



Department of Legislative Services
Office of Legislative Audits

Department of Human Services (DHS)
Social Services Administration (SSA)

Report Dated September 12, 2025

Presentation to Joint Audit and Evaluation Committee

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October 29, 2025



Report Overview

- SSA supervises, directs, and monitors social services programs, including foster care, adoption, guardianship, and child protective services conducted by the State's 24 local departments of social services (LDSSs).
- This report covers the period from May 1, 2020 to May 31, 2024. The report contains 14 findings including 6 findings that are repeated from one or more prior audits dating back to October 2008.
- Based on the nature, significance, and duration of the findings, we determined that SSA's accountability and compliance level was unsatisfactory for the third consecutive audit.



Key Findings

- SSA did not have a comprehensive and effective quality assurance program to ensure that
 - individuals convicted of disqualifying criminal offenses, including sex offenders, did not interact with children under the State's care;
 - LDSSs provided foster care children with required medical and dental exams and placed foster care children in authorized settings; and
 - LDSSs conducted child abuse and neglect investigations timely.
- SSA did not maximize its federal fund recovery, resulting in potential lost federal funding totaling at least \$25.6 million.



LDSS Oversight (Finding 1) (Repeat)

SSA had not implemented comprehensive quality assurance processes and effective oversight of the LDSSs' administration of foster care, adoption, guardianship, and child protective services.

- The LDSSs are responsible for providing and overseeing critical services and functions as dictated by State law and regulations with policy direction from SSA. For example, the LDSSs are responsible for placing children with appropriate providers, ensuring that children receive required services (such as medical and dental care), and investigating allegations of child abuse and neglect.
- Although SSA had certain procedures to monitor the LDSSs, these procedures were not sufficient.



Criminal Background Checks (Finding 2)

SSA did not have comprehensive procedures to ensure individuals with criminal backgrounds did not interact with children in its care.

- SSA did not ensure that adults convicted of disqualifying crimes were not residing at homes approved for the guardianship program.
- Criminal background checks were not obtained for vendors that provided one-on-one services to foster care children placed in hotels. We identified one vendor employee who was convicted of murder in 1990. SSA could not readily determine whether this individual had unsupervised access to children.
- SSA did not ensure that criminal background checks were performed for individuals working or residing at locations housing foster care children. SSA did not identify that an individual with a prior conviction for sexual assault of a minor was employed by a group foster care home. In June 2023, this individual transported three foster care children for inappropriate activity for which a Washington County LDSS investigation concluded that there was evidence of abuse.



Criminal Background Checks (Finding 3)

SSA did not have a process to periodically reconcile the Maryland Sex Offender Registry (SOR) to its records of SSA providers and vendors to identify sex offenders with potential access to children.

- OLA's Data Analytics Unit matched the SOR against approximately 240,000 unique records of 1) individuals working for SSA vendors; 2) foster care parents; and 3) guardianship home addresses.
 - Our matches identified 7 registered sex offenders with the same address as an approved guardianship home. According to SSA records, 10 children were placed in these homes as of August 2024.
 - SSA's response to the report indicated that continuing to monitor children after they are placed in guardianship would exceed its defined legal authority and responsibilities.
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Child, Juvenile, and Adult Management System (CJAMS) (Finding 4)

SSA did not ensure that CJAMS data used to monitor the LDSS was accurate and supported.

- CJAMS is the statewide child welfare, foster care, and adoption case management tool. CJAMS is also used to process transactions such as payments made on behalf of children under SSA's supervision.

- Although SSA performed semi-annual verifications of CJAMS data, it did not ensure that instances of missing or inaccurate documentation were corrected.
 - SSA's December 2023 review found no support that initial health exams were performed for 59 of 453 children. Our test of 10 of these children disclosed that CJAMS had not been corrected for 8 children as of September 2024.
 - CJAMS reflected that virtually all 1,400 school-aged children attended school during fiscal year 2024; however, our test of 40 children found no evidence of attendance recorded in CJAMS for 15 children.



Foster Care, Adoption, and Guardianship (Finding 5) (Repeat)

SSA did not ensure the LDSSs provided foster care children the required medical and dental exams.

- State regulations require a comprehensive health assessment within 60 days of entering foster care, and subsequently, at a minimum, an annual medical exam and a dental exam every 6 months.
- As of May 2024, numerous children had not received required exams:

Foster Care Requirement		Total Children	Children Out of Compliance	
			Number	Percent
Medical Exam	Every Year	2,546	640	25%
Dental Exam	Every 6 Months	3,100	1,635	53%



Foster Care, Adoption, and Guardianship (Finding 6)

SSA did not ensure the LDSSs placed foster care children in settings authorized by State law.

- Our review identified 280 foster care children who were placed in hotels between fiscal years 2023 and 2024 instead of an authorized setting. SSA could not document its efforts to identify appropriate placements for these children.
- SSA expenditures for the 280 children totaled approximately \$10.4 million, consisting of \$942,000 for the hotel costs and \$9.5 million for their services.
- Children in hotels were supervised by one-on-one vendors. Since these vendors are not licensed providers, there is a lack of assurance that children in their care received satisfactory services and SSA did not obtain criminal background checks for these vendors' employees.



Foster Care, Adoption, and Guardianship (Finding 7)

SSA did not ensure the LDSSs established and maintained required trust accounts for foster children.

