

ANNUAL REPORT



The State Auditor's Office

# Annual Report for Fiscal Year 2023

Lisa R. Collier, CPA, CFE, CIDA  
State Auditor

October 2023

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**Lisa R. Collier,**  
CPA, CFE, CIDA,  
State Auditor

October 4, 2023

Members of the Legislative Audit Committee:

I am pleased to provide you with the State Auditor's Office (Office) fiscal year 2023 annual report. This report summarizes all audit work and other activities that the Office performed during fiscal year 2023, pursuant to Texas Government Code, Chapter 321.

This annual report reflects the professionalism, dedication, flexibility, and high quality work performed by the Office's staff. Additionally, it demonstrates the Office's achievement of fulfilling its statutory responsibilities and addressing risk across the state. Highlights from the annual report include:

- Audit and Review released 43 reports that addressed risk across various topics and General Appropriations Act articles.
- The State Classification Team released six reports, revised five guides, and maintained multiple online resources and systems.
- Professional Development offered 87 courses covering a variety of topics for state and local government entities and other organizations.
- The Office performed other activities, such as providing testimony and handouts for the 88th Legislature, providing presentations to state agencies and national organizations, developing internal audit guidance, and acting in advisory/non-voting roles on the State's Contract Advisory Team, Quality Assurance Team, and Records Management Interagency Coordinating Council.


I continue to look for new opportunities to address audit risks and communicate audit results. Specifically, in fiscal year 2023 the Office launched [interactive dashboards](#). I look forward to expanding this initiative with the goal to present complex data in an accessible and easily understandable manner.


Thank you for your leadership and support. I also want to thank the state agencies, institutions of higher education, and other entities the Office audited for their professionalism and assistance.

Please contact me at (512) 936-9500 if you have any questions or comments. I am available to you and your staff at your convenience.

Respectfully,

Lisa R. Collier, CPA, CFE, CIDA  
State Auditor

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# Annual Report for Fiscal Year 2023

- The Audit and Review Team and the State Classification Team released 49 reports and rated 112 findings. The majority of those findings (77 percent) were rated Low or Medium.
- The Professional Development team provided 87 training courses internally and/or to state and local government entities and other organizations.

Lisa R. Collier, CPA, CFE, CIDA  
State Auditor

The State Auditor's Office (SAO) annual report highlights audit work and other activities our office performed during fiscal year 2023. As the independent auditor for Texas state government, our mission is to actively provide government leaders with useful information that improves accountability.



## AUDIT AND REVIEW

The Audit and Review Team conducts audits and other projects related to state agencies, higher education institutions, and other entities. In fiscal year 2023, the SAO issued 43 reports related to audits and reviews. | p. 2



## CLASSIFICATION

The State Classification Team analyzes state workforce issues and maintains the State's compensation and classification system. In fiscal year 2023, the SAO issued six classification reports and updated five guides and resources. | p. 9



## INVESTIGATIONS

The Investigations Team investigates allegations of illegal acts and improprieties involving any entity that receives funds from the State. | p. 12



## PROFESSIONAL DEVELOPMENT

The Professional Development Team coordinates and provides continuing professional education opportunities for auditors, accountants, managers, investigators, and other professional staff. | p. 13

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- [Organizational Chart](#) | pg. 20
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*This report is designed to provide information on the activities our office performed during the fiscal year in carrying out our annual audit plan, pursuant to Texas Government Code, Chapter 321.*



## OTHER ACTIVITIES

The SAO conducts other work authorized or required by general law and provisions of the General Appropriations Act. This includes participating in workgroups and committees, performing research, reviewing and monitoring agency activities, and other actions. | p. 14



**43**  
Reports

**112**  
Rated Findings

**71**  
Agencies & Entities

The State Auditor’s Office (SAO) is the independent auditor for Texas state government. The SAO is authorized by Chapter 321 of the Texas Government Code to perform audits, reviews, and investigations of any entity receiving state funds, including state agencies and higher education institutions. Audits are performed in accordance with generally accepted government auditing standards, which include standards issued by the American Institute of Certified Public Accountants.

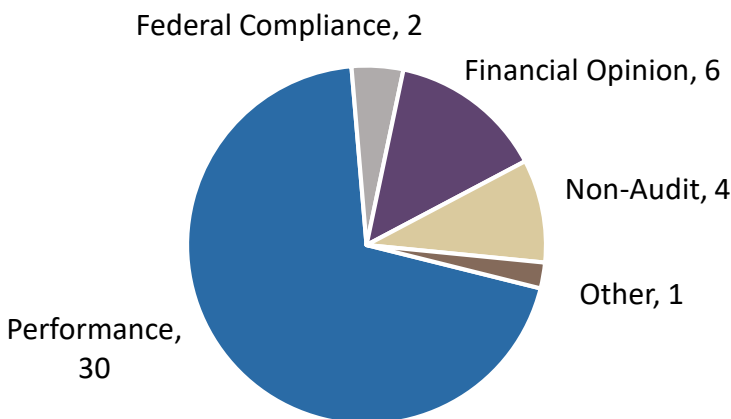
In fiscal year 2023, the Audit and Review team released 43 reports and rated 112 audit findings. For an overview of audit finding ratings, see the [Appendix](#).

