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Key Points of Report

An Audit Report on Performance Measures at 13 State Agencies and 7 Educational Institutions

January 1997

Overall Conclusion

The accuracy of performance measure reporting and related controls has continued to improve. Controls over the collection and reporting of performance measure data have been strengthened. At some agencies, control weaknesses, such as the lack of supervisory reviews, have resulted in unreliable data. As a result of our review, the Soil and Water Conservation Board and the Historical Commission have requested our assistance as part of a self-examination they have planned. Recommended improvements should further enhance performance measurement system reliability.

Key Facts and Findings

- Approximately 82 percent of the 94 performance measures reviewed at 13 agencies and 7 educational institutions were determined to be reliable. About 17 percent of the measures were inaccurate and factors prevented certification of the remaining 1 percent.
- The overall results represent a 21 percent improvement in reliability over the most recent performance measure audit (*An Audit Report on Performance Measures at 20 State Agencies and 1 Educational Institution*, SAO Report No. 96-071). Improved controls over the collection and reporting of performance measure data was the primary reason for improvement.
- Although controls have improved, control weaknesses continue to prevent a higher reliability rate. The 74 percent reliability rate for agencies is an improvement over prior years. The rate does not, however, compare favorably with the 100 percent rate for the universities included in this audit. As a result, some collection and reporting errors were not detected and the reported performance could not be certified. The errors included calculations not being performed according to measure definition and mathematical inaccuracies.

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Office of the State Auditor

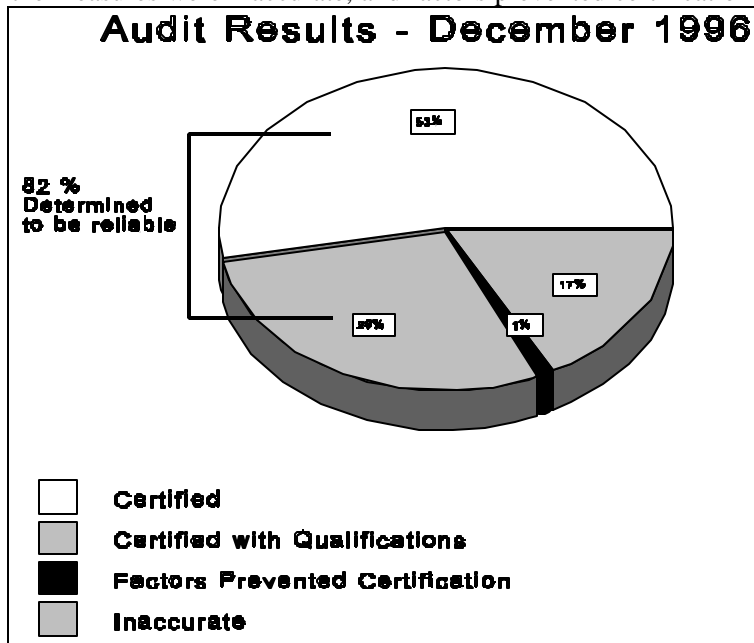
Lawrence F. Alwin, CPA

This audit was conducted in accordance with Governemtn Code, Section 2101.38 and the Lieutenant Governor's Budget Reform Proposal, as adopted by the Legislative Budget Board on November 18, 1991, and in cooperation with the Legislative Budget Board.

Executive Summary

The Reliability of Performance Measure Reporting Continues to Improve

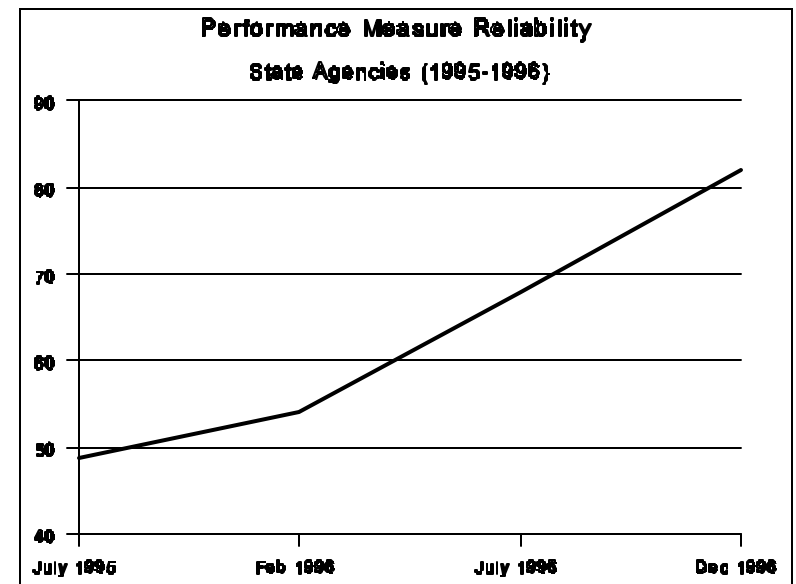
The accuracy of performance measure reporting and related controls has continued to improve. 82 percent of the 94 performance measures reviewed at 13 agencies and 7 educational institutions were determined to be reliable. (See Figure 1.) A measure is reliable if it has been categorized as **Certified** or **Certified With Qualification**. (See Figure 2.) About 17 percent of the measures were inaccurate, and factors prevented certification



of the remaining 1 percent. These results represent a 21 percent improvement in reliability over the most recent performance measure audit.

Categories	Definitions
Certified	Reported performance is accurate within 5 percent of actual performance.
Certified With Qualification	Reported performance is accurate but controls could be improved.
Factors Prevented Certification	Actual performance cannot be determined because of inadequate controls.
Inaccurate	Reported performance is not within 5 percent of actual performance.

The reliability percentages for the last four audits were 48.8, 54, 68, and 82 respectively. (See Figure 3.)



