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An Audit Report on Performance Measures at 26 State Agencies August 1997

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Key Points of Report

An Audit Report on Performance Measures at 26 State Agencies Phase 11 of the Performance Measures Reviews

August 1997

Overall Conclusion

The cumulative results of 11 phases of performance measure certification audits, conducted over 4 years, show the reliability percentage for all state entities is 62 percent. State agencies alone have a 60 percent reliability rate. Institutions of higher education have a reliability rate of 68 percent. As a result, over 30 percent of key performance information cannot be relied upon by decision makers.

Although performance measure controls have gradually improved, control weaknesses continue to prevent a higher reliability rate. Prevention or detection of errors would be greater if management placed more emphasis on review procedures.

During this audit, six agencies requested assistance in review of their overall control procedures, performance measure definitions, and documentation. They were:

- Department of Protective and Regulatory Services (not in Phase 11 audit)
- Historical Commission (not in Phase 11 audit)
- Soil and Water Conservation Board (not in Phase 11 audit)
- Public Utility Commission (not in Phase 11 audit)
- Board of Vocational Nurse Examiners (included in Phase 11 audit)
- Board of Private Investigators and Private Security Agencies (included in Phase 11 audit)

Key Facts and Findings

Sixty-nine percent of the 165 performance measures reviewed during Phase 11 were determined to be reliable. Nineteen percent of the measures were inaccurate. Factors prevented us from determining whether the remaining 12 percent were accurate or inaccurate.

- The overall results represent a 16 percent decrease in reliability from the most recent performance measure audit. The lack of reviews over the calculations and reporting of performance measure data was the primary reason for the decrease.
- Control weaknesses prevent the detection of collection and reporting errors. Thus, reported performance could not be certified. The errors included calculations not being performed according to performance measure definition and mathematical inaccuracies.

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This audit was conducted in accordance with Government Code, Section 2101.038 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

Historical Information

Prior performance measure certification reports have shown individual audit phase results and made conclusions based on that particular audit. The methodology used in this report shows cumulative information for four years in addition to the individual audit phase results. Information included in this report is taken from 11 performance measure certification audits.

The cumulative results of 11 phases of performance measure certification audits show the reliability percentage for all state entities is 62 percent. When considered alone, state agencies have a 60 percent reliability rate. Institutions of higher education have a reliability rate of 68 percent. As a result, a significant amount (30 to 40 percent) of key performance information cannot be relied upon by decision makers.

Although performance measure controls have gradually improved, control weaknesses

continue to prevent a higher reliability rate. A greater emphasis on review procedures by management could help prevent and detect errors.

The accuracy of performance measure reporting for 11 audit phases is summarized in the following three tables. These three tables also show the number of performance measure classifications that have been audited since 1994. The reliability percentage equals “Certified” plus “Certified With Qualification” divided by “Total Measures Audited.”

All agencies and institutions of higher education have a combined reliability rate of 62 percent, as shown in Table 1.

All agencies have a cumulative reliability rate of 60 percent, as shown in Table 2.

Table 3 shows institutions of higher education to have a cumulative reliability rate of 68 percent.

Table 1

Overview of Performance Measures at All Agencies and Institutions of Higher Education							
Classification	Certification					Total Measures Audited	Reliability Percentage
	Certified	Certified With Qualification	Inaccurate	Factors Prevented Certification	Not Applicable		
Efficiency	68	43	63	43	2	219	51%
Explanatory	2	2	1	3	0	8	50%
Outcome	235	80	86	93	12	506	62%
Output	295	123	123	99	5	645	65%
Totals	600	248	273	238	19	1378	62%
Percentage of Total Measures Audited	44%	18%	20%	17%	1%		

Executive Summary

Table 2

Overview of Performance Measures at All Agencies							
Classification	Certification					Total Measures Audited	Reliability Percentage
	Certified	Certified With Qualification	Inaccurate	Factors Prevented Certification	Not Applicable		
Efficiency	58	41	61	36	2	198	50%
Explanatory	2	2	1	2	0	7	57%
Outcome	122	48	50	70	12	302	56%
Output	258	101	107	84	5	555	65%
Totals	440	192	219	192	19	1062	60%
Percentage of Total Measures Audited	41%	18%	21%	18%	2%		

Table 3

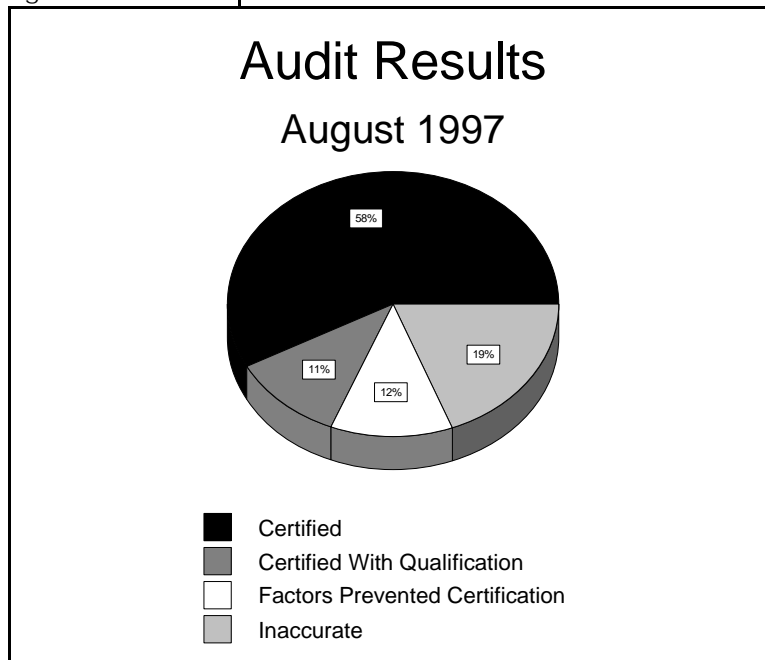
Overview of Performance Measures at All Institutions of Higher Education							
Classification	Certification					Total Measures Audited	Reliability Percentage
	Certified	Certified With Qualification	Inaccurate	Factors Prevented Certification	Not Applicable		
Efficiency	10	2	2	7	0	21	57%
Explanatory	0	0	0	1	0	1	0
Outcome	113	32	36	23	0	204	71%
Output	37	22	16	15	0	90	66%
Totals	160	56	54	46	0	316	68%
Percentage of Total Measures Audited	51%	18%	17%	15%	0		