The types of projects performed by the Audit and Review Team included:

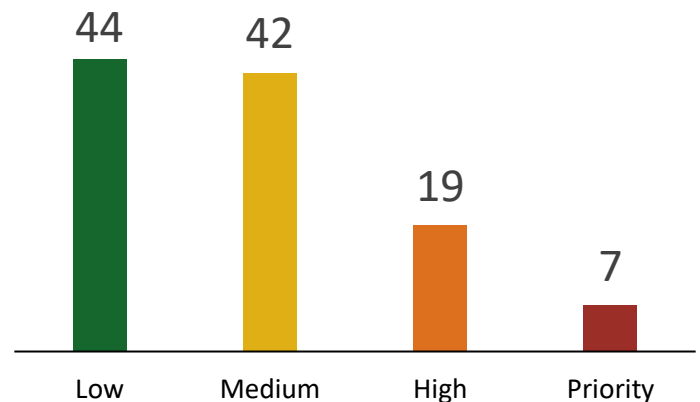
- Financial opinion audits.
- Performance audits, including financial-related audits.
- Federal compliance audits.
- Non-audit projects.

Those reports are listed beginning on the following page by General Appropriations Act article and non-state entities. Each report number is hyperlinked to the full report on the State Auditor’s Office’s website. The figures below provide information regarding the project type and audit findings rated.

**Reports by Type**



**Ratings Issued**



## Article I: General Government

Report Title	Reference	Report Number	Release Date	Report Ratings
Comptroller of Public Accounts				
An Audit Report on Confidential Data Management at the Office of the Comptroller of Public Accounts		<a href="#">23-019</a>	02/24/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: red;">●</span>
Texas Ethics Commission				
An Audit Report on Financial Processes at the Texas Ethics Commission		<a href="#">23-036</a>	07/19/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
Facilities Commission				
An Audit Report on Contract Change Orders and Amendments at the Texas Facilities Commission		<a href="#">23-002</a>	09/28/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
Department of Information Resources				
An Audit Report on the Department of Information Resources' Data Center Services Contracts		<a href="#">23-038</a>	07/21/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>

## Article II: Health and Human Services

Report Title	Reference	Report Number	Release Date	Report Ratings
Department of Family and Protective Services				
An Audit Report on Select Prevention and Early Intervention Programs at the Department of Family and Protective Services		<a href="#">23-035</a>	07/11/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
An Audit Report on Performance-based Contracts at the Department of Family and Protective Services	Human Resources Code, Section 40.0583	<a href="#">23-012</a>	12/08/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: red;">●</span>
Health and Human Services Commission				
An Audit of Confidential Data Management at the Health and Human Services Commission		<a href="#">23-033</a>	06/28/2023	<span style="color: gray;">●</span> <span style="color: gray;">●</span> <span style="color: orange;">●</span> <span style="color: red;">●</span>
An Audit Report on Fleet Operations at the Health and Human Services Commission		<a href="#">23-021</a>	03/16/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: red;">●</span>
An Audit Report on the Health and Human Services Commission's Medicaid Managed Care Rate-setting Process	Rider 5, page X-7, General Appropriations Act (87th Legislature)	<a href="#">23-005</a>	10/26/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>

Texas Civil Commitment Office

An Audit Report on Contract Management at the Texas Civil Commitment Office

[23-034](#)

06/28/2023



## Article III: Education

### Report Title

### Reference

### Report Number

### Release Date

### Report Ratings

Texas Education Agency

An Audit Report on Certification of the Permanent School Fund’s Bond Guarantee Program for Fiscal Year 2022

Education Code, Sections 45.053 and 45.0531

[23-016](#)

01/31/2023

A Report on the Audit of the Permanent School Fund’s Fiscal Year 2022 Financial Statements

[23-015](#)

12/28/2022

**Entities audited:**

- General Land Office
- Texas Education Agency

An Audit Report on the Centralized Accounting and Payroll/Personnel System Financials at the Texas Education Agency

[23-001](#)

09/23/2022



Teacher Retirement System

A Report on the Audit of the Teacher Retirement System’s Fiscal Year 2022 Employer Pension and Other Post Employment Benefit Liability Schedules

[23-032](#)