Executive Summary

The increased reliability of performance measure reporting is due to the heightened awareness and interest in measure reporting. Agencies are beginning to seek assistance with training and measure definition review. The Texas Natural Resource Conservation Commission and the Department of Protective and Regulatory Services have undergone extensive self examination. Part of this process included assistance with training and measure definition review provided by the State Auditor's Office. The Soil and Water Conservation Board requested assistance in review of its overall control procedures and measure definitions. Six agencies reviewed during the current audit had received prior performance measure audits. Follow-up audit results at these agencies indicate improved controls over most of the measures. (See pages 45 through 53 for follow-up audit results.) The control improvements include:

- C Implementation of written policies and procedures
- C Performance measure definition refinements
- C Automated system control enhancements
- C Increased monitoring and review of performance data

Additional Review Procedures Could Further Increase Performance Reporting Reliability

Although performance measurement controls have improved, control weaknesses continue to prevent a higher reliability rate. Additional review procedures performed by the agencies could help prevent or detect errors. The 74 percent reliability rate for agencies is an improvement over prior years. However, this rate does not compare favorably with the 100 percent rate for the universities included in this audit. The following control weaknesses were the primary causes of unreliable performance reporting:

- C Performance calculations were not performed according to measure definition.
- C Mathematical errors were made during the performance calculations.

As a result, errors were not detected and the reported performance could not be certified.

The ideal performance measurement system should include the following review procedures to prevent or detect reporting errors:

- C Data submitted by field offices and third parties should be reviewed for accuracy and completeness.
- C The measure calculation should be reviewed for consistency with the measure definition and mathematical accuracy.
- C Supporting documentation should be reviewed for accuracy and completeness.
- C The final results submitted to the Legislative Budget Board should be compared to the summary documentation to ensure data-entry accuracy.

Additional information for improving performance measurement controls can be found in the *Guide to Performance Measurement* (SAO Report No. 95-158, August 1995). This publication was developed by the State Auditor's Office, the Legislative Budget

Executive Summary

Board, and the Governor's Office of Budget and Planning. The *Guide to Performance Measurement* includes recommendations for implementing a reliable performance measurement system. Specific recommendations have also been provided to the agencies during performance measure audits. Detailed Certification Results, Findings, and Agency Responses are on pages 7 through 44.

Summary of Management's Responses

Responses to the audit findings were provided by agency management and are included in the report after the related finding. The responses indicate that management generally agrees with the recommendations for improvement.

Summary of Audit Objectives and Scope

The primary objective of this audit was to determine the accuracy of key performance measures reported to the Automated Budget and Evaluation System of Texas (ABEST) database. Related control systems were reviewed for adequacy, and procedures were conducted to determine whether deficiencies identified during previous audits had been corrected. Assistance was provided to agencies with collection and reporting problems. Performance information was traced back to original sources.

Executive Summary

Table of Current Results

Entity Name (Agency Number Order) ¹	Certified	Certified With Qualification	Factors Prevented Certification	Inaccurate	Total Measures Audited	Reliability Percentage ²
Trusted Programs Within the Office of the Governor	1	1	1	0	3	67%
Comptroller of Public Accounts	4	1	0	1	6	83%
Library and Archives Commission	2	1	0	0	3	100%
Commission on Law Enforcement Officer Standards and Education	2	1	0	3	6	50%
Railroad Commission of Texas	1	2	0	1	4	75%
Department of Health	2	3	0	4	9	56%
Cancer Council	7	0	0	0	7	100%
Department of Agriculture	1	2	0	1	4	75%
Texas Forest Service	1	3	0	0	4	100%
Animal Damage Control Service	0	4	0	0	4	100%
Soil and Water Conservation Board	1	1	0	3	5	40%
River Compact Commissions	0	5	0	0	5	100%

1. The Texas Natural Resource Conservation Commission and the Department of Protective and Regulatory Services were provided with assistance in their self-examination. Certification testing of specific performance measures was not performed.
2. The reliability percentage is based upon a non-statistically based sampling methodology. The sample results do not necessarily reflect the reliability of the total population of performance measures.
- 3.

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Executive Summary

Table of Current Results

Entity Name (Agency Number Order) ¹	Certified	Certified With Qualification	Factors Prevented Certification	Inaccurate	Total Measures Audited	Reliability Percentage ²
The University of Texas at Arlington	4	0	0	0	4	100%
Prairie View A&M University	4	0	0	0	4	100%
The University of Texas at El Paso	4	0	0	0	4	100%
University of Houston - Main	4	0	0	0	4	100%
Texas A&M University - Kingsville	4	0	0	0	4	100%
Lamar University - Beaumont	4	0	0	0	4	100%
The University of Texas at San Antonio	4	0	0	0	4	100%
Historical Commission	0	3	0	3	6	50%
Totals	50	27	1	16	94	82%
Percentages	53%	29%	1%	17%	100%	82%

1. The Texas Natural Resource Conservation Commission and the Department of Protective and Regulatory Services were provided with assistance in their self examination. Certification testing of specific performance measures was not performed.
2. The reliability percentage is based upon a non-statistically based sampling methodology. The sample results do not necessarily reflect the reliability of the total population of performance measures.

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**Detailed Certification Results,
Findings, and Agency Responses**

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 300 Trusteed Programs Within the Office of the Governor									
A	Percentage of Criminal Justice Programs Funded by Governor's Office that Are Found to Be Measurably Effective	Outcome				*			Criminal Justice Programs did not collect information for calculation and reporting of this performance measure. Non-reporting of this measure was due to uncertainty with regard to tracking it.
A	Number of Texans Employed by Music Related Industries	Outcome	48,000			*			Source documentation related to this measure was limited. At the suggestion of the auditors, it was agreed that source documentation would be time- and date-stamped and stored for a proper length of time.
A.1.3	Number of Programs and Community Groups Awarded Grants	Output	731	*					

Sources:
JANUARY 1997

General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

AN AUDIT REPORT ON PERFORMANCE MEASURES AT
13 STATE AGENCIES AND 7 EDUCATIONAL INSTITUTIONS

*Key for Certification Results	
C	- Certified
CQ	- Certified With Qualification
FPC	- Factors Prevented Certification
I	- Inaccurate
N/A	- Not Applicable

Finding

Trusted Programs Within the Office of the Governor

Source Documentation Was Not Available For Calculation and Reporting

Key Performance Measure:

Percentage of Criminal Justice Programs Funded by Governor's Office that Are Found to Be Measurably Effective

Factors prevented certification of the above measure. The Criminal Justice Programs Department within the Office of the Governor did not collect information for calculating and reporting this measure. Non-reporting for this measure was the result of vagueness with regard to the measure definition. The non-specific nature of this measure definition caused the effectiveness of the programs to be difficult to quantify in a reasonable manner.

