respect, remembrance, and compassion extended to the families of colleagues who have served this organization.

When a member of our team passes away, such as Deputy Mayor Anthony Barksdale, or one of our team members are impacted by the loss of a loved one, we believe it is both appropriate and dignified to acknowledge their contribution and support their loved ones during a time of grief. The cost associated with these gestures is minimal in comparison to the broader discretionary

budget of the Mayor's Executive Office. But the message it sends about how we value our employees and their loved ones is immeasurable, especially for the families of employees like Gregory Turnipseed whose life tragically ended while serving the city he loved.

These events often occur unexpectedly and do not fit neatly into rigid procurement timetables. To frame these purchases as frivolous spending or as an example of disregard for established policies overlooks a necessary human element of public service. We remain committed to fiscal responsibility and adherence to established protocols, even ones outlined in internal administrative policy not law. However, we also remain committed to honoring the people who make the work possible.

Internal Staff Celebrations

Similarly, the Mayor's Office contends that the examples utilized in the report regarding employee celebrations selectively highlight activity in a way that is misleading. In the report, the examples presented seem limited to senior executives in the Mayor's Office and does not note that similar celebrations are also held for staff at all levels, making it appear as though these expenditures are disproportionately applied only to senior executives.

While the report frames these expenditures as frivolous, unnecessary, and out of compliance with protocol, it also notes that BOP inconsistently applied the policy. This inevitably led to confusion among administrative staff, which moving forward, will be addressed by the comprehensive retraining that the Mayor's Office is voluntarily undertaking.

Additionally, the Mayor's Office has taken steps to professionalize and standardize office culture in ways that will improve the consistency of these events in the future. On November 24, 2026, a volunteer-based Mayor's Office Culture Committee was formed to establish standardized ways to honor and acknowledge employees, including on work anniversaries, birthdays, notable achievements or service, and other milestones.

Separately, we have instituted a refreshed schedule of all-staff meetings, which now occur monthly. These meetings provide a forum for improved internal communication among staff, including opportunities to conduct professional development, reinforce expectations, and clarify policies and procedures when necessary.

Concerns with Alcohol Purchases, Gratuity (Tips), & Sales Tax

The Mayor's Office concedes that in three (3) instances identified over the three-and-a-half-year period examined, P-cards were mistakenly utilized to purchase alcohol in violation of the policy. Of these, two (2) were either refunded or attempted to be refunded prior to the report. The findings in this report alerted us to the outstanding reconciliations, and corrective action was taken immediately. The charges have since been fully reimbursed and properly reallocated to

personal cards (see Exhibit 4). While this should not have occurred, it is important to note that each of these instances occurred on occasions where acceptable charges were also being conducted, which allowed for the possibility of mistaken charges that do not reflect ill-intent from the cardholders. This is similarly the case for the gratuities and sales tax charges that are identified in the same section. As has been frequently reported publicly, the Mayor personally abstains from alcohol and obviously does not condone the use of city funds to purchase it, even if the charges were inadvertent.

These charges have since been addressed and oversight gaps, including the Workday reporting discrepancies noted in your report, have been identified to prevent this from happening again.

Amazon Transactions

The section of the report addressing Amazon transactions indicates that a cardholder in the Mayor's Office could both order and approve their own purchases. This characterization is no longer accurate. Of the two remaining cardholders in the Mayor's Office, one is authorized to place orders, and the other is authorized to approve purchases. We do not have a cardholder who performs both functions (see Exhibit 5).

Additionally, as noted in the report, the administrative staff's understanding was the transactions in question fell within the scope of purchases allowed by agency approval. The only other issue raised is an absence of waivers. The Mayor's Office will be requesting that BCIT and BOP further review the specific transactions, and in the extremely unlikely event that there is a substantive concern identified, the remaining cardholders will work with BCIT and BOP to address those concerns moving forward.

Conclusion

In conclusion, it is important to reiterate that despite the length and selectively chosen detail of the report, the official recommendations amount to stronger oversight by BOP and updates to existing policies to better reflect the reality of our office's workflows. As noted in the first section of this response, we directly address those recommendations.