Executive Summary

Current Audit Results on Performance Measure Reporting

Sixty-nine percent of the 165 performance measures reviewed during Phase 11 were determined to be reliable. (See Figure 1.)

Figure 1



Twenty-six agencies were included in this audit. A performance measure is reliable if it has been categorized as “Certified” or

Table 4

Categories	Definitions
Certified	Reported performance is accurate within five 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 five percent of actual performance.

“Certified With Qualification.” (See Table 4.) Factors prevented certification of 12 percent, and the remaining 19 percent were inaccurate.

During this audit, several agencies requested assistance reviewing their overall control procedures, measure definitions, and documentation. They were:

- Department of Protective and Regulatory Services
- Historical Commission
- Soil and Water Conservation Board
- Public Utility Commission
- Board of Vocational Nurse Examiners
- Board of Private Investigators and Private Security Agencies

Agency assistance has helped agencies clarify their definitions to the point that performance measures have been certifiable.

Figure 2 (on page 4) shows both the individual and cumulative reliability percentages over four years. These percentages are for agencies. Institutions of higher education are not included. The bars represent individual audit results from a particular phase and the line represents the cumulative results of all certification reports.

When viewed cumulatively over four years, there has been limited change in the percentage of performance measures certified as reliable. Figure 3 (on page 4) shows a variance of only 7 percent between the high and low cumulative figures, while the variance between individuals audits is 26 percent.

Executive Summary

Figure 2

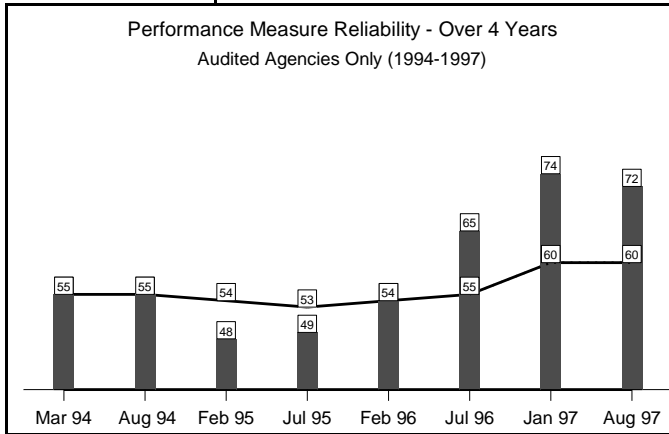
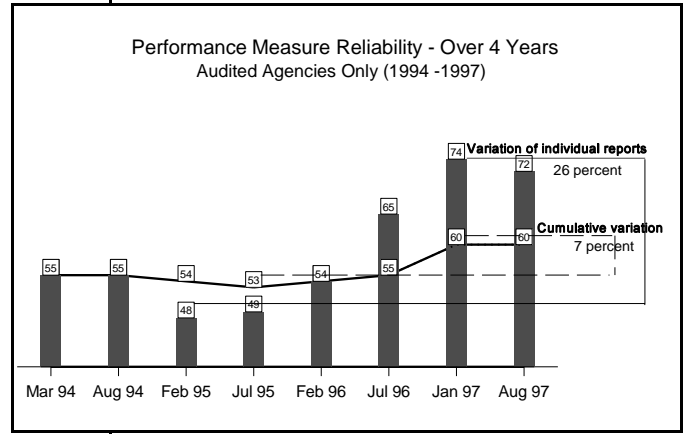


Figure 3



Additional Review Procedures Could Further Increase Performance Reporting Reliability

The 69 percent reliability rate for agencies is a decrease in reliability from Phase 10. The following control weaknesses were the primary causes of unreliable performance reporting:

- Lack of management emphasis on performance and accuracy of reporting
- Lack of review procedures during calculating and reporting performance
- Performance calculations not performed according to measure definition
- Mathematical errors 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:

- Data submitted by field offices and third parties should be reviewed for accuracy and completeness.
- The performance measure calculation should be reviewed for consistency with the performance measure definition and mathematical accuracy.
- Supporting documentation should be reviewed for accuracy and completeness.
- 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 measure controls can be found in the *Guide to Performance Measurement* (SAO Report No. 95-158, August 1995). This publication was developed by the Legislative Budget Board, the Governor's Office of Budget and Planning, and the State Auditor's Office. 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

Executive Summary

audits. Certification Results, Findings, and Agency Responses are on pages 7 through 56.

Summary of Management's Responses

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

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. Assistance was provided to agencies with collection and reporting problems. Performance information was traced back to original sources.