Recommendation:

The Governor's Office should collect information for calculating and reporting this measure according to the definition. We recommend that the Governor's Office work with the Legislative Budget Board (LBB) to develop an acceptable and workable

definition for this performance measure. Also, the Governor's Office should establish adequate controls which will ensure accurate reporting of results for this measure.

Management's Response:

*The Governor's Office received approval from the Legislative Budget Board on August 27, 1996, to replace the above stated outcome measure with **APercentage of Criminal Justice Division (CJD) Grants Complying With CJD Guidelines.**@*

As stated in the finding, the previous measure was vague and indeterminable. The Governor's Office has sought to replace the measure with a more appropriate and assessable indicator. Since CJD guidelines include both specific programmatic and financial compliance requirements for each grant administered by CJD, the LBB has agreed that the new outcome measure (and its definition) is a clearer indicator of the impact and effectiveness of the Criminal Justice Division, and the public benefit derived.

For fiscal year 1996, the Governor's Office tracked and reported to ABEST against the new outcome measure and will continue to do so for fiscal year 1997. Adequate and effective controls to ensure the accurate reporting of results for this measure are in place.

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results ²					Comments
				C	CQ	FPC	I	N/A	
Agency 304 Comptroller of Public Accounts									
A	Percent of Favorable Responses Obtained to Periodic Quality Control Surveys Sent to Taxpayers Concerning Speed and Accuracy of Information Disseminated	Outcome	95.7%				*		Three data entry errors were noted which caused more than a 5 percent error rate for the sample of taxpayer surveys tested. Review procedures to detect data entry errors should be established in order to assure accuracy of reported performance.
A.1.1	Number of Original Audits Completed	Output	9,580	*					
A.1.1	Average Dollars Assessed per Dollar Cost	Efficiency	\$12.25	*					The Comptroller's Office reported the incorrect fourth quarter number in ABEST, but the year-to-date figure was correct. The Legislative Budget Board allowed the Comptroller's Office to access the fourth quarter data in ABEST in order to make the correction. Review controls over the calculation of the measure were not adequate to ensure continued accuracy.
A.2.1	Ratio of Statewide Delinquent Accounts Closed to Delinquent Accounts Generated	Efficiency	104		*				
A.3.1	Percent of Letters Issued Within 30 Days	Output	100%	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 304 Comptroller of Public Accounts									
B	Average Percentage Point Variance Between the PTD-s (Property Tax Division) Target and Actual Margins of Error for Estimates of School District Property Values	Outcome	0.88	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 306 Library and Archives Commission									
A.2.1	Number of Persons Served	Output	23,306		*				A qualification was added to this measure because only one person knows the steps to run the report to obtain measure results, and the procedure is not documented. Controls over data collection and reporting do not ensure continued accuracy of this measure.
C	Percent of State Agencies Administering Programs Based on Approved Records Schedules	Outcome	89%	*					
C.1.1	Micrographic Services Production Revenue per FTE	Output	\$36,559.00	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

C	- Certified
CQ	- Certified With Qualification
FPC	- Factors Prevented Certification
I	- Inaccurate
N/A	- Not Applicable

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 407 Commission on Law Enforcement Officer Standards and Education									
A.1.1	Number of New Licenses Issued to Individuals	Output	10,136				*		The measure definition was not followed. Acknowledgment letters were counted as new licenses issued.
A.1.1	Average Licensing Cost per Individual License Issued	Efficiency	\$31.7				*		The calculation for this measure is dependent on the amount reported for the previous measure. That amount was determined to be inaccurate, causing this measure to be inaccurate.
A.1.2	Number of On-Site Academy Evaluations Conducted	Output	31	*					
A.1.2	Average Cost per On-Site Academy Evaluation	Efficiency	\$384.32				*		The methodology used for reporting this measure was incorrect. Operating expenses used in the calculation were inaccurate.
B.1.1	Complaints Resolved	Output	66	*					
B.1.1	Average Cost per Complaint	Efficiency	\$229.50		*				The amount reported was determined to be accurate.

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

C - Certified
 CQ - Certified With Qualification
 FPC - Factors Prevented Certification
 I - Inaccurate
 N/A - Not Applicable

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
<i>Agency 407 Commission on Law Enforcement Officer Standards and Education</i>									
	Resolved								However, more adequate controls are needed to ensure that the amount is consistently reported correctly.

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 455 Railroad Commission of Texas									
A	Percentage of Inspections Conducted Where Pollution-Related Violations Were Detected and Corrective Action Initiated	Outcome	19%	*					
A.2.1	Number of Acres Permitted for Mining and Reclamation Activities	Output	208,999.7		*				Controls over data collection are not adequate to ensure continued accuracy. A database was used to collect the performance measure data. The Commission was unable to produce an accurate report. An Excel spreadsheet was prepared to summarize the performance data. Three different spreadsheets were provided before an accurate spreadsheet was obtained.
F.1.1	Number of Operator Units Brought Into Compliance by Enforcement Action of the Commission	Output	6		*				Controls over data collection and reporting are not adequate to ensure continued accuracy. There is no policy or procedure indicating at what point the operator should be counted as having reached compliance. This has caused confusion among Commission staff as to when the operator has complied. A draft policy has been prepared and is

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 455 Railroad Commission of Texas									
									being reviewed for implementation.
G.1.1	Number of LPG/CNG/LNG Safety Inspections Conducted	Output	15,861				*		Three data errors were noted which caused more than a 5 percent error rate for the sample of inspection reports tested. Automated spreadsheets and other verification procedures are being established in order to ensure accuracy of reported performance.