- State law requires a portion of federal benefits (such as Supplemental Security Income) received on behalf of children 14 and older to be conserved in a trust account and transferred to the child when they exit the State's care. As of June 2024, the LDSSs had established trust accounts for 915 children with balances totaling \$1.9 million.
- Our test of 10 children disclosed the LDSS had not established a trust account for 1 child resulting in approximately \$20,000 not being conserved for the child. In addition, two children's accounts were underfunded by \$13,500.
- Deficiencies with trust accounts are also routinely noted by the DHS Office of Inspector General audits of the LDSSs.



Foster Care, Adoption, and Guardianship (Finding 8) (Repeat)

SSA did not have comprehensive procedures to investigate and recover overpayments to public foster care providers, guardians, and adoption subsidy recipients.

- During fiscal year 2024, SSA payments to these entities totaled \$90.8 million.
- According to CJAMS, potential overpayments for fiscal years 2020 through 2024 totaled approximately \$34.5 million. SSA did not investigate these transactions to determine if the funds should be, or had been, recovered.
- Our test of 15 payments totaling \$1.5 million disclosed that SSA had not taken action to recover 5 overpayments totaling \$80,600. The other 10 overpayments were independently recovered by the LDSSs.



Foster Care, Adoption, and Guardianship (Finding 9)

SSA did not meet federal foster care performance requirements resulting in the State incurring penalties totaling \$698,296.

- The Children’s Bureau of the Administration for Children and Families (ACF) within the United States Department of Health and Human Services conducts periodic Child and Family Services Reviews (CFSR) to assess states’ foster care performance outcomes.
- SSA’s most recent CFSR conducted in April 2019 determined that SSA was not in compliance with 7 performance outcomes. SSA submitted a corrective action plan to ACF in July 2019, allowing SSA to continue receiving federal funding and temporarily avoid penalties for noncompliance.
- In September 2024, the ACF determined that SSA was still not in compliance with one performance measure resulting in the State being assessed penalties totaling \$698,296.



Child Protective Services (Finding 10) (Repeat)

SSA did not sufficiently address instances when LDSSs did not conduct child abuse and neglect investigations timely.

- Numerous LDSSs did not meet the minimum compliance levels for the timely initiation and/or completion of investigations in at least 1 month between January 2023 and June 2024. For example, 5 LDSSs did not timely initiate investigations in any month during this period.
- Although SSA obtained corrective action plans from noncompliant LDSSs, the plans were not sufficiently comprehensive and SSA could not document specific actions taken to address the identified causes of the noncompliance.
- SSA did not refer the 10 LDSSs with untimely investigations in 7 or more consecutive months to the DHS Secretary as required by SSA policy.



Child Protective Services (Finding 11)

SSA did not report child abuse and neglect investigations that were not completed within 60 days to the General Assembly as required by State law.

- State law requires SSA to submit quarterly reports to the General Assembly listing investigations that are not initiated and completed within the statutorily required timeframes, along with an explanation for each delay.
- While SSA reported investigations that were initiated late, it did not report investigations that were not completed timely. During fiscal year 2024, there were 2,719 investigations that were not completed within 60 days, of which 1,762 (65 percent) related to one LDSS.



Federal Funds (Finding 12) (Repeat)

SSA did not have an effective process for ensuring the propriety and timeliness of Title IV-E eligibility determinations.

- As of June 2024, eligibility determinations had not been recorded in CJAMS for 2,100 children who primarily entered care between May 2020 and May 2024. As a result, SSA did not obtain federal reimbursement for the cost of these children's services, which potentially totaled \$22.5 million during this period.
- Title IV-E determinations were not always proper. Our test of 45 children disclosed that 6 children were improperly determined to be ineligible, resulting in SSA not obtaining \$475,200 in federal funds.
- SSA did not ensure Title IV-E determinations and redeterminations were completed within 60 days of the child being removed from their home. For example, our testing disclosed that the initial determinations for 22 children were completed from 115 days to 3.5 years after the child entered care.



Federal Funds (Finding 13)

SSA did not request federal reimbursement for all eligible qualified residential treatment placements (QRTP) and evidence-based practices (EBP) expenditures.

- According to SSA records, fiscal year 2023 and 2024 payments to QRTP and EBP providers totaled \$51.1 million and \$3.6 million, respectively. SSA is generally eligible to obtain federal reimbursement for 50 percent of these costs.
- Our test of federally funded payments to QRTP and EBP providers totaling \$3.15 million disclosed that SSA had not requested federal reimbursement for \$3 million because it had not received the necessary documentation from the LDSSs. SSA advised that \$2.6 million of the \$3 million is no longer recoverable due to the age of the expenditures and because certain documentation requirements are time-sensitive to when the child is placed with the provider.



Interagency Agreements (Finding 14) (Repeat)

SSA did not ensure that certain payments made to a State university were adequately supported, reasonable, and in accordance with the terms of the agreements.

- SSA has 3 agreements with a State university to provide certain services related to child welfare. As of April 2024, payments under the agreements totaled \$27.6 million, which primarily related to the salary costs for university personnel.
- SSA did not obtain documentation detailing the time spent by each university employee on SSA projects to support the propriety of the amounts invoiced and the reasonableness in relation to the tasks performed.
- SSA could not formally document that it approved 11 individuals who were not included in the agreements. Fiscal year 2024 payments for these 11 individuals totaled \$144,800.



Conclusions

Our audit of SSA identified numerous concerns related to SSA's oversight of child welfare programs administered by the LDSSs, criminal background check procedures, the foster care program, child protective services, federal funds, and interagency agreements.

We made detailed recommendations to SSA and we will assess the status of the recommendations during the course of our next audit.

We are happy to answer any questions.