

## Chapter 418

**(Senate Bill 230)**

AN ACT concerning

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

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

BY repealing and reenacting, with amendments,  
Article – Human Services  
Section 3–602  
Annotated Code of Maryland  
(2019 Replacement Volume and 2024 Supplement)

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

**Article – Human Services**

3–602.

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

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

(2) prepare a written report of the audit findings] **CONDUCT OR CONTRACT FOR A FINANCIAL AND COMPLIANCE AUDIT OF EACH LOCAL DEPARTMENT AT AN INTERVAL ~~RANGING FROM 3 TO~~ OF 4 YEARS UNLESS THE OFFICE OF THE INSPECTOR GENERAL DETERMINES, ON A CASE-BY-CASE BASIS, THAT ~~MORE FREQUENT AUDITS ARE REQUIRED~~ AN AUDIT OCCUR AT AN INTERVAL OF 3 YEARS.**

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

**(1) THE MATERIALITY AND RISK PROFILE OF THE LOCAL DEPARTMENT’S PROGRAMS AND FISCAL ACTIVITIES;**



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

**(3) ANY OTHER FACTOR RELATED TO RISK.**

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

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

- (1) the local board; and
- (2) the local governing authority.

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

**Approved by the Governor, May 6, 2025.**