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 501 Department of Health									
A.2.1	Number of WIC Participants Provided Nutrition, Education, and Counseling Services Annually	Output	5,136,634		*				The measure definition was not followed when calculating the performance result. The Department requested a definition change. The definition was changed for fiscal year 1997, but not for fiscal year 1996.
A.2.1	Average Cost per Person for Delivery of Nutrition Education and Other Clinic Services	Efficiency	\$12.26		*				Two data entry errors were noted which caused a less than 5 percent error rate for the sample tested. Two travel obligation amounts were updated after being entered into the database. The data entry person was not notified of these changes. This lack of control over updated information does not ensure continued accuracy of the reported performance.
B.1.9	Recipient One-Way Trip	Output	1,742,172				*		The measure definition was not followed when calculating the performance result. The result was an error rate of 22.67 percent based on the recalculation of the measure.
B.1.9	Average Cost per One-Way Trip	Efficiency	\$9.02				*		The measure definition was not followed when calculating the performance result. The result was

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	C Q	FPC	I	N/A	
Agency 501 Department of Health									
									an error rate ranging from 12.98 percent to 15.46 percent for all four quarters based on the recalculation of the measure. In addition, the year-to-date recalculation resulted in an error rate of 13.72 percent.
D.2.1	Number of EPSDT (Early and Periodic Screening, Diagnosis, and Treatment) Medical Screens Performed	Output	833,443				*		The measure definition was not followed when calculating the performance result. The definition inappropriately called for the inclusion of follow-ups. The Department requested a definition change. The definition was changed for fiscal year 1997, but not for fiscal year 1996.
D.2.1	Cost per Medical Screen	Efficiency	\$47.69				*		The measure definition was not followed when calculating the performance result. The result was an error rate of 34 percent for the fourth quarter based on the recalculation of the measure.
D.2.1	Number of EPSDT (Early and Periodic Screening, Diagnosis, and Treatment) Dental Treatments	Output	4,017,828	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 501 Department of Health									
D.2.1	Performed Average Cost per Dental Treatment	Efficiency	\$25.58		*				Review controls over the reporting of the measure are not adequate to ensure continued accuracy. The Department reports projected numbers due to a time lag in contractor reports. The projected numbers were replaced with actual numbers if the difference was more than 10 percent. This policy has been changed so that the reported number is updated regardless of the percentage difference. The Department updated the numbers reported in ABEST with the actual numbers.
D.3.1	Number of COPC (Community Oriented Primary Care) Eligible Patients Provided a Health Care Home	Output	140,875	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

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CQ	- Certified With Qualification
FPC	- Factors Prevented Certification
I	- Inaccurate
N/A	- Not Applicable

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 527 Cancer Council									
A	Percent of Texas Cancer Plan Goals Addressed	Outcome	100 %	*					
A	Annual Age-Adjusted Cancer Mortality Rate	Outcome	176.0	*					
A.1.1	Number of Statewide, Regional, and Local Strategic Planning Initiatives Promoted by Direct Council Intervention or Contracts	Output	36.0; 1.0; 0.0; 2.0 (quarterly)	*					
A.1.1	Number of Reports on Cancer Resources, Policies, and Statistics Produced	Output	31.0	*					
A.1.1	Number of People Directly Served by Council-Funded Prevention Activities	Output	905,059	*					
A.1.1	Number of Health Care and/or Education Professionals Who Receive Council-Funded Training	Output	213,866.4	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

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CQ	- Certified With Qualification
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I	- Inaccurate
N/A	- Not Applicable

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 527 Cancer Council									
	or Materials								
A.1.1	Average Cost per Health Care and/or Education Professional Trained	Efficiency	\$4.41; \$5.37; \$9.61; \$8.79 (quarterly)	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 551 Department of Agriculture									
A	Percent Increase From the 1994 Level in the Number of Texas Farmers and Ranchers Using New Technologies Such as Integrated Pest Management, Biotechnology, and Organic Farming	Outcome	43%		*				Testing showed the measure to be materially accurate. A process needs to be implemented to ensure that definitions are updated to reflect the changing environment. The method used by the Department to calculate the number deviated from the definition. The Department requested and received LBB approval of a revised definition.
A.1.1	Number of Companies Enrolled in TDA Marketing Programs	Output	1,188				*		Information for the first quarter of fiscal year 1996 is inaccurate. An underreporting of 110 companies caused an error rate of 9 percent in the year-to-date total.
A.1.2	Average Cost per Pesticide Applicator Licensed	Efficiency	\$15.68		*				Testing showed the measure to be materially accurate. Controls over source documents can be improved to ensure continued accuracy in reporting. A process needs to be implemented to ensure that definitions are updated to reflect the changing environment. The Department requested and received LBB approval of a revised definition.
B.1.2	Number of Seed Labels Printed and	Output	2,938,710	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 551 Department of Agriculture									
	Issued								

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

***Key for Certification Results**

<p>C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable</p>
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Finding

Department of Agriculture

No Written Procedures for Calculating Performance, Some Measure Definitions Were not Updated, and no Written Evidence of Supervisory Reviews

Key Performance Measures:

- C **Percent Increase From the 1994 Level in the Number of Texas Farmers and Ranchers Using New Technologies Such as Integrated Pest Management, Biotechnology, and Organic Farming**
- C **Number of Companies Enrolled in TDA Marketing Programs**
- C **Average Cost per Pesticide Applicator Licensed**

The Department of Agriculture (Department) had no written procedures for calculating performance. Some performance measure definitions were not updated to reflect new information needed for accurate calculation. There was no written evidence of an independent review of measure calculations or of data entry for some systems. Controls over source documents could be improved.

Quarterly performance was calculated using two different methods on one measure. Written procedures would have provided guidance to staff responsible for calculating performance and a supervisory review would have provided assurance that the measure was calculated correctly.

Two measure definitions did not reflect changes in the environment. Reporting performance in accordance with the obsolete definitions would not have accurately captured the performance of the Department. The Department obtained LBB approval to update the definitions before the reported performance was due. Therefore, the reported amounts were certified as accurate with qualifications.

Source documents for one measure were not readily available. While the Department was ultimately able to locate source documents, controls could be improved.