06/09/2023

A Report on the Audit of the Teacher Retirement System’s Fiscal Year 2022 Financial Statements

[23-010](#)

12/01/2022

Higher Education Coordinating Board

An Audit Report on the Distribution of the National Research University Fund

Education Code, Section 62.146

[23-039](#)

08/28/2023



**Institution audited:**

- The University of Texas at San Antonio

An Audit Report on the College Access Loan Program at the Higher Education Coordinating Board

[23-025](#)

04/14/2023



An Audit Report on the Distribution of the National Research University Fund

Education Code, Section 62.146

[23-003](#)

10/18/2022



**Institution audited:**

- The University of Texas at San Antonio

## Institutions of Higher Education

An Audit Report on Controlled Substances Management at Texas A&M University	<a href="#">23-040</a>	08/31/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
An Audit Report on Property and Surplus Management at Texas Tech University	<a href="#">23-014</a>	12/22/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>
An Audit Report on Accounts Receivable Management Processes at the University of North Texas and Texas A&M University - Corpus Christi	<a href="#">23-008</a>	11/03/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>

## Article V: Public Safety and Criminal Justice

<i>Report Title</i>	<i>Reference</i>	<i>Report Number</i>	<i>Release Date</i>	<i>Report Ratings</i>
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### Alcoholic Beverage Commission

An Audit Report on Complaints Processes at the Alcoholic Beverage Commission	<a href="#">23-004</a>	10/20/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
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### Department of Criminal Justice

An Audit Report on the Department of Criminal Justice's Oversight Processes for the Management & Training Corporation Contracts for Pre-release Services	<a href="#">23-030</a>	05/26/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>
An Audit Report on the Department of Criminal Justice's and Board of Pardons and Paroles' Processes for Addressing Parole Violations under the Electronic Monitoring Program	<a href="#">23-026</a>	04/19/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: red;">●</span>
An Audit Report on Capital Projects at the Department of Criminal Justice	<a href="#">23-024</a>	03/31/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>

### Juvenile Justice Department

An Audit Report on Healthcare Services at the Juvenile Justice Department	<a href="#">23-027</a>	05/19/2023	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: gray;">●</span> <span style="color: gray;">●</span>
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## Article VI: Natural Resources

<i>Report Title</i>	<i>Reference</i>	<i>Report Number</i>	<i>Release Date</i>	<i>Report Ratings</i>
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### Parks and Wildlife Department

An Audit Report on Capital Assets at the Parks and Wildlife Department	<a href="#">23-009</a>	11/17/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
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## Article VII: Business and Economic Development

Report Title	Reference	Report Number	Release Date	Report Ratings
Department of Housing and Community Affairs				
An Audit Report on Contracting at the Department of Housing and Community Affairs		<a href="#">23-029</a>	05/22/2023	
A Report on the Audit of the Department of Housing and Community Affairs' Fiscal Year 2022 Financial Statements	Government Code, Section 2306.074	<a href="#">23-013</a>	12/28/2022	
Department of Motor Vehicles				
An Audit Report on Motor Vehicle Crime Prevention at the Department of Motor Vehicles		<a href="#">23-020</a>	03/01/2023	

## Article VIII: Regulatory

Report Title	Reference	Report Number	Release Date	Report Ratings
Funeral Service Commission				
An Audit Report on the Funeral Service Commission		<a href="#">23-022</a>	03/16/2023	
Department of Licensing and Regulation				
An Audit Report on Performance Measures at the Department of Licensing and Regulation	Government Code, Section 2101.038	<a href="#">23-011</a>	11/30/2022	

## Self-directed, Semi-independent Agencies

Report Title	Reference	Report Number	Release Date	Report Ratings
Board of Professional Engineers and Land Surveyors				
An Audit Report on the Board of Professional Engineers and Land Surveyors: A Self-directed, Semi-independent Agency	Government Code, Section 472.103	<a href="#">23-037</a>	07/19/2023	
Board of Architectural Examiners				
An Audit Report on the Board of Architectural Examiners: A Self-directed, Semi-independent Agency	Government Code, Section 472.103	<a href="#">23-031</a>	05/26/2023	



## Non-state Entities

Report Title	Reference	Report Number	Release Date	Report Ratings
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### Local Emergency Communication Systems

A Report on Emergency Communications and Their Utilization	Rider 10, page III-262, General Appropriations Act (87th Legislature)	<a href="#">23-007</a>	10/31/2022	
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**This survey on emergency communications collected information and other feedback from:**

Counties  
Municipalities  
Independent School Districts  
Special Purpose Districts  
Other Local Government Entities  
Utility Providers

*Associated Reports and Resources:*

- A Supplemental Report on Emergency Communications and Their Utilization [23-303](#) 10/31/2022
- [Interactive Dashboard](#)

### Foster Care Contractors

An Audit Report on On-Site Financial Audits of Selected Residential Foster Care Contractors	Government Code, Section 2155.1442	<a href="#">23-006</a>	10/31/2022	<span style="color: green;">●</span> <span style="color: yellow;">●</span> <span style="color: orange;">●</span> <span style="color: gray;">●</span>
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**Entities Audited:**

Promise House Inc.  
EmberHope Inc.  
Families Especial Inc.  
Independence Farm Inc.

