



OFFICE OF THE INSPECTOR GENERAL

Montgomery County, Maryland



MEMORANDUM OF INVESTIGATION

TO: Richard S. Madaleno
Chief Administrative Officer

FROM: Megan Davey Limarzi, Esq.
Inspector General

DATE: September 29, 2025

SUBJECT: Public Synopsis - Fraudulent Rental Assistance Payments Obtained by a DHHS CRRP Applicant

The Montgomery County Office of the Inspector General (OIG) recently concluded an investigation into suspected fraudulent payments of COVID-19 Rental Relief Program (CRRP) funds to a Department of Health and Human Services (DHHS) applicant. This investigation was predicated on an inquiry to the County's Department of Finance from a person claiming to have received an Internal Revenue Service notification stating they failed to include "Rents and Royalties" received from Montgomery County in tax year 2022. The complainant claimed to have never received any payments from the County and did not live or own property in the County.

Background

Beginning in May 2020, CRRP, administered by the DHHS Services to End and Prevent Homelessness (SEPH), Housing Stabilization Services (HSS), provided short-term rental subsidies to low and moderate-income households in response to the pandemic. The multi-phase program was financed with a combination of funds from the Montgomery County General Fund Reserves, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the U.S. Department of Treasury's (Treasury) Emergency Rental Assistance Program. While most CRRP applicants were individual renters, payments were typically sent directly to the identified landlord.

Investigative Findings

Through our investigation, we found evidence that an applicant defrauded the County of \$39,250 in CRRP funds. To obtain these benefits, the applicant submitted a fraudulent application and associated documentation which contained numerous false statements. For example, the supporting documentation indicated they lived in Montgomery County, a program requirement, when in fact they resided in another county. The applicant also stated they owed past-due rent to the individual listed as their landlord (the complainant) for the Montgomery County property where they claimed to reside. That individual, who had a family relationship with the applicant, stated they never served as the applicant's landlord and had no association with the Montgomery

County property listed on the CRRP application. In furtherance of the fraud scheme, the applicant submitted numerous fictitious documents all indicating that they lived at the Montgomery County address. We determined that the rental assistance funds were deposited into a bank account bearing the name of the applicant as opposed to the purported landlord. Additionally, while the applicant attested to receiving no income from any source, we found that they received a monthly payment from the Veterans Administration for a purported service-connected disability.

I am providing this memorandum for your awareness and have referred this matter to the Montgomery County State's Attorney's Office for potential prosecution.

Please contact me with any questions, or a member of your staff can contact Deputy Frank da Rosa, Francisco.darosa@montgomerycountymd.gov, with any questions.

cc: Fariba Kassiri, Deputy Chief Administrative Officer
Dr. James Bridgers, Director, DHHS

Attachment: County's Chief Administrative Officer's Response

The OIG Provided the County's Chief Administrative Officer with a confidential version of this report on September 29, 2025, and received the following response from the County Deputy Chief Administrative Officer on October 1, 2025.



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

Richard S. Madaleno
Chief Administrative Officer

MEMORANDUM

October 1, 2025

TO: Megan Davey Limarzi, Inspector General

FROM: Fariba Kassiri, Deputy Chief Administrative Officer *FK*

SUBJECT: Draft Confidential Memorandum of Investigation – KC Russell

We appreciate the opportunity to respond to the findings of the Office of Inspector General's investigation concerning allegations regarding a client of the Department of Health and Human Services (DHHS) who received COVID-19 Rental Relief Program (CRRP) funds fraudulently. We are pleased the investigation identified no wrongdoings by County employees. I have discussed these matters with DHHS leadership. DHHS is taking appropriate steps to seek recovery of the overpayment. This investigation stresses the importance of heightened awareness of opportunities for fraud across County programs.

Thank you for bringing this matter to my attention.

cc: Dr. Jame Bridgers, Director, Department of Health and Human Services
Michele El-Gamil, Internal Audit Manager, Office of the County Executive

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