Recommendation:

We recommend that the Department develop written procedures for performance calculation. Performance measure definitions should be systematically reviewed and updated to ensure that the definitions capture the information that should be reported. We also recommend that the review of measure calculations and data entry be documented.

Finding

Department of Agriculture

Management Response:

We concur with the recommendations. The Department will modify its performance measure review process to ensure that

definitions capture the information that should be reported. In addition, the Department will develop written procedures for performance measure calculations.

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 576 Texas Forest Service									
A	Trees Saved From Spread of Oak Wilt Disease	Outcome	73,033		*				Appropriate controls did not exist to ensure correct reporting on a continuous basis. An adequate review is not performed on data input into the system.
A.1.1	Number of Volunteer Firemen Trained	Output	748	*					
A.2.1	Number of Professional Forest Management and Stewardship Plans Prepared	Output	1,191		*				Appropriate controls did not exist to ensure correct reporting on a continuous basis. An adequate review is not performed on data input into the system.
A.2.2	Number of Urban Trees Planted Through Cooperative Programs	Output	9,088		*				Appropriate controls did not exist to ensure correct reporting on a continuous basis. An adequate review is not performed on data input into the system.

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 577 Animal Damage Control Service									
A	Percent of Texas Counties Receiving Direct Animal Damage Management Assistance	Outcome	83%		*				This measure result is a combination of state and federal numbers.
A.1.1	Number of Wildlife/Human Conflict On-Site Visits by TADCS Personnel	Output	23,515		*				This measure result is a combination of state and federal numbers.
A.1.1	Number of Properties Provided Wildlife Damage Management Assistance	Output	965		*				This measure result is a combination of state and federal numbers.
A.1.2	Number of Participants Provided Technical Assistance	Output	5,302		*				This measure result is a combination of state and federal numbers.

Sources:

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 592 Soil and Water Conservation Board									
A.1.1	Average Number of Days for Review of Project Proposals	Efficiency	33.7				*		The Board's calculation of the reported performance did not follow the measure definition. The result was an error rate of 54.64 percent based on the recalculation of the measure. The Board should establish a supervisory review to ensure that the number is accurately computed and reported in ABEST.
A.1.2	Average Number of Days to Process a Grants-Related Claim	Efficiency	10.43				*		The Board's calculation of the reported performance did not follow the measure definition. The result was an error rate of 8.38 percent based on the recalculation of the measure. The Board should establish a supervisory review to ensure that the number is accurately computed and reported in ABEST.
B	Percent of Areas with Identified Problems and Concerns Having Pollution Prevention Programs Designed and Implemented Percent of Affected Agricultural	Outcome	65%	*					Review controls over the data entry and calculation of

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 592 Soil and Water Conservation Board									
B	Operations Having District-Approved Pollution Abatement Plans Developed and Certified	Outcome	4.4%		*				the measure are not adequate to ensure continued accuracy. There were mathematical errors noted in the calculation of the summary documents and two data entry errors in the sample tested. The errors were less than 5 percent.
B.2.1	Average Number of Staff Days to Develop Pollution Abatement Plans	Efficiency	75				*		Three data entry errors were noted which caused a greater than 5 percent error rate for the sample tested. Procedures to detect data entry errors should be established in order to ensure accuracy of reported performance.

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Finding

Soil and Water Conservation Board

Adequate Controls Were Not in Place to Prevent or Detect Errors

Key Performance Measure:

- C **Average Number of Days for Review of Project Proposals**
- C **Average Number of Days to Process a Grants-Related Claim**
- C **Average Number of Staff Days to Develop Pollution Abatement Plans**

The Soil and Water Conservation Board (Board) did not have adequate controls to prevent or detect errors on several of its performance measures. Supervisory reviews over data collection, calculation, and reporting were not being consistently performed. In addition, the Board did not have internal written policies and procedures over the performance measurement process. Some performance data contained mathematical errors, data entry errors, and calculations that were not always consistent with measure definitions. As a result, the performance results reported for the three measures above were inaccurate.

The Board was concerned that the improvements it had made in control procedures were not sufficient to ensure accurate reporting on all measures. They requested our assistance in developing controls that would prevent or detect errors on all performance measures. We will provide them with assistance at the conclusion of the project.

Recommendation:

The Board should implement controls that ensure complete and accurate performance reporting in accordance with the measure definition. Supervisory reviews should be implemented to ensure that the number is accurately computed and reported in ABEST. Formal procedures to detect mathematical errors and data entry errors should be established in order to ensure accuracy of reported performance. In addition, formal procedures should be established to clearly define and document the methodology for performance measures.

Management's Response:

The State Board had already taken corrective action and implemented control procedures to insure accuracy in reporting performance measures as a result of audit findings in the July 1995 Performance Measures Audit Report. Management expected that the actions taken and procedures implemented would be effective to address the findings in the 1995 audit report

Finding

Results of Performance Measures Review

Soil and Water Conservation Board

and to preclude such occurrences in the future. This most recent audit revealed that we still have some problems in our performance measure reporting procedures. Each recommendation made by the auditor will be incorporated into our system. Tighter controls to insure accuracy such as calculation and data entry verification procedures will be looked at along with formalizing written procedures. In addition, we have asked the State Auditor to assist us by reviewing the procedures established for all measures not previously reviewed.

The recommendations resulting from that review will also be incorporated into our system. In addition, we will continue to work with the State Auditor's Office on a regular basis to identify areas for improvement and to implement those improvements into our system. The State Board is firmly committed to implementing a performance measure reporting system that is documented, efficient, accurate, and informative and we will strive to maintain our system at that level.

Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 596 River Compact Commissions									
A.1.1	Acre-Feet of Quality Water Impounded in Texas=Reservoirs as Apportioned by the Canadian River Compact	Output	362,000		*				There was no agency review of the calculated number reported to ABEST. Therefore, continued accurate reporting of the measure cannot be verified.
B.1.1	Acre-Feet of Quality Water Received by Texas Annually as Apportioned by the Pecos River Compact	Output	69,200		*				There was no agency review of the calculated number reported to ABEST. Therefore, continued accurate reporting of the measure cannot be verified.
C.1.1	Number of Users of Texas=Water Apportioned by the Red River Compact	Output	199.5		*				There was no agency review of the calculated number reported to ABEST. Therefore, continued accurate reporting of the measure cannot be verified.
D.1.1	Number of Acre-Feet of Quality Water Received by Texas as Apportioned by the Rio Grande River Compact	Output	1,172,400		*				There was no agency review of the calculated number reported to ABEST. Therefore, continued accurate reporting of the measure cannot be verified.

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 596 River Compact Commissions									
E.1.1	Acre-Feet Water Diversions by Texas and Louisiana as Apportioned by the Sabine River Compact	Output	128,969		*				There was no agency review of the calculated number reported to ABEST. Therefore, continued accurate reporting of the measure cannot be verified.

Sources:

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Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results *					Comments
				C	CQ	FPC	I	N/A	
Agency 714 The University of Texas at Arlington									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	33.9%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	26.6%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	92.65%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	92.09%	*					

Sources:

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 715 Prairie View A&M University									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	46%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	33.0%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	0%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	63%	*					

Sources:

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results					Comments
				C	CQ	FPC	I	N/A	
Agency 724 The University of Texas at El Paso									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	50.2%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	28.0%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	73.0%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	74.0%	*					

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results *	Comments
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Results of Performance Measures Review

				C	CQ	FPC	I	N/A	
Agency 730 University of Houston - Main									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	42.5%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	35.3%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	91.1%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	92.8%	*					

Sources:

¹ General Appropriations Act, 74th Legislature, R.S. (1995).

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Results of Performance Measures Review

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 732 Texas A&M University - Kingsville									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	58%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	22%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	60%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	62%	*					

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
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Results of Performance Measures Review

				C	CQ	FPC	I	N/A	
Agency 734 Lamar University - Beaumont									
A	Percent of Lower Division Courses Taught by Tenured and Tenured Track Faculty	Outcome	61.5%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	22.8%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	100%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	93.9%	*					

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	

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Results of Performance Measures Review

Agency 743		The University of Texas at San Antonio							
A	Percent of Lower Level Courses Taught by Tenured and Tenured Track Faculty	Outcome	28.04%	*					
A	Percent of First-Time, Full-Time, Degree-Seeking Freshmen Who Earned a Baccalaureate Degree Within Six Academic Years	Outcome	23.5%	*					
A	State Licensure Examination Pass Rate of Engineering Graduates	Outcome	62.22%	*					
A	State Pass Rate of Education EXCET Exam	Outcome	86.9%	*					

Sources:

- ¹ General Appropriations Act, 74th Legislature, R.S. (1995).
- ² All numbers are from ABEST II - Automated Budget and Evaluation System of Texas

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| <ul style="list-style-type: none"> C - Certified CQ - Certified With Qualification FPC - Factors Prevented Certification I - Inaccurate N/A - Not Applicable |
|---|

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results *					Comments
				C	CQ	FPC	I	N/A	
Agency 808 Historical Commission									
A	Dollar Value of Volunteer Hours Contributed	Outcome	\$1,793,016		*				The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST. The Commission deviated from the definition in calculating the measure. However, the variance between reported performance and performance based on the definition was less than 5 percent.
A	Number of Net New Jobs Created in Main Street Cities	Outcome	1,644.5		*				The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST.
A.1.1	Number of Property Owners Assisted	Output	22,708				*		The Commission deviated from the definition in calculating the measure. The result was an error of greater than 5 percent. The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST.
A.1.2	Number of Historic Building Owners/Administrators Provided with Technical Assistance, Monitoring, and Mandated Architectural Reviews	Output	8,649		*				The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST.
A.1.6	Number of Persons Provided Archeological and Preservation Assistance	Output	114,627				*		The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST. This resulted in an error rate of greater than 5 percent for the sample tested.

Related Objective or Strategy ¹	Description of Measure ¹	How Classified	Results Reported ²	Certification Results [*]					Comments
				C	CQ	FPC	I	N/A	
Agency 808 Historical Commission									
A.2.1	Number of Technical Assistance Consultations Provided to Main Street Cities	Output	10,185				*		The Commission did not have detailed written procedures for measure calculation or supervisory review to ensure that the number was accurately compiled and reported in ABEST. This resulted in an error rate of greater than 5 percent for the sample tested.

Finding

Historical Commission

Deviation From the Measure Definitions; Lack of Supervisory Review; Lack of Written Procedures

Key Performance Measures:

- C **Dollar Value of Volunteer Hours Contributed**
- C **Number of Net New Jobs Created in Main Street Cities**
- C **Number of Property Owners Assisted**
- C **Number of Historic Building Owners/administrators Provided With Technical Assistance, Monitoring, and Mandated Architectural Reviews**
- C **Number of Persons Provided Archeological and Preservation Assistance**
- C **Number of Technical Assistance Consultations Provided to Main Street Cities**

The Historical Commission (Commission) did not have sufficient controls to ensure that the reported performance is consistently calculated and reported correctly. The Commission did not have detailed written procedures for calculating performance measure results. There was no evidence of an independent review of calculations or of data compilation. Some measure calculations deviated from the definitions.

One measure received a rating of inaccurate due to an inconsistent application of the measure definition and because errors were noted during testing. Two measures received ratings of inaccurate due to errors found while testing source documents. Three measures were certified with qualifications due to a lack of

detailed written procedures for data compilation, measure calculation, and supervisory review. Detailed written procedures would have provided guidance to staff responsible for calculating performance and supervisory review, which in turn would have provided assurance that the measure was calculated correctly and accurately.

Recommendations:

We recommend that the Commission develop detailed written procedures for performance measure calculation. We also recommend that a review of measure calculations and data compilation be implemented and documented to ensure consistent and accurate data collection and performance reporting.

Management's Response:

The Texas Historical Commission (THC) will develop detailed written procedures for performance measures calculation. The THC will also implement a review of measures calculation and data compilation. The THC will ask the State Auditors to provide assistance to the THC in making changes and improvements to performance measures definitions, control procedures and control processes to improve reporting. The Texas Historical Commission will also request periodic informal reviews of performance measures data during the 1997 fiscal year.