## Cross-cutting

Report Title	Reference	Report Number	Release Date	Report Ratings
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### Statewide Single Audit

State of Texas Financial Portion of the Statewide Single Audit Report for the Year Ended August 31, 2022	Texas Government Code, Section 403.013(c), and Title 31, United States Code, Section 7502	<a href="#">23-555</a>	02/28/2023	
State of Texas Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2022	Title 31, United States Code, Section 7502	<a href="#">23-315</a>	02/27/2023	

## Cross-cutting

<i>Report Title</i>	<i>Reference</i>	<i>Report Number</i>	<i>Release Date</i>	<i>Report Ratings</i>
A Report on State of Texas Compliance with Federal Requirements for the Provider Relief Fund and American Rescue Plan Rural Distribution (COVID-19 Relief) for the Year Ended August 31, 2022	Title 31, United States Code, Section 7502	<a href="#">23-018</a>	02/23/2023	
Contract Monitoring Assessment				
A Report on Contract Monitoring Assessment at Certain State Agencies	Government Code, Section 2261.258	<a href="#">23-028</a>	05/24/2023	
Other				
Temporary Assistance for Needy Families Efficiency Audit	Government Code, Section 531.005522	<a href="#">23-304</a>	11/01/2022	
<b>Entities audited:</b> Health and Human Services Commission Department of Family and Protective Services Texas Education Agency Texas Workforce Commission				
A Report on the Self-reported Implementation of Sunset Advisory Commission Management Actions	Government Code, Section 325.012(d)	<a href="#">23-017</a>	02/07/2023	



# Classification

# 6

Reports

# 5

Guides and Resources

# 1

Interactive Dashboard

The State Classification Team maintains the State’s compensation and classification system, including the State’s Position Classification Plan in the General Appropriations Act; analyzes state workforce issues; provides support to state agencies’ and higher education institutions’ human resources offices; and provides information on employee compensation issues to the Legislature. In fiscal year 2023, the SAO released six Classification reports, revised five guides, and maintained multiple online resources and systems, which are listed on the following pages. Each report number is hyperlinked to the full report on the State Auditor’s Office’s website.

Classification Team activities are conducted in accordance with Texas Government Code, Sections 651.007, 654.0155, 654.036, 654.0375, 661.151, 661.923, 2052.103, and 2056.0021.



View the State Classification Team website: <https://hr.sao.texas.gov>



<i>Report Title</i>	<i>Reference</i>	<i>Report Number</i>	<i>Release Date</i>	<i>Report Ratings</i>
A Biennial Report on the State's Position Classification Plan for the 2024-2025 Biennium	Government Code, Sections 654.036 and 654.037	<a href="#">23-701</a>	09/30/2022	
A Report on the State's Law Enforcement Salary Schedule (Salary Schedule C) for the 2024--2025 Biennium	Government Code, Sections 654.036 and 654.037	<a href="#">23-702</a>	11/01/2022	
An Annual Report on Classified Employee Turnover for Fiscal Year 2022	Government Code, Section 651.007	<a href="#">23-703</a>	12/09/2022	
<ul style="list-style-type: none"> <li><a href="#">Interactive Dashboard</a></li> </ul>				
A Summary Report on Full-time Equivalent State Employees for Fiscal Year 2022	Government Code, Sections 2052.103 and 2052.104	<a href="#">23-704</a>	12/29/2022	
A Report on Salary Supplements at Public Higher Education Institutions and State Agencies	Government Code, Section 659.0201	<a href="#">23-023</a>	03/22/2023	
A Classification Compliance Review Report on Property Management and Procurement Positions at Article VI Agencies	Government Code, Sections 654.036 and 654.038	<a href="#">23-705</a>	06/27/2023	
<p><b>Entities included:</b></p> <ul style="list-style-type: none"> <li>Animal Health Commission</li> <li>Commission on Environmental Quality</li> <li>Department of Agriculture</li> <li>General Land Office</li> <li>Parks and Wildlife Department</li> <li>Railroad Commission</li> <li>Soil and Water Conservation Board</li> <li>Water Development Board</li> </ul>				

## Resources and Guides

### Legislative Workforce Summaries

- [Legislative Workforce Summaries](#)

The State Classification Team prepares workforce summaries for state agencies and higher education institutions for use by the Legislature during the legislative session. The individual summaries provide information self-reported by the state agency or higher education institution regarding employee turnover, full-time equivalent (FTE) employee trends, salary information, workforce demographics, and general workforce-related observations.

