

SENATE BILL 230

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(PRE-FILED)

5lr0345
CF HB 251

By: **Chair, Finance Committee (By Request – Departmental – Human Services)**

Requested: October 3, 2024

Introduced and read first time: January 8, 2025

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Human Services – Local Departments of Social Services – Audits**

3 FOR the purpose of altering the frequency with which the Office of the Inspector General
4 in the Department of Human Services conducts or contracts for financial and
5 compliance audits of local departments of social services; and generally relating to
6 audits of local departments of social services.

7 BY repealing and reenacting, with amendments,

8 Article – Human Services

9 Section 3–602

10 Annotated Code of Maryland

11 (2019 Replacement Volume and 2024 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Human Services**

15 3–602.

16 (a) [At least once every 3 years, the] **THE** Office of the Inspector General in the
17 Department shall[:

18 (1) conduct or contract for a financial and compliance audit of each local
19 department; and

20 (2) prepare a written report of the audit findings] **CONDUCT OR**
21 **CONTRACT FOR A FINANCIAL AND COMPLIANCE AUDIT OF EACH LOCAL**
22 **DEPARTMENT AT AN INTERVAL RANGING FROM 3 TO 4 YEARS UNLESS THE OFFICE**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 OF THE INSPECTOR GENERAL DETERMINES, ON A CASE-BY-CASE BASIS, THAT MORE
2 FREQUENT AUDITS ARE REQUIRED.

3 (B) IN DETERMINING THE AUDIT INTERVAL FOR A LOCAL DEPARTMENT,
4 THE OFFICE OF THE INSPECTOR GENERAL SHALL TAKE INTO CONSIDERATION:

5 (1) THE MATERIALITY AND RISK PROFILE OF THE LOCAL
6 DEPARTMENT'S PROGRAMS AND FISCAL ACTIVITIES;

7 (2) THE NATURE AND EXTENT OF PRIOR AUDIT FINDINGS OF THE
8 LOCAL DEPARTMENT; AND

9 (3) ANY OTHER FACTOR RELATED TO RISK.

10 [(b)] (C) The audit shall comply with the auditing standards issued by the
11 Institute of Internal Auditors.

12 [(c)] (D) [The] A written report of the audit findings shall be PREPARED AND
13 distributed to:

14 (1) the local board; and

15 (2) the local governing authority.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2025.