Follow-Up Results of Previous Audits

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 306 Library and Archives Commission</i>				
A.1.1	Number of Persons Provided Project-Sponsored Services by Shared Resources	February 1996	The measure definition was not followed when calculating the performance result. The definition does not allow the use of estimates.	The measure definition has been changed to include the use of estimates effective in fiscal year 1998.
A.1.2	Number of Persons Provided TLS Project-Sponsored Services	February 1996	There is no control process in place to ensure the accuracy of data. In addition, the measure result reported is based, in part, on estimates. The definition does not authorize the use of estimates.	The measure definition has been changed to include the use of estimates effective in fiscal year 1998. An action plan has been initiated to ensure accurate reporting of this measure in the future.
A.1.3	Number of Persons Provided Local Library Project-Sponsored Services	February 1996	Controls over data collection are not adequate to ensure continued accuracy. The Commission may not know when libraries do not receive all Texas Book Club logs ordered.	Procedures have been established which will strengthen controls over data collection for this measure.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 455 Railroad Commission of Texas</i>				
A.1.1	Number of Inspections Performed	August 1994 February 1996	The source documents could not be reviewed for this measure because the documents were physically located in the district offices. The measure appeared to be properly classified as an output measure. The measure definition was not followed. The measure definition was changed for fiscal year 1996 to agree with the information reported for fiscal years 1994 and 1995. There were also control weaknesses in the collection and retention of the data.	The measure definition has been changed to exclude inspections of state-funded well pluggings. Controls have been implemented over the collection and retention of data. The district offices audit the inspection forms to the inspector-s mileage and time report. Each district office performs a monthly reconciliation. Inspection forms are retained by an assigned sequential number.
B.1	Percentage Decrease in Oil Production Annually	August 1994 February 1996	There was no way to verify the data since the information used to calculate the measure comes solely from external sources. The Railroad Commission has no immediate impact over the reported results. The measure appeared to be better classified as an explanatory measure. The measure was certified.	The measure definition has been changed to Δ Percentage Change in Oil Production Annually. [@] The EDI system used to collect performance data is programmed with Δ red flag [@] indicators. An error printout is researched to determine if there is a reporting error. The audit section within the Oil and Gas Division ensures that the volumes reported by the operators are accurate.
B.1	Percentage Decrease in Gas Production Annually	August 1994	There was no way to verify the data since the information used to	The measure definition has been changed to Δ Percentage Change in Gas Production Annually. [@] The EDI system

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 455 Railroad Commission of Texas</i>				
		February 1996	<p>calculate the measure comes solely from external sources. The Railroad Commission has no immediate impact over the reported results. The measure appeared to be better classified as an explanatory measure.</p> <p>The calculation of the measure was accurate, except that the percentage reported for gas production was reported as a decrease when it was actually an increase in production.</p>	used to collect performance data is programmed with Ared flag@indicators. An error printout is researched to determine if there is a reporting error. The audit section within the Oil and Gas Division ensures that the volumes reported by the operators are accurate. The well capability information is compared to the gas volumes reported for each well.
G.1	Percentage Decrease in Accidents Attributable to Violation of State Law or Regulations or Other Contributing Factors Involving LPG/CNG That Resulted in Fatalities or Injuries	August 1994	The Railroad Commission could not reconstruct the values reported to ABEST II due to unreliable files of source documents. The measure should have been classified as an explanatory measure since the Railroad Commission did not have a comprehensive inspection program for all eventualities.	Controls have been implemented over source documentation. The measure definition has been changed to the percentage change in accidents. This measure does not appear to provide a useful measure of performance. The Commission has not been able to determine the population. The measure compares a large number of installations to a small number of accidents. Accidents must involve a fatality or injury to be counted.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 455 Railroad Commission of Texas</i>				
		February 1996	There is no control over the number of accidents reported by the propane dealers. There are so many propane installations, the dealers may not even hear about the accidents in order to report them.	

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 501 Department of Health</i>				
A.4.2	Number of Persons Provided Social and Medical Services and Education after Diagnosis of HIV Infection	February 1996	Each quarter's information was correct. However, the year-to-date figure reported to ABEST was incorrect. The correct figure was 21,121, but the reported figure was 65,551. A proper review of ABEST output should have detected this error.	The Department has implemented a supervisory review to ensure that the number is accurately reported in ABEST. A staff person now verifies all of the Department's measures after the second quarter numbers have been reported in ABEST. This review is to ensure that ABEST is treating the year-to-date figures correctly.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 551 Department of Agriculture</i>				
A.1	Percent Increase From the 1994 Level in the Number of Marketing Opportunities for Texas Farmers, Ranchers, and Agribusinesses	August 1994	Source documentation was not available to sample and test. The Department was actively taking steps to improve record keeping for the measure.	The source documentation was not tested, but the Department stated that source documentation was on file.
A.1.2	Number of Worker Protection Inspections Conducted	August 1994	The methodology for determining the amount to report was inconsistent between the first and second quarters of the year tested.	The Department changed the measure definition to eliminate the issue causing the inconsistency.
C.1	Percent of Total Weights and Measures Inspections Conducted Resulting in Finding of Full Compliance With State and Federal Standards	August 1994	Source documentation came from multiple locations and was not organized in a way that allowed for sample selection. The Department was actively taking steps to improve record keeping for the measure.	The source documentation was not tested, but the Department stated that source documentation was on file.
C.1.1	Number of Weights and Measures Inspections Conducted	August 1994	Source documentation came from multiple locations and was not organized in a way that allowed for sample selection. The Department was actively taking steps to improve record keeping for the measure.	The source documentation was not tested, but the Department stated that source documentation was on file.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 551 Department of Agriculture</i>				
C.1.1	Average Cost per Weighing and Measuring Inspection	August 1994	Source documentation came from multiple locations and was not organized in a way that allowed for sample selection. The Department was actively taking steps to improve record keeping for the measure.	The source documentation was not tested, but the Department stated that source documentation was on file.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 592 Soil and Water Conservation Board</i>				
A.1.1	Number of Agricultural Landowners and Operators Contacted	July 1995	The number reported was significantly understated. The Board did not count most of the operators and landowners. The source documents did not contain adequate information to verify the number reported.	The Board has changed the measure definition to more accurately reflect the performance being reported. The new definition includes the district directors and district employees contacted by the Board. Source documents now contain adequate information to verify the number reported.
B.1.1	Average Number of Staff Days to Evaluate an Identified Agricultural/Silvicultural Nonpoint Source Potential Problem Area	July 1995	The actual average was 77.8 staff days. This resulted in an error rate of 21.6 percent. The Board miscounted the hours spent on the related project evaluations. It also miscounted the number of projects.	We could not determine if the Board has taken corrective actions to resolve miscounting of the number of projects and hours spent on those projects. There were no source documents to support the hours spent on the project evaluations. In addition, discrepancies were noted between the Board's summary documents and the numbers reported in ABEST. The Board has begun to take corrective action. The measure definition has been changed to more accurately reflect the performance being reported. In addition, the Board has developed a time sheet to track the hours spent on project evaluations. An Excel spreadsheet will be used to compile and calculate the hours.