More importantly, excepting isolated and unintentional errors, all transactions and expenditures raised in this report were made to further legitimate governmental purposes. While we have conceded that some required waivers were not submitted, we have proactively taken steps to implement retraining for both cardholders and other Mayor's Office staff who may request expenditures in their official duties in order to further strengthen our internal operating procedures.

Additionally, we must reiterate for the public record that the report addresses an exceedingly small universe of transactions which occurred over a period of more than three and a half years,

and it is our belief that many of the examples were selectively highlighted to insinuate impropriety where none exists. For that reason, and our shared understanding of the importance of adhering to required public information responsibilities under state law, I request you redact the names of Cardholders 1, 2, 3, and 4 in your final report for the public. As is clearly shown through your interviews and our responses here, the current and former members of the Mayor's Office mentioned in your report have acted in good faith to fulfill the duties of the office. Where appropriate, internal corrective or disciplinary actions have already been taken. Therefore, it would be unnecessary to subject them to the danger that their actions could be inappropriately conflated as intentional impropriety, when that is clearly not the case.

Thank you for complying with this request and thank you again for your report. It is clear that we share a commitment to the appropriate use and safeguarding of taxpayer funds, and we look forward to continuing to work with your office to improve operations on behalf of the residents of Baltimore.

Sincerely,

A handwritten signature in blue ink, appearing to read "John D. Merrill".

John David Merrill
Chief of Staff
City of Baltimore

Exhibit 3:

Fiscal Supervisor, Operations Officer II (NCS) - Mayor's Office

Apply

- City Hall
- Full time
- Posted 30+ Days Ago
- End Date: February 28, 2026 (9 days left to apply)
- R0015852

THIS IS A NON-CIVIL SERVICE POSITION

Salary Range:
\$76,299.00 - \$122,078.00 Annually

Hiring Salary Range:
\$76,299.00 - \$99,188.00 Annually

Get to Know Us

Welcome to the City of Baltimore! Experience the reward of a fulfilling career and enjoy the added element of excitement in a vibrant, diverse atmosphere. The City of Baltimore offers limitless opportunities to help drive social impact, both on the job and in the community, while serving its citizens. Join us in making Baltimore a great place to live and work. In the City of Baltimore, we hire great people and provide them with the skills and opportunities to grow toward their career aspirations. If you are looking for a career change or are interested in learning more, explore our opportunities and benefits programs. We are excited to have you as a part of the City of Baltimore Team! The city offers medical, prescription drug, dental, vision, optional life, AD&D, and FSA plans. This office also supplies wellness programs, support groups, and workshops. You can learn about our benefits here: <https://humanresources.baltimorecity.gov/hr-divisions/benefits>

Job Summary

The Fiscal Supervisor is responsible for supporting the Director of Administrative Services (DAS) and Chief of Staff (COS) in managing the Mayor's Executive Office Budget. This role will provide leadership, training, and guidance on fiscal and budget matters to the Mayor's Executive Office and advise leadership on relevant matters in support of the administration's goals. The Fiscal Supervisor will manage complex projects that require inter-office coordination and serve as an advisor to the DAS and COS on fiscal operations. In addition to providing fiscal and budget management and oversight, the Fiscal Supervisor will serve as a key liaison between cabinet members, deputy mayors, office directors, and the Chief of Staff. The role requires strong leadership and problem-solving skills to serve effectively in a fast paced, complex government environment.

Essential Functions

- Directs the development, implementation and operation of accounting, procurement, disbursement, invoicing, and payroll systems across Mayoral offices.
- Monitors and exercises control over the expenditures of grant and contract funds; advises on financial forms, procedures and operations.
- Exercises control over funds allotted to the Mayor's Executive Office and audits expenditures for compliance with relevant policies.