### Job Descriptions

- [Job Descriptions for the 2024-2025 Biennium](#)
- [Job Description Guide](#)
- [Job Descriptions Self-Paced Learning](#)

Job descriptions are reviewed and updated biennially to address changes to the State's Position Classification Plan, clarify duties and responsibilities, and incorporate feedback from state agencies on their use of the job descriptions. The *Job Description Guide* assists state agencies in outlining the components of a state job description.

### Military Crosswalk

- [Military Crosswalk for the 2023-2024 Biennium](#)
- [Military Crosswalk Guide](#)

The military crosswalk is designed to match the Military Occupational Specialty codes from each branch of the U.S. Armed Forces to each job classification series in the State's Position Classification Plan.

### Conversion Manual

- [Conversion Manual](#)
- [Conversion Manual Guide](#)

Each biennium, the State Classification Team reviews the State's Position Classification Plan and makes recommendations to add new job classifications, delete current job classifications that are not utilized or have low utilization, and reallocate job classifications to maintain their market competitiveness. The State Classification Team then partners with the Office of the Comptroller of Public Accounts to produce a manual to assist agencies with the changes the Legislature made to the State's Position Classification Plan.

### Job Classification Review Guide

- [Job Classification Review Guide](#)

The Job Classification Review Guide is designed to assist agencies in determining when to review jobs for compliance with the State's Position Classification Plan and how to conduct a job analysis.



# Investigations Team

The Investigations Team investigates allegations of illegal acts and improprieties involving any entity that receives funds from the State. Investigation results are reported to prosecution authorities as appropriate. The Investigations Team operates and maintains the fraud hotline for reporting such allegations via an online form, telephone, mail, and previously scheduled in-person meetings. The Investigations Team also provides fraud-related training and presentations.

Investigation Team activities are conducted in accordance with Texas Government Code, Sections 321.013, 321.0136, and 321.022.



View the Investigations website: <http://sao.fraud.texas.gov>





# Professional Development

87

Training Courses

1,058

Attendees

91

Entities Served

The Professional Development Team coordinates and provides continuing professional education (CPE) opportunities for auditors, accountants, managers, investigators, and other professional staff. During fiscal year 2023:

- Professional Development provided 87 training courses, totaling 12,635 CPE hours, to internal and external participants.
- A total of 1,058 public and private sector employees attended the training courses.
- Employees of 91 state and local government entities and other organizations received training.

Additionally, in August 2023, the State Auditor's Office hosted the 2023 Audit Conference. A total of 190 state and local government auditors attended the two-day conference, which featured sessions focused on data visualization and analytics; detecting and combating fraud; leadership; and ethics.

Professional Development Team activities are conducted in accordance with Texas Government Code, Section 2102.012.



View the current course schedule on the State Auditor's Office's website:

<https://sao.texas.gov/Training>



The State Auditor’s Office conducts other work authorized or required by general law and by provisions of the General Appropriations Act. This includes participating in various workgroups and committees, performing research, reviewing and monitoring agency activities, and conducting other activities. The following pages list those activities.

## Statutory Activities

### Audit Delegation and External Audit

- Conducted activities related to state agencies’ and higher education institutions’ delegated audit authority.
- Monitored an external auditor’s performance of a segment of the federal compliance portion of the Statewide Single Audit.

### Committees and Work Groups

- Participated in Contract Advisory Team activities as a technical advisor in a non-decision-making, advisory role.
- Participated in Quality Assurance Team activities in a non-decision-making, advisory role.
- Participated on the Records Management Interagency Coordinating Council as a nonvoting member.

These statutory activities were conducted in accordance with Texas Government Code, Sections 321.020, 441.203, 2054.158, and 2262.102, and Title 31, United States Code, Section 7502.

## Internal Audit Activities

- Notified mid-sized and large state agencies and higher education institutions regarding guidelines for completing their internal audit annual reports. Prescribed the form and content of the internal audit annual reports and the time and manner in which internal audit plans and annual reports should be posted on state agency and higher education institution websites pursuant to the Texas Internal Auditing Act. Reviewed internal audit reports submitted during the year.
- Notified small agencies of their statutory responsibility, pursuant to the Texas Internal Auditing Act, to conduct a formal, annual risk assessment as part of their risk management process. Developed the guidelines and format for the annual risk assessment and reviewed the agencies' submissions.
- Reviewed internal audit reports from higher education institutions regarding the higher education institutions' compliance with contracting requirements in Texas Education Code, Section 51.9337.