Table 5

Current Results - Fiscal Year 1996						
Name (Agency Number Order)	Certified	Certified With Qualification	Factors Prevented Certification	Inaccurate	Total Measures Audited	Reliability Percentage
Department of Information Resources (Page 7)	5			3	8	63%
Texas Workforce Commission (Page 8)	4		3		7	57%
Rehabilitation Commission (Page 10)	11	1		2	14	86%
Department on Aging (Page 12)				6	6	0%
Bond Review Board (Page 13)	4	1		1	6	83%
Incentive and Productivity Commission (Page 14)	7				7	100%
Adjutant General's Department (Page 15)	1	3	1		5	80%
National Guard Armory Board (Page 17)	1	1			2	100%
Commission on Jail Standards (Page 18)	6	2	1	1	10	80%
Criminal Justice Policy Council (Page 21)		2		4	6	33%
Department of Licensing and Regulation (Page 22)	3		2	1	6	50%
Workers' Compensation Commission (Page 25)	11				11	100%
Department of Commerce (Page 27)	3				3	100%
Board of Private Investigators and Private Security Agencies (Page 28)			4		4	0%
Office of Public Utility Counsel (Page 30)	8				8	100%
Board of Medical Examiners (Page 32)	4	2			6	100%
Board of Chiropractic Examiners (Page 33)		1		3	4	25%
Board of Vocational Nurse Examiners (Page 34)	1		1	6	8	13%

Executive Summary

Table 5, concluded

Current Results - Fiscal Year 1996						
Name (Agency Number Order)	Certified	Certified With Qualification	Factors Prevented Certification	Inaccurate	Total Measures Audited	Reliability Percentage
Commission on Alcohol and Drug Abuse (Page 39)	2	2	2		6	67%
Health and Human Services Commission (Page 41)	3				3	100%
Texas Agricultural Experiment Station (Page 42)			4	2	6	0%
Board of Veterinary Medical Examiners (Page 48)	3	1			4	100%
Natural Resource Conservation Commission (Page 49)	4				4	100%
Texas Department of Transportation (Page 50)	10		1		11	91%
Department of Criminal Justice (Page 54)	1	2	1	1	5	60%
Higher Education Coordinating Board (Page 57)	4			1	5	80%
Totals	96	18	20	31	165	69%
Percentages	58%	11%	12%	19%	100%	

Results of Performance Measures Review

Agency 313

Department of Information Resources

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Projects	Output	126	Certified	
Total Savings and Cost Avoidance Through Utilization of Cooperative Services	Outcome	\$20,435,427	Certified	
Number of IR Plans and Amendments	Output	312	Certified	
Number of Planning Assistance Responses Produced	Output	164	Certified	
Average Cost per IR Review	Efficiency	\$612.50	Inaccurate	Staff members made a data-entry error in their calculation.
Average Cost per Planning Assistance Response	Efficiency	\$427.50	Inaccurate	Staff members made a data-entry error in their calculation.
Number of Federal Technical Standards Reviewed	Output	12	Certified	
Average Cost per Standards Review	Efficiency	\$469.58	Inaccurate	Staff members made a data-entry error in their calculation.

Results of Performance Measures Review

Agency 320

Texas Workforce Commission

Fiscal Years 1996 and 1997

Description	Classification	Results	Certification	Comments
Number of On-Site Visits Completed for Child Labor Law Education & Compliance	Output	1,837	Certified	First quarter of fiscal year 1997
Average Cost Per Individual Who Entered Employment	Efficiency	\$146.73	Certified	First quarter of fiscal year 1997
Number of Individuals Trained Through Communities-in-Schools (CIS)	Output	37	Certified	First quarter of fiscal year 1997
Number of Participants in RIO Program Securing Employment (TEC)	Output	13,016	Certified	
Number of Individuals in JOBS Program Entering Employment	Output	9,308	Factors Prevented Certification	Due to the revamping of the Texas Workforce Commission (Commission), the Commission was unable to provide sufficient source documentation to allow for selecting and testing of a sample. Based on the fact that a sample could not be selected or tested, we were not able to determine whether the numbers were accurately reported. Sufficient changes have been made throughout the Commission for fiscal year 1997 to ensure the accuracy of the numbers being reported to ABEST.
Number of Children Served Through Child Care Services: JOBS (TDHS)	Output	10,966	Factors Prevented Certification	
Number of Children Served Through Child Care Services for Low-Income Eligibles	Output	52,255	Factors Prevented Certification	

Results of Performance Measures Review

Agency 320
Texas Workforce Commission

Fiscal Years 1996 and 1997

Finding:

Adequate Source Documentation Was Not Available for Selecting and Testing

Key Performance Measures:

- Number of Individuals in JOBS Program Entering Employment (formally under Texas Education Commission)
- Number of Children Served Through Child Care Services: JOBS (Formally Texas Department of Human Services)
- Number of Children Served Through Child Care Services for Low-Income Eligibles

Factors prevented certification of the above performance measures. The Texas Workforce Commission was unable to provide the supporting documentation for the number of children served through child care services for JOBS participants and eligible low-income families. Supporting documentation would have allowed for the selection and testing of a sample.

Recommendation:

The Texas Workforce Commission should maintain written procedures concerning the flow of information from the Department of Human Services to the final reporting number in ABEST. Information on how the calculation is performed should also be maintained. In addition, the Texas Workforce Commission should establish controls over the calculation of the measure to ensure that the numbers are being reported accurately.