Follow-Up Results of Previous Audits

Related Objective or Strategy ¹	Description of Measure ¹	Previous Audit Report Date	Control System Weaknesses Identified During Previous Audit	Control System Improvements Made
<i>Agency 808 Historical Commission</i>				
A.1.1	Average Cost per Property Owner or Agency Assisted	February 1996	This measure was rated as FPC since factors prevented certification of the related output measure.	The factors that prevented certification of the output measure used in the calculation of this measure have been corrected.
A.1.2	Average Cost per Volunteer Hour Donated	February 1996	The Commission uses averages and estimates to determine the number of volunteer hours contributed to local preservation efforts. The measure definition does not authorize the use of averages and estimates.	The measure definition has been changed to include the use of estimates.
A.1.3	Average Cost per Main Street Technical Assistance Consultation	February 1996	The actual result was \$23.09. Since the output measure used in the calculation of this measure was determined to be inaccurate, this measure was also rated as inaccurate. The error rate was 18 percent.	The output measure used in the calculation of this measure was determined to be inaccurate.

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Appendices

Objectives, Scope, and Methodology

Objectives

The objectives of this audit were:

1. To determine whether selected state entities are accurately reporting their key performance measures to the Automated Budget and Evaluation System of Texas (ABEST) database
2. To determine whether the selected state entities have adequate control systems in place over the collection and reporting of their performance measures
3. To determine whether the selected state entities have corrected deficiencies identified during Performance Measure Certification Audits, Phases I-IX
4. To provide assistance to selected agencies that have had recurring problems in controlling and reporting performance measure data

Scope

Certain key measures were reviewed at 13 agencies and 7 educational institutions. Performance measure results reported by state entities were reviewed to determine whether they were accurate. A review of controls over the submission of data used in reporting performance measures was also conducted. Our scope included tracing performance information back to the original source.

Methodology

Performance measures were certified using the following procedures:

- C State entities were chosen in conjunction with the Legislative Budget Board (LBB), based on risk factors identified by the LBB.
- C Measures were selected from the population of key performance measures in ABEST. ABEST data was selected because it is relied upon by state decision makers.
- C Calculations were reviewed for accuracy and to ensure that these calculations were consistent with the methodology agreed upon by the entity and the LBB.
- C The flow of data was analyzed to evaluate whether proper controls were in place.
- C Testing of a sample of source documents was conducted to verify the accuracy of reported performance.

Objectives, Scope, and Methodology

- C Follow-up procedures to determine improvements were conducted on measures that had control weaknesses identified during prior audits.

Performance measure results were reported in one of four categories: (1) Certified, (2) Certified With Qualification, (3) Factors Prevented Certification, or (4) Inaccurate.

The LBB requested that findings be written for any measures categorized as ~~A~~Factors Prevented Certification.[@] The findings give more detail than the comments in the matrix and provide the entities with the opportunity to communicate how the problems will be addressed.

Other Information

Audit fieldwork was conducted from August 1996 through December 1996. This audit was performed in accordance with generally accepted government auditing standards.

The work was performed by the following members of the State Auditor's staff:

- C Fran Carr, CPA (Project Manager)
- C Ed Osner, CPA (Assistant Project Manager)
- C Duane McNaney, CPA (Quality Control Reviewer)
- C Kim Bradley, CPA, CIA
- C Tom McGaha
- C Jay LeBlanc
- C Kim McDonald
- C Sherrie Lindig
- C Michelle Duncan
- C Victoria Harris
- C Barbette Mays
- C Ruben Juarez
- C Sheila DeLeon
- C Tracy Tran, CPA
- C Tom Abney
- C Carlita Joseph
- C Ann Paul
- C Carlos Molina
- C Courtney Ambres
- C Randy Townsend, CPA (Audit Manager)
- C Deborah Kerr, Ph.D. (Director)

Background Information

Background Information

The 20 entities audited have diverse mission statements that encompass general government, health and human services, education, public safety and criminal justice, business and economic development. The 20 entities are:

- C Trusted Programs Within the Office of the Governor
- C Comptroller of Public Accounts
- C Library and Archives Commission
- C Commission on Law Enforcement Officer Standards and Education
- C Railroad Commission of Texas
- C Department of Health
- C Cancer Council
- C Department of Agriculture
- C Texas Forest Service
- C Animal Damage Control Service
- C Soil and Water Conservation Board
- C River Compact Commissions
- C The University of Texas at Arlington
- C Prairie View A&M University
- C The University of Texas at El Paso
- C University of Houston - Main
- C Texas A&M University - Kingsville
- C Lamar University - Beaumont
- C The University of Texas at San Antonio
- C Historical Commission

Legislative responsibilities include the certification of the accuracy of information reported by state entities to the Legislative Budget Board. Government Code, Section 2101.038 requires the State Auditor's Office to certify performance measures.

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