Essential Functions

- Directs the development, implementation and operation of accounting, procurement, disbursement, invoicing, and payroll systems across Mayoral offices.
- Monitors and exercises control over the expenditures of grant and contract funds; advises on financial forms, procedures and operations.
- Exercises control over funds allotted to the Mayor's Executive Office and audits expenditures for compliance with relevant policies.
- Oversees the monitoring and approving of budget expenditures; prepares expenditure status reports for use in program administration, planning, budgeting and evaluation.
- Designs fiscal forms and reporting procedures to provide improved methods of obtaining/dispensing funds.
- Supervises the work of a staff engaged in fiscal activities; assigns and reviews work; evaluates work performance; disciplines employees as necessary.
- Serves as the Mayor's Executive Office liaison with Bureau of the Budget and Management Research and Department of Finance.
- Compiles data for and assembles budgets; monitors and approves budget expenditures.
- Prepares cash flow projections.
- Prepares regular budget and expenditure reports for leadership.
- Interprets financial policies and process. Performs other duties as assigned.

Minimum Qualifications

Education: A bachelor's degree from an accredited college or university.

AND

Experience: Three years of experience in performing budgetary, fiscal or accounting work at a professional level.

OR

Equivalency Notes: Have an equivalent combination of education and experience.

Knowledge, Skills, and Abilities

- Knowledge of fiscal and budgetary principles and practices.
- Knowledge of the principles and practices of administration.
- Skill in the utilization of standard business software programs such as spreadsheets, word processing, database, presentation and graphics programs.
- Ability to develop budgetary and administrative procedures.
- Ability to establish fiscal procedures and forms.
- Ability to advise and represent superiors on budget matters.
- Ability to establish and maintain effective working relationships with associates, officials and others.
- Ability to make presentations before groups and respond to questions and defend information efficiently and effectively.
- Ability to speak and write effectively.

Exhibit 4(b):

▼ CARD DETAILS	
Issuer/Type	[REDACTED]
Name on Card	[REDACTED]
Account Number	[REDACTED]
Postal Code	[REDACTED]

▼ TRANSACTION SUMMARY	
Transaction Amount	-173.50 USD

Exhibit 4(c):

2/9/26, 3:09 PM Transaction Details - FreedomPay, Inc.

▼ TRANSACTION DETAILS

Request ID [REDACTED] Local Sale Date 2/9/2026 3:03:17 PM
 Offline No Trans Type Returns
 Sub Type [REDACTED] Enterprise User [REDACTED]
 Clerk ID [REDACTED]
 Comment Refund for Liquor

Related Transactions

	Request ID	Approved Amount	Adjustment Amount	Currency Code	Response Code	Trans Type	Sub Type	Date (UTC)
VIEW	[REDACTED]	1,920.24	-	USD	100	Authorizations	Auth	08/28/2025 12:39 PM
VIEW	[REDACTED]	1,958.04	37.80	USD	100	Authorizations	Incremental Auth	08/28/2025 3:02 PM
VIEW	[REDACTED]	2,138.64	180.60	USD	100	Authorizations	Incremental Auth	08/28/2025 5:37 PM
VIEW	[REDACTED]	2,319.24	180.60	USD	100	Authorizations	Incremental Auth	08/28/2025 6:48 PM
VIEW	[REDACTED]	853.71	-	USD	100	Capture / Settle Authorization	Capture	08/28/2025 8:04 PM
VIEW	[REDACTED]	-117.02	-	USD	100	Returns		02/09/2026 8:03 PM

▼ INVOICE

Invoice Date [REDACTED] AVS Code [REDACTED]
 Response Co [REDACTED] Batch Open Date 02/09/2026 8:03 PM
 Batch Close Date 02/10/2026 8:00 AM
 Invoice Number 104060
 Approval Code [REDACTED] Register Number [REDACTED]
 Approved Amount 117.02 USD Purchase Order No [REDACTED]
 Result APPROVAL

► MERCHANT DETAILS

▼ CARD DETAILS

▼ TRANSACTION SUMMARY

Transaction Amount -117.02 USD Available Transaction Details ⓘ
Sub Total 711.43 USD
Tax 0.00 USD

Exhibit 5:



Approval required

[REDACTED]

[REDACTED] submitted an order requisition on February 10, 2026 for Office of the Mayor (Baltimore City). Order details are below.

Approve or reject this order

Order Summary

Order Number	[REDACTED]
Placed by	[REDACTED] on February 10, 2026
Deliver to	[REDACTED] MAYOR S OFFICE BALTIMORE CITY HALL 100 HOLLIDAY ST STE 250 BALTIMORE, MD 21202-3459, US
Items in Order	19
Total	\$158.47