Management's Response:

The Texas Workforce Commission concurs with the SAO recommendations. The Workforce Development Division has already begun developing and implementing procedures and controls for reporting all LBB measures in ABEST; development of guidelines on the method of calculating measures; and review procedures to determine the accuracy of original data as reported.

Results of Performance Measures Review

Agency 330
Rehabilitation Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of ERS Clients Working in Community Integrated Employment	Output	761	Certified	
Number of ERS Clients Working in Sheltered Employment	Output	514	Certified	
Average Cost per Community Integrated Job	Efficiency	\$2,894	Certified	
Average Cost per Sheltered Job	Efficiency	\$2,894	Certified	
Number of People Receiving Personal Attendant Services	Output	136	Certified With Qualification	The year-to-date total was entered into ABEST as the fourth quarter total. However, the proper amount was reported in the <i>Yearly Publication on Performance Measures</i> , which is on file with the State Auditor's Office and State Library and Archives. Controls were deemed to be strong.
Cost per Person Receiving Personal Attendant Services	Efficiency	\$7,092	Inaccurate	From the sample of 52 time sheets, at least four errors were found where the Rehabilitation Commission was either underbilled or overbilled.
Number of People Receiving Services From Independent Living Centers	Output	3,056	Certified	
Cost per Person Served by Independent Living Centers	Efficiency	\$467	Certified	
Number of People Receiving Independent Living Services	Output	1,761	Certified	

Results of Performance Measures Review

Agency 330
Rehabilitation Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Cost per Person Receiving Independent Living Services	Efficiency	\$1,563	Certified	
People Receiving Comprehensive Rehabilitation Services	Output	460	Certified	
Cost per CRS Client	Efficiency	\$17,442	Certified	
Number of Persons Receiving Individualized Residential Services	Output	73	Certified	
Cost per Deaf-Blind Multihandicapped Client Served	Efficiency	\$19,622	Inaccurate	Two of the four quarters included Medicaid in calculating the number reported. In addition, the definition was not being followed. All quarters and the year-to-date total were calculated by dividing the expenditures by the average number of clients served for the period, rather than the number of persons receiving individualized residential services.

Results of Performance Measures Review

Agency 340
Department on Aging

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent of Older Population Receiving at Least One Service	Outcome	9.23%	Inaccurate	Since the performance measures "Number of People Assisted Through the Options for Independent Living," "Number of Congregate Meals Provided," and "Number of Home Delivered Meals Served" were determined to be inaccurate, this measure was also inaccurate.
Number of People Assisted Through the Options for Independent Living Program	Output	4,990	Inaccurate	Numerous sampling errors were found. Errors were due to discrepancies in the date of services received.
Number of Congregate Meals Provided	Output	7,443,702	Inaccurate	Based on the sample, the amounts reported to ABEST could be verified. However, numerous errors in reporting existed in the database of at least two of the Area Agencies on Aging.
Number of Home Delivered Meals Served	Output	6,546,578	Inaccurate	Based on the sample, the amounts reported to ABEST could be verified. However, numerous errors in reporting existed in the database of at least two of the Area Agencies on Aging.
Cost per Congregate Meal	Efficiency	\$2.18	Inaccurate	The actual result is \$2.55. The 14.5 percent error rate was due to a data-entry error. Since the "Number of Congregate Meals Provided" was determined to be inaccurate, this measure was also inaccurate.
Cost Per Home Delivered Meal	Efficiency	\$1.93	Inaccurate	The actual result is \$2.06. The 6.3 percent error rate was due to a data entry error. Since the performance measure "Number of Home Delivered Meals" was determined to be inaccurate, this measure was also inaccurate.

Results of Performance Measures Review

Agency 352
Bond Review Board

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Lease-Purchase Agreements Reviewed	Output	11	Certified	
Average Time to Review Lease-Purchase Agreements (Days)	Efficiency	2.89	Certified	
Number of Recommendations Presented to State Policy Makers and Bond Issuers	Output	4	Certified	
Average Time (Days) Spent per Capital Financing Recommendation	Efficiency	12.06	Certified	
Number of Contacts Made With Local, State and Federal Officials or Policymakers	Output	3,998	Certified With Qualification	Testing supported the performance reported. However, controls were not adequate to ensure continued accuracy of the performance measure.
Number of Recommendations Made to Policy Makers	Output	0	Not Applicable	This performance measure is only reported when the Texas Legislature is in session. Since the Legislature was not in session during fiscal year 1996, performance data was not reported for this performance measure.
Average Processing Time Per Application and Each Subsequent Filing (Hours)	Efficiency	2.25	Inaccurate	The actual average processing time was 2.0. The result was overreported by 12.50 percent.

Results of Performance Measures Review

Agency 353

Incentive and Productivity Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Training and Promotion Hours	Output	3,383.9	Certified	
Actual Total Savings/Revenues from Approved Suggestions	Outcome	\$2,125,356	Certified	
Actual Total Savings from Approved Productivity Plans	Outcome	\$686,357	Certified	
Average Cost per Training Hour	Efficiency	\$27.40	Certified	
Number of Suggestions Approved Within Specified Timeframes	Output	67	Certified	
Number of Plans Approved Within Specified Timeframes	Output	15	Certified	
Average Cost to Process Suggestions	Efficiency	\$51.70	Certified	