Internal audit activities were conducted in accordance with Texas Government Code, Sections 2102.009, 2102.0091, 2102.013, 2102.014, 2102.015, and Texas Education Code, Section 51.9337.

## Other Statutory and Outreach Activities

### Monitor and Review

- Obtained the implementation status of outstanding recommendations contained in audit reports issued by the State Auditor's Office from higher education institutions, agencies, and other audited entities.
- Reviewed tax settlement information provided by the Office of the Comptroller of Public Accounts.

### Testimony and Legislative Assistance

- Testified, served as a resource, and/or provided briefings on State Auditor's Office work for committees, subcommittees, and legislators of the Senate and the House of Representatives.
- Prepared letters and handouts for House and Senate Committees regarding related State Auditor's Office reports.

### Presentations and Outreach

During fiscal year 2023 the State Auditor's Office provided presentations and information on SAO work for the following organizations:

- The Texas Association of College and University Auditors Board.
- The Association of Government Accountants (AGA) Austin Chapter.



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- The Association of Government Accountants (AGA) National Conference.
  - The Texas State Agency Business Administrators' Association (TASABBA) Summer Conference.
  - The Texas Health and Human Services Commission.
  - The Independent Ombudsman of the Texas Health and Human Services Commission.
  - The Executive Women in Texas Government Conference.
  - The Board of Directors of the Permanent School Fund.
  - The Audit and Ethics Committee of the Permanent School Fund Corporation.
  - The Audit Committee of the Teacher Retirement System.
  - The National Association of State Auditors, Comptrollers and Treasurers (NASACT) National Conference.
  - The Texas State University System's Internal Audit Department.
  - The Texas Court Clerks Association.
  - The Texas Department of Housing and Community Affairs.
  - The National State Auditors Association (NSAA) Annual Conference.
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Other statutory and outreach activities were conducted in accordance with Texas Government Code, Sections 301.028, 321.014, and 321.0138, and Texas Health and Safety Code, Sections 552.102 and 555.102.

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## National Audit-Related Organizations

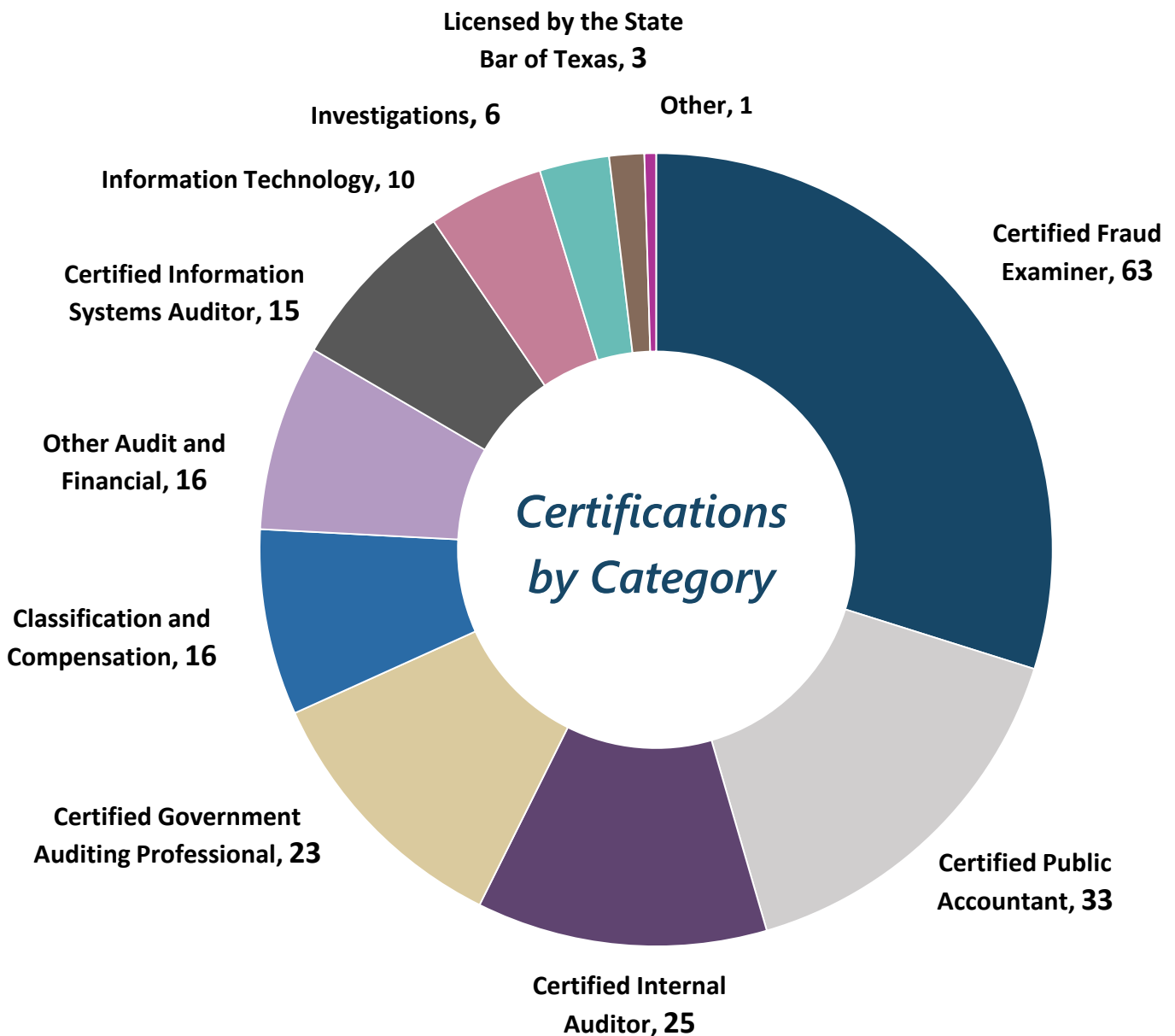
State Auditor's Office personnel participated in audit-related organizations that coordinate with peers from across the United States, enhance skills development, and further advance the practice of government auditing. Specifically:

- The executive committee of the Southwest Intergovernmental Audit Forum (SWIAF), which promotes communication, coordination, and cooperation among the federal, state, and local audit agencies throughout the region to foster effectiveness and efficiency of governmental operations. State Auditor Lisa Collier is currently the chair of the executive committee.
- The American Institute of Certified Public Accountants' (AICPA) Governmental Audit Quality Center (GAQC), which promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services.
- Committees of the National State Auditors Association (NSAA), which cooperatively addresses government financial management issues. Those committees are:
  - Audit Standards and Reporting Committee.
  - Emerging Leaders Conference Program Committee.
  - Excellence in Accountability Awards Committee.
  - Human Resources Committee.
  - Pension Audit Workgroup Committee.
  - Peer Review Committee.
  - Performance Audit Committee.
  - Single Audit Committee.
- The National State Auditors Association (NSAA) Peer Review Program, which helps to ensure that member audit organizations maintain adequacy of and compliance with their systems of quality control and comply with requirements for a routine external peer review.
- The National Association of State Auditors, Comptrollers, and Treasurers (NASACT) Committee on Accounting, Reporting, and Auditing, which discusses accounting, financial reporting, auditing, and other matters related to the financial management of government.

## Certifications

As of September 2023, State Auditor’s Office personnel held 211 professional certifications related to audit and financial, classification and human resources, investigations, information technology, and other advanced skills.

The figure below shows the number of certifications held by category. In addition, the following page details the certifications within each category and the number of certified employees when more than one individual holds the certification.





## Certifications (continued)

### Audit and Financial

Certification in Risk Management Assurance  
 Certified Economic Crime Forensic Examiner  
 Certified Fiduciary and Investment Risk Specialist  
 Certified Forensic Accountant  
 Certified Fraud Examiner (63)  
 Certified Government Auditing Professional (23)  
 Certified Government Financial Manager (2)  
 Certified in Cybersecurity  
 Certified Information Systems Auditor (15)  
 Certified Internal Auditor (25)  
 Certified Internal Controls Auditor (3)  
 Certified Investments and Derivatives Auditor (5)  
 Certified Public Accountant (33)  
 Chartered Global Management Accountant

### Classification and Human Resources

Certified Compensation Professional (3)  
 Professional in Human Resources (6)  
 SHRM Certified Professional (7)

### Information Technology

A+ Service Technician Certification  
 Certified Network Telephony Engineer  
 CompTIA A+  
 CompTIA Network+  
 CompTIA Security+  
 Microsoft Certified IT Professional  
 Microsoft Certified Solutions Expert  
 Microsoft Certified Systems Administrator  
 Microsoft Certified Systems Engineer  
 SAS Certified Base Programmer for SAS 9

