



Department of Legislative Services
Office of Legislative Audits

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

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Presentation to House Judiciary Committee

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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; and
- LDSSs provided foster care children with required medical and dental exams and placed foster care children in authorized settings.



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.
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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.
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Conclusions

Our audit of SSA identified numerous concerns related to SSA's oversight of the foster care program.

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.