

Report on Md. police tuition aid cites poor oversight, abuse

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Montgomery County awarded more than \$600,000 in no-bid payments to nine companies that had ties to county police officers and were part of a controversial tuition-assistance program, Montgomery's inspector general said in a report released Monday.

The government provided little oversight for the program and in many cases appeared to have responded to invoices from the companies simply by cutting checks of as much as \$59,800, according to the report. The lack of controls enabled 216 county employees -- police officers, sheriff's deputies and corrections officers -- to take county-funded training classes and, at the end of the courses, purchase deeply discounted guns that one official has called the "candy" to get them to enroll in the first place.

Inspector General Thomas J. Dagley concluded that the close ties among the companies, employees and students enrolled in the classes have "and will continue to expose county taxpayer dollars to waste and abuse until more comprehensive guidelines and monitoring are put in place."

Montgomery County Council members criticized the way in which government administrators ran the program. "The executive branch just kind of puts these programs on autopilot and hopes everything will work out because the intentions are good," said Council member Michael Knapp (D-Upcounty).

"There is nobody over there minding the store," said Council member Valerie Ervin (D-Silver Spring).

Problems in the tuition program were discovered in July by Sheriff Raymond M. Kight. Two deputies reported that they had attended a two-day firearms training class whose best feature was the deal they could get on a handgun -- \$99 for a Glock valued at several times that, Kight said.

Kight reported his findings to the county agency that runs the program, the Office of Human Resources. The county launched an investigation. So did Dagley, who had clashed with the agency over the county's troubled police officer disability program.

Dagley drew three conclusions in his report:

-- Lack of management oversight and inadequate internal controls enabled county law enforcement officers to purchase pistols and rifles for personal use, apparently subsidized with county funds.

-- Management did not monitor whether law enforcement officers took training classes while being paid for duty.

-- County government departments and its Ethics Commission have not taken action sufficient to ensure that employees and training companies are in compliance with ethics, personnel and procurement regulations.

In response to the report, the county said Dagley violated county law by releasing a copy of the report to council members before the administration had submitted its response. "Not only does your early release of the report indicate a common lack of courtesy," wrote Chief Administrative Officer Timothy Firestine, "it is inconsistent with the law under which you operate."

Firestine took exception to some conclusions in the report, which the county received two weeks ago, and said the administration has strengthened its internal controls and management oversight of the program. The administration has acknowledged that the discounted guns might have been subsidized by taxpayer-funded tuition-assistance money. But that was because a key training company in question -- Applied Sciences for Public Safety -- "defrauded" the county into allowing it to happen, officials said.

"There should have been greater management oversight," County Executive Isiah Leggett (D) said. But, "when it first came to our attention, we acted on it immediately. . . . We've taken it as far as our legal options would allow the county to take it. We've sought to get the money back."

Last week, county attorneys sued Applied Sciences for fraud, seeking \$400,800 in compensatory damages and \$500,000 in punitive damages. Last year, the county's police department launched a probe into whether police officers took training classes while being paid. Leggett's office last week vowed to dock police officers' leave time if it is determined that they took the classes while on the clock.

An attorney for Applied Sciences declined to discuss the lawsuit. The company's former attorney, Walter Booth, said last year that the training courses were valuable, involved advanced public safety techniques, and that there was "nothing inappropriate about the way the guns were sold" to class participants.

As for whether the training companies should have been subject to formal procurement rules, the administration said that the Tuition Assistance Program is a "fringe benefit" for employees. The program "is far removed from the county's procurement system, which governs the acquisition of service, goods and construction, by the county," Firestine wrote.

Kight, the sheriff, called Dagley's report thorough but said he was concerned that the county administration wasn't taking it seriously enough. "That was a lot of money to just be giving out and not know where it was going," Kight said. "They better do something about it. The administration, they're treating it like it's just an oversight."

Although Applied Sciences received more than \$404,000, Dagley reported that the company "was never required to comply with procurement's informal or formal solicitation procedures for goods or services of \$5,000 or more," according to the report. Of the nine companies identified in the report, seven received payments of more than \$5,000. The tuition payments for many police officers were governed by special rules written into the collective bargaining agreement between the police union and the county. For other county employees, the funds for tuition were available on a "first-come, first-served basis" until money in the budget was depleted, according to the report. For fiscal 2009, the county budgeted \$775,350 but spent more than \$1 million, the report said.

The county sometimes was charged different amounts for the same course, according to the report. For an "executive protection training" class, a firm charged the county \$452 for each of two employees, \$535 for one employee, and \$650 each for 11 others, the report said. Firestine responded that the three employees with the lower charges had less money left in their yearly allotment than the other 11 employees, who hadn't used tuition funds so far that year.

The contract with the police union also allowed police employees to apply directly with the county's Office of Human Resources to be part of the program. That meant that applications were approved by human resources staff members who "did not always have sufficient subject matter knowledge or expertise" to assess the courses, according to the report.

Police union officials blame the county administration for the program's troubles.

"You're management. You're in charge. Don't approve it," said Walt Bader, who helps represent the union.