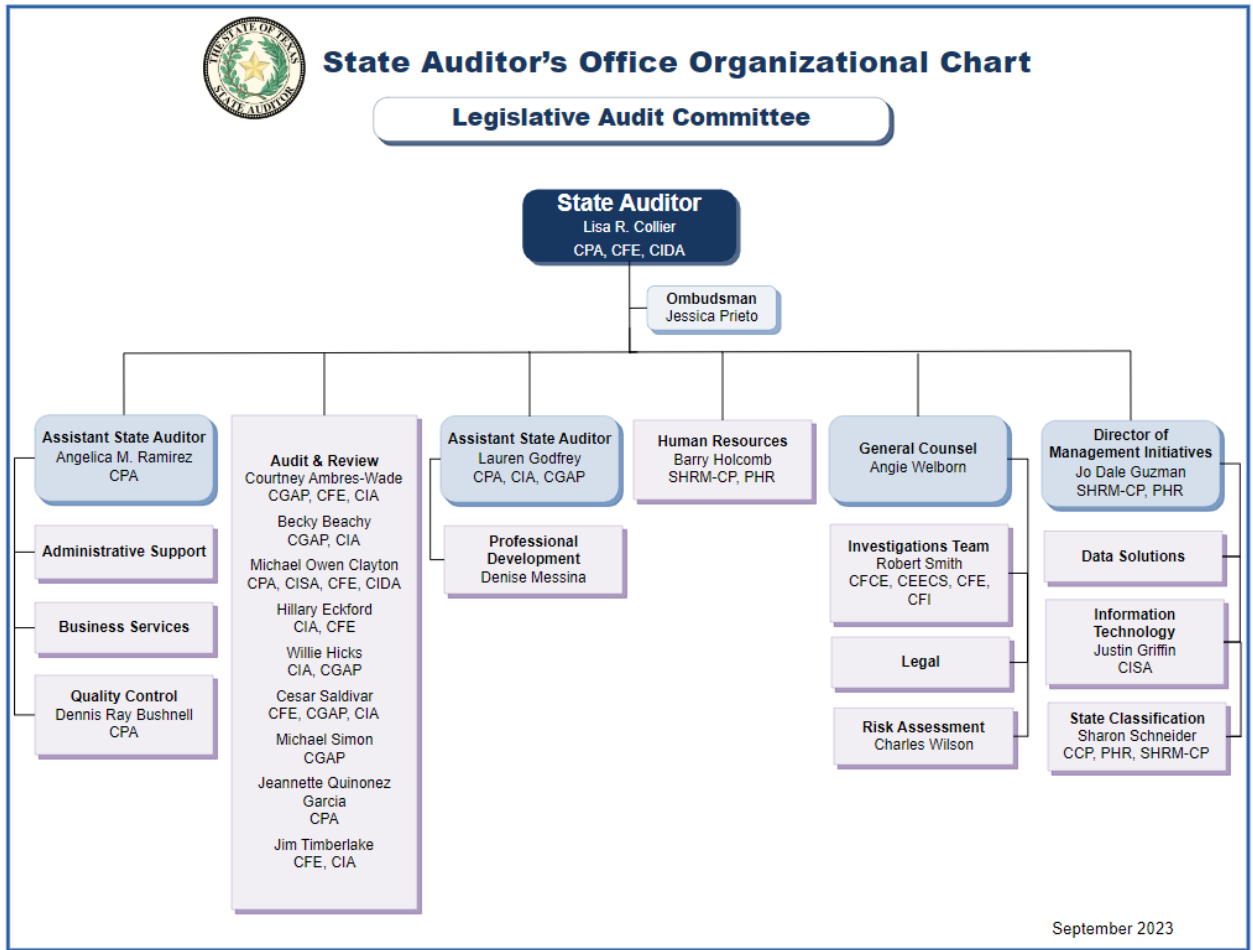
### Investigations

Cellebrite Certified Operator  
 Cellebrite Certified Physical Analyst  
 Certified Electronic Evidence Collection Specialist  
 Certified Forensic Computer Examiner (2)  
 Certified Forensic Interviewer

### Other

Certified Records Manager  
 Licensed by the State Bar of Texas (3)

# Organizational Chart





## Ratings Definitions

Auditors used professional judgment and rated the audit findings identified in SAO reports. The issue ratings identified in SAO reports were determined based on the degree of risk or effect of the findings in relation to the audit objective(s).

**PRIORITY:** Issues identified present risks or effects that if not addressed could *critically affect* the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern(s) and reduce risks to the audited entity.

**HIGH:** Issues identified present risks or effects that if not addressed could *substantially affect* the audited entity's ability to effectively administer the program(s)/function(s) audited. Prompt action is essential to address the noted concern(s) and reduce risks to the audited entity.

**MEDIUM:** Issues identified present risks or effects that if not addressed could *moderately affect* the audited entity's ability to effectively administer the program(s)/function(s) audited. Action is needed to address the noted concern(s) and reduce risks to a more desirable level.

**LOW:** The audit identified strengths that support the audited entity's ability to administer the program(s)/function(s) audited or the issues identified do not present significant risks *or* effects that would negatively affect the audited entity's ability to effectively administer the program(s)/function(s) audited.



Copies of this report have been distributed to the following:

## **88th Legislature**

All members of the 88th Legislature

## **Office of the Governor**

The Honorable Greg Abbott, Governor





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