Results of Performance Measures Review

Agency 401
Adjutant General's Department

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent of Reduction in Backlog of Maintenance and Repair/Minor Construction General Revenue Funded	Outcome	21.5%	Certified With Qualification	There was no supporting documentation for the list of projects that needed to be completed. Therefore, there was no documentation to sample.
Number of Workdays of Training Site Use	Output	61,486	Certified	
Number of Square Feet of Facilities Maintained	Output	3,245,641	Certified With Qualification	Although the calculations reported are within the interval, more adequate controls are needed to ensure that the information is reliable. Engineering data (square feet) is needed on the blueprints. Quality assurance is needed after information is entered into the Facilities Inventory Station Plan (FISP) and an assurance check is needed before submitting to ABEST.
Total Square Footage of Facilities Provided Utilities	Output	4,878,665	Certified With Qualification	Although the calculations reported are within the interval, more adequate controls are needed to ensure that the information is reliable. Engineering data (square feet) is needed on the blueprints. Quality assurance needed after information is entered into Facilities Inventory Station Plan (FISP) and assurance check is needed before submitting to ABEST.
Dollar Value of Community Savings Due to Specialized State Guard Service	Outcome	\$472,698	Factors Prevented Certification	There was no supporting documentation for five events included in the calculation of the performance measure. Also, the controls that are in place do not appear to be functioning because of inconsistencies noted in the examination of the reports and supporting documentation.

Results of Performance Measures Review

Agency 401
Adjutant General's Department

Fiscal Year 1996

Finding:

Adequate Source Documentation Was Unavailable For Calculation and Testing

Key Performance Measure:

- Dollar Value of Community Savings Due to Specialized State Guard Service

Factors prevented certification for the above performance measure because the Adjutant General's Department is not retaining adequate source documentation for it.

Recommendation:

The Adjutant General's Department should retain proper documentation for calculating and reporting this performance measure. The procedures for data entered into the database need to be refined. That way there is a clear indication of what material should be included, as well as assurances that a proper methodology for review of the entered information exists. A summary report for every event needs to be compiled so that those who enter and review the information can rely on the accuracy of this information. Summary reports should be reconciled to the list of scheduled events to ensure that all reports have been received.

Management's Response:

The Texas State Guard will prepare a list of scheduled events and a summary report on each event that has been completed. This summary report (after action report) will include the names of those that participated in the event and the specific days they participated. There will be a reconciliation between these two reports to ensure that a complete summary report has been received for each event conducted. Entries into the Texas State guard's data base will be made from and supported by approved summary reports.

Results of Performance Measures Review

Agency 406
National Guard Armory Board

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent of Armories with Preventive Maintenance Schedules	Outcome	32%	Certified With Qualification	<p>Controls to ensure the reliability of information were absent. The following were observed:</p> <ul style="list-style-type: none"> • Lack of formal procedures to instruct technicians on how to perform preventive maintenance. • No way of determining if the work was in fact performed. • There were no reviews of calculated information by management before it was entered into ABEST.
Average Age of Armories	Outcome	31.39	Certified	

Results of Performance Measures Review

Agency 409

Commission on Jail Standards

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Jails Achieving Compliance	Outcome	213	Certified	
Number of Jails With Documented Staffing Plans	Outcome	163	Certified	
Percent of Jail Capacity at Which Facilities Operate	Outcome	71.06%	Certified	
Number of Annual Inspections Conducted	Output	245	Certified	
Number of Special Inspections conducted	Output	35	Inaccurate	The actual number was 24. The measure was overreported by 45.83 percent.
Number of In-Office Consultations With County Representatives	Output	58	Certified	
Number of On-Site Consultations With County Representatives	Output	59	Certified With Qualification	Testing supported the amount reported to ABEST. However, there was insufficient source documentation to determine the discussion during on-site consultations. As a result, we were unable to determine whether the attributes in the performance measure definition were being followed.
Number of Operational Plans Reviewed	Output	832	Factors Prevented Certification	Source documentation for the performance measure was not readily available.

Results of Performance Measures Review

Agency 409

Commission on Jail Standards

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of On-site Consultations With County Representatives	Output	95	Certified With Qualification	Testing supported the amount reported to ABEST. However, there was insufficient source documentation to determine the discussion during on-site consultations. As a result, we were unable to determine whether the attributes in the definition were being followed.
Number of County Reports Analyzed	Output	3,124	Certified	

Results of Performance Measures Review

Agency 409
Commission on Jail Standards

Fiscal Year 1996

Finding:

Source Documentation Was Not Available for Calculation of Performance

Key Performance Measure:

- **Number of Operational Plans Reviewed**

Factors prevented certification of the above performance measure because the Commission on Jail Standards was unable to recreate the numbers reported to ABEST. The source documentation, which is taken from the Operational Plans Chart, was not retained at the end of each month.

Recommendation:

The Commission on Jail Standards should retain the hard copy of the Operational Plans Chart at the end of each month, since it is the only source document used in the calculation of the measure.

Management's Response:

Procedures have been implemented to maintain a monthly hard copy of the Operational Plans Chart which is revised in the automated data base each month. While not easily accessed for the purpose of measure calculation, copies of correspondence sent each time a plan is reviewed will continue to be maintained in each county's individual file as back-up documentation.

