

PAYROLL PROBLEMS

Probe of sex offender heats up as City Council reacts

By Stephen Janis and Alan Z. Forman, *Investigative Voice*, January 26, 2010

As the investigation into how a convicted sex offender stayed on the Baltimore City payroll during an eight-month prison stint entered its second week, investigators have now turned their attention to employees in the Department of Public Works' payroll department.

Investigative Voice has learned that an internal DPW probe is now focused on payroll employees, to discover how Dennis J. McLaughlin was able to get fraudulent leave slips past payroll officials that kept him on the city payroll while in prison.

This week, as part of an ongoing probe, DPW investigators will interview every employee from the department's payroll division.

Among the questions investigators will be trying to answer is how medical leave slips made their way through a labyrinth of bureaucratic safeguards that should have flagged McLaughlin's leave as fraudulent, and why payroll officials did not raise red flags about extended medical leave that exceeded eight months.

For example, if McLaughlin used sick time, as DPW officials now believe, leave slips would have to have been signed and submitted by McLaughlin. The only exception is when an employee is physically incapacitated, but in that case, sources said, a DPW supervisor generally visits the employee to confirm that the illness is serious enough to justify extended leave.

The fake leave slips then would have to have been approved by McLaughlin's immediate supervisor, and eventually, approved by senior supervisors in the department's Waste Water Division, where McLaughlin worked.

How McLaughlin was able to bypass these safeguards and more, including a 60-day fit-for-duty physical required for all employees on sick leave for more than two months, points to a complex set of deceptions that would require several accomplices to work.

Last week *Investigative Voice* revealed that McLaughlin remained on the city payroll while serving time between July 2007 and May 2008 for sexually assaulting a minor. The revelations came shortly after McLaughlin was arrested on charges of impersonating a police officer and sexually assaulting a woman.

On Friday officials for the union that represents DPW workers revealed that they were probing allegations that McLaughlin borrowed two months of leave from the so-called "sick bank," leave that is contributed by union members and granted to fellow employees with long-term illnesses.

Still, DPW officials said they could not comment on the ongoing probe.

“There are legal issues which you know could be compromised by making statements to the press,” said DPW spokesman Kurt Kocher.

Meanwhile, City Council members expressed outrage Monday evening over McLaughlin’s prolonged stay on the city payroll as they debated two significant proposals to change the composition of two key city boards.

"Absolutely outrageous! It's unconscionable," said City Councilwoman Belinda Conaway (D-7th). "Employees have been furloughed... and the DPW is giving away a year's worth of salary."

“Someone has to held accountable.”

The facts of the case would indicate he should be gone -- long gone,” remarked City Councilwoman Mary Pat Clarke (D-14).

"It's disturbing, and concerns me,” said City Councilman William H. "Bill" Cole 4th (D-11th). “We need to make certain this doesn't happen in the future... not put citizens in harm's way."

During the meeting, two key pieces of legislation were introduced aimed at major reform of the city's Ethics Board as well as the Board of Estimates, the body that approves all contracts awarded in excess of \$5,000.

“I hope this will be the first piece of major legislation you will be able to sign as our new mayor,” City Councilman Jim Kraft (D-1st) said to incoming mayor

Stephanie Rawlings-Blake, referring to her Monday proposal to overhaul the Ethics Board. Promising to strengthen public trust in city government, Rawlings-Blake has proposed changes to the five-member Ethics Board that would reduce the mayor's influence by allowing the city comptroller and City Council president to appoint two of its members instead of the mayor appointing all members, as is the current practice.

In existence since 1963, the board has comprised the mayor and city solicitor — a mayoral appointee — or a designee, in addition to three other mayoral appointees.

Under Rawlings-Blake's plan the comptroller and the City Council president would each appoint one member, with the mayor, or City Hall staff, appointing the other three — in effect, still allowing the mayor to control the ethics panel.

The proposed changes, which also would stagger the five-year terms of board members — with one member's term expiring each year — are included in a bill scheduled to be introduced at the council's next regular meeting Monday evening.

Conaway's proposal would eliminate two mayoral appointees from the Board of Estimates through a charter amendment, effectively wresting the board from mayoral control.

But the proposal, which was supported by four of her colleagues, was criticized by several council members.

"I support the Board of Estimates as is," Clarke said. "We could chase down three equally powerful individuals [mayor, comptroller, city council president] and may never learn what's happening."

"We should not be forcing incoming mayors [regarding] how to govern," said City Councilman Bob Curran (D-3rd).

"I am not one to usurp the powers of the mayor."