Results of Performance Measures Review

Agency 410
Criminal Justice Policy Council

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Programs Evaluated	Outcome	4	Inaccurate	Three programs were evaluated in fiscal year 1996. There was a 25 percent discrepancy between the amount reported and the recalculation.
Programs Designed	Output	4	Inaccurate	Only one of the four programs was designed during the fiscal year. There was a 75 percent discrepancy between the amount reported and the recalculation.
Research Reports Distributed	Output	12	Certified With Qualification	Testing supported the performance reported. However, controls were not adequate to ensure continued accurate reporting.
Presentations Made	Output	38	Inaccurate	The recalculation per quarter varied from 33 percent to 65 percent from the amount reported. The amount reported was underreported.
Research Reports Distributed	Output	8	Certified With Qualification	Testing supported the performance reported. However, controls were not adequate to ensure continued accurate reporting.
Presentations Made	Output	41	Inaccurate	The recalculation varied from 31 percent to 85 percent per quarter from the amount reported. The amount reported was underreported.

Results of Performance Measures Review

Agency 452

Department of Licensing and Regulation

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Inspection Coverage Rate	Outcome	94.6	Certified	
Average Complaint Response Time	Outcome	19	Certified	
Average Cost Per Examination	Efficiency	\$37.17	Inaccurate	Staff members made a data-entry error in the method of calculation of the total number of examinations administered.
Percent of Applications Processed Within Established Time Frames	Outcome	106%	Factors Prevented Certification	Two of the Department of Licensing and Regulation's 12 divisions could not supply documentation for numbers reported. Our Office was unable to select and test a sample for accuracy for this performance measure. Also, a review process was not in place in order to ensure the accuracy of the data.
Percent of Consumers Rating Agency Processes and Services as Satisfactory	Outcome	68.7%	Certified	
Number of Licenses, Titles, Registrations, and Certifications Issued	Output	39,841	Factors Prevented Certification	Two of the Department of Licensing and Regulation's 12 divisions could not supply documentation for numbers reported. Our Office was unable to select and test a sample for accuracy for this performance measure.

Results of Performance Measures Review

Agency 452

Department of Licensing and Regulation

Fiscal Year 1996

Finding 1:

Adequate Source Documentation Was Not Available for Selecting and Testing

Key Performance Measure:

- **Percent of Applications Processed Within Established Time Frames**

Factors prevented certification for the above measure. The Department of Licensing and Regulation is not maintaining a list of individual applications processed for 2 of the 12 areas for the outcome measure “Percent of Applications Within Established Time Frames.”

Recommendation:

The Department of Licensing and Regulation should maintain a log of the applicant’s name, license number, application received date, and application processed date. From this log, the Department of Licensing and Regulation could count the total number of licenses it issues within established time frames. In addition, the Department of Licensing and Regulation should establish adequate controls to ensure that the numbers are reported accurately.

Management’s Response:

A licensing program has been written to determine the time frame between when a completed application is received and when a license is issued. A list of each licensee included in the total will be used for documentation. The Department plans to write a similar program for boiler certification. Manual systems will be required to maintain a log of applicant name, license number, application received date, and application processed date.

All manual and automated listings will be filed for documentation purposes and an employee will be assigned to reconcile the numbers.

Results of Performance Measures Review

Agency 452

Department of Licensing and Regulation

Fiscal Year 1996

Finding 2:

Adequate Source Documentation Was Not Available for Selecting and Testing

Key Performance Measure:

- **Number of Licenses, Titles, Registrations, and Certifications Issues**

Factors prevented certification for the above performance measure. The Department of Licensing and Regulation was unable to provide the list of individual licenses issued for 2 of the 12 program area for the output measure "Number of Licenses, Titles, Registrations and Certifications Issues."

Recommendation:

The Department of Licensing and Regulation should maintain a log of an applicant's name and license number. From this log, the Department of Licensing and Regulation could count the total number of licenses it issues. In addition, the Department of Licensing and Regulation should establish adequate controls to ensure that the numbers are reported accurately.

Management's Response:

A licensing computer program produces a listing of each applicant's name and license number. The boiler program will be modified to produce a similar report. Manual systems will be required to maintain a log of applicant names and license number.

All manual and automated listings will be filed for documentation purposes and an employee will be assigned to reconcile the numbers.

Results of Performance Measures Review

Agency 453

Workers' Compensation Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Extra-Hazardous Employer Inspections Conducted	Output	316	Certified	
Percentage of All Benefit Dispute Cases Resolved by the Commission's Informal Dispute Resolution System	Outcome	87.9%	Certified	
Percentage of All Benefit Dispute Cases Resolved by the Commission's Formal Dispute Resolution System (Beginning With Contested Case Proceedings)	Outcome	10.7%	Certified	
Average Number of Days for the Required Initial Benefit Payment to be Issued to Injured Workers	Outcome	16.5	Certified	
Number of Compensation Benefit Dispute Cases in Which Unrepresented Injured Workers Received Ombudsman Services for Benefit Review Conferences	Output	13,700	Certified	

Results of Performance Measures Review

Agency 453

Workers' Compensation Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Compensation Benefit Dispute Cases Considered in Benefit Review Conference (BRC)	Output	22,225	Certified	
Number of Compensation Benefit Dispute Cases Considered Contested Case Hearings (CCH)	Output	6,319	Certified	
Number of Compensation Benefit Dispute Cases in Which Unrepresented Injured Workers Received Ombudsman Services for Contested Case Hearings	Output	3,268	Certified	
Number of Fraud Investigations Completed	Output	882	Certified	
Number of Administrative Violation Investigations Complete, Excluding Fraud	Output	5,990	Certified	
Number of Self-Insurance Applications or Renewals Processed	Output	71	Certified	

Results of Performance Measures Review

Agency 465

Texas Department of Commerce

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Manufacturing Companies Assisted by TMAC	Output	140	Certified	
Annual Percent Change in the Number of Domestic Pleasure Travelers to Texas	Outcome	4%	Certified	
Number of Consumer Inquiries in Response to Advertising	Output	1,159,422	Certified	

Results of Performance Measures Review

Agency 467

Board of Private Investigators and Private Security Agencies

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Investigations Conducted	Output	15,437	Factors Prevented Certification	The Board of Private Investigators and Private Security Agencies (Board) did not maintain information for calculating these measures. Source documents were not readily available for review. Rather, some of them were regenerated when auditors requested them. The Board did not maintain copies of the documents it relied on to get the performance measure results. Also, the results were not reviewed by the person who entered the results into ABEST. After the entries, no review was done to ensure accuracy.
Average Cost per Investigation	Efficiency	\$49.66	Factors Prevented Certification	
Number of Applicants Found to Have Criminal History Records	Output	7,836	Factors Prevented Certification	
Number of New Licenses Issued to Individuals	Output	32,937	Factors Prevented Certification	

Results of Performance Measures Review

Agency 467

Board of Private Investigators and Private Security Agencies

Fiscal Year 1996

Finding:

Source Documentation Was Not Available for Calculation, and There Was No Written Evidence of Supervisory Reviews

Key Performance Measures:

- Investigations Conducted
- Average Cost per Investigation
- Number of Applicants Found to Have Criminal History Records
- Number of Licenses Issued to Individuals

Factors prevented certification of the above measures. The Board did not maintain information for calculating the measures. Source documents were not readily available. Rather, some of them were regenerated when auditors requested them. The Division Chiefs did not maintain copies the documents used to calculate the measure results. No review was performed of the accuracy of data entered into the ABEST system.

Recommendation:

The Board should collect and maintain information for calculating and reporting their measures per the definitions. We recommend that the Chiefs of each division of the Board keep copies of the source documents they use to calculate their performance measure results. Also, the Board should establish adequate controls that will ensure accurate reporting, including reviewal of data entry. A formal review policy should be set up and followed to ensure accuracy of the data entries into ABEST.

Management's Response:

The agency does not disagree with the findings of this audit report. The agency did voice its concerns regarding how the Auditor's Office wanted us to implement changes that would be acceptable in the future. As a result your office has agreed to assist us the week of June 16, 1997. We look forward to working with your office so that all of our records and methods of reporting and documenting our measures are acceptable in the future.

Results of Performance Measures Review

Agency 475

Office of Public Utility Counsel

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Significant Major Electric Rate Cases in Which OPUC Participates	Output	4	Certified	
Number of Significant Fuel Rate Cases in Which OPUC Participates	Output	5	Certified	
Number of Significant Electric Appellate Cases in Which OPUC Participates	Output	23	Certified	
Average Costs Per Major Electric and Fuel Rate Case Participation	Efficiency	\$34,310	Certified	
Percentage of Major Electric Rate Cases in Which OPUC Participates	Outcome	17.3%	Certified	
Percentage of Significant Fuel Rate Cases in which OPUC Participates	Outcome	25%	Certified	
Percentage of Significant Appellate Cases in Which OPUC Participates	Outcome	100%	Certified	

Results of Performance Measures Review

Agency 475

Office of Public Utility Counsel

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Direct and Shared Savings for Electric Utility Customers Resulting from OPUC participation in Electric Rate and Appellate Cases, Excluding Integrated Resource Planning Proceedings	Outcome	\$423.5 Million	Certified	

Results of Performance Measures Review

Agency 503

Board of Medical Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Total Number of Individuals Licensed (Physicians)	Output	2,798	Certified	
Percent of Complaints Resulting in Disciplinary Action (Physicians)	Outcome	12.5%	Certified	
Number of New Licenses Issued to Individuals (Physician Assistants)	Output	273	Certified With Qualification	Review controls over the data calculation were not adequate to ensure continued accuracy. The first quarter was off by 5.7 percent and the second quarter was off by 2.6 percent from the number reported to ABEST. The errors caused a less than +/- 5 percent error variance from the year-to-date performance.
Percent of Complaints Resulting in Disciplinary Action (Physician Assistants)	Outcome	16.7%	Certified With Qualification	Review controls over the data calculation were not adequate to ensure continued accuracy. The calculation of this performance measure included one additional disciplinary action and one additional complaint case. This error caused a greater than +/- 5% error variance from the number reported to ABEST.
Number of New Licenses Issued to Individuals (Acupuncturists)	Output	35	Certified	
Percent of Complaints Resulting in Disciplinary Action (Acupuncturists)	Outcome	0%	Certified	

Results of Performance Measures Review

Agency 508

Board of Chiropractic Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent of Licensees with No Recent Violations	Outcome	98.4%	Certified With Qualification	Testing supported the performance reported. However, controls were not adequate to ensure continued accurate reporting.
Percent of Complaints Resolved Resulting in Disciplinary Action	Outcome	22.0%	Inaccurate	In the sampling for disposition of complaints and disposition date of complaints, we noted an error rate of at least 5.77 percent. The errors were due to data-entry errors and human error.
Complaints Resolved	Output	215	Inaccurate	In the sampling for disposition of complaints and disposition date of complaints, we noted an error rate of at least 5.77 percent. The errors were due to data-entry errors and human error.
Average Cost per Complaint Resolved	Efficiency	\$316.32	Inaccurate	The denominator for this performance measure is the number of complaints resolved. Since the performance measure "Complaints Resolved" was deemed to be inaccurate, the average cost per complaint resolved was also inaccurate.

Results of Performance Measures Review

Agency 511

Board of Vocational Nurse Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent of Complaints Resulting in Disciplinary Action	Outcome	44.6%	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board of Vocational Nurse Examiners (Board) has made efforts to improve review controls.
Number of New Licenses Issued to Individuals	Output	5,182	Certified	
Average License Cost Per Individual License Issued	Efficiency	\$5.76	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board has made efforts to improve review controls.
Complaints Documented	Output	1,290	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board has made efforts to improve review controls.

Results of Performance Measures Review

Agency 511

Board of Vocational Nurse Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Complaints Pending	Output	245	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board has made efforts to improve review controls.
Complaints Resolved	Output	738	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board has made efforts to improve review controls.
Average Cost per Complaint Resolved	Efficiency	\$295.73	Inaccurate	Review controls over data calculations were not adequate to ensure continued accuracy. Procedures to detect mathematical errors should be established in order to ensure accuracy of reported performance. There were mathematical errors noted in the calculation of the summary documents. The errors caused a greater than +/- 5 percent error variance. The Board has made efforts to improve review controls.

Results of Performance Measures Review

Agency 511

Board of Vocational Nurse Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Jurisdictional Complaints Received	Explanatory	968	Factors Prevented Certification	We were unable to sample source documents due to the Board's retention policy. Information necessary to test source documents was discarded. Only one of the three elements used to calculate the performance measure was available for testing. The Board has made efforts to improve the retention policy.

Results of Performance Measures Review

Agency 511

Board of Vocational Nurse Examiners

Fiscal Year 1996

Finding:

Source Documentation Was Unavailable for Testing and Selecting

Key Performance Measure:

- **Number of Jurisdictional Complaints Received**

Factors prevented certification of the above measure. The Board of Vocational Nurse Examiners (Board) did not retain information necessary for sampling and testing of this measure. Source documents for the number of telephone complaints received; the number of written complaints received; and preliminary investigation conducted, but case not opened were not available. The Board should maintain a reasonable amount of source documentation for testing and sampling.

The Board requested our assistance in developing controls that would prevent and detect errors on performance measure data. We will provide the necessary assistance.

Recommendation:

The Board should implement controls that will ensure the retention of information used for the calculating and reporting of this performance measure according to the definition. Supervisory reviews should be implemented to ensure that the numbers are accurately computed and reported to ABEST. Formal procedures to detect mathematical errors and data-entry errors should be established in order to ensure accuracy of reporting performance.

Management's Response:

Our Board had anticipated the audit with great confidence that we would be compliant with the +/- 5% error variance. We were quite shocked to receive the report "Factors Prevented Certification."

The auditor's office did respond to our request. [An auditor] spent about three (3) days with our agency and we benefited from his assistance.

We have implemented procedures and controls within the divisions. We have implemented formal procedures to recognize mathematical errors as well as data entry errors to ensure accuracy of reporting our performances.

Results of Performance Measures Review

Agency 511

Board of Vocational Nurse Examiners

Fiscal Year 1996

We take great pride in our delivery of services and our performance. We believe a follow-up audit will validate our performance measure data to result in “certification” status.

Results of Performance Measures Review

Agency 517

Commission on Alcohol and Drug Abuse

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent Reduction in Use of Alcohol, Drugs, and Inhalants	Outcome	0.2%	Certified	
Percent of Adults Completing Treatment Programs	Output	62%	Certified With Qualification	Limited source documentation was available from reviews performed by the Commission on Alcohol and Drug Abuse compliance monitoring group, which started January 1996. A limited number of reviews have been performed to date to ensure the accuracy of reported numbers.
Percent of Youth Completing Treatment Programs	Output	47.7%	Certified With Qualification	Limited source documentation was available from reviews performed by the Commission on Alcohol and Drug Abuse compliance monitoring group, which started January 1996. A limited number of reviews have been performed to date to ensure the accuracy of reported numbers.
Number of Persons in Gambling Prevention Programs	Output	54,132	Not Applicable	The performance measure was not properly classified.
Percent of Prevention and Treatment Programs in Compliance With Federal Mandates	Outcome	91.86%	Factors Prevented Certification	Source documentation was unavailable for calculation and testing.
Number of Treatment Facilities Inspected Each Year for Compliance.	Output	110	Certified	
Total Number of Grants and Contracts Awarded	Output	356	Factors Prevented Certification	Source documentation was unavailable for calculation and testing.

Results of Performance Measures Review

Agency 517

Commission on Alcohol and Drug Abuse

Fiscal Year 1996

Finding:

Source Documentation Was Unavailable for Calculation and Testing

Key Performance Measures:

- Total Number of Grants and Contracts Awarded
- Percentage of Prevention and Treatment Programs in Compliance With Federal Mandates

Factors prevented certification for the above measures. The Texas Commission on Alcohol and Drug Abuse (Commission) is not retaining source documentation for the measure "Number of Grants and Contracts Awarded," which is a component of the numerator and denominator in the calculation and testing of the performance measure "Percentage of Prevention and Treatment Programs in Compliance with Federal Mandates."

Recommendation:

The Texas Commission of Alcohol and Drug Abuse should retain proper documentation for calculating and reporting these performance measures. Currently, the Commission is designing a new system to track this information. We recommend that the Commission add another field in the system to track edits and changes in the system. The system should be downloaded at the end of each quarter.

Management's Response:

We agree with the recommendation. The Commission retains copies of award documents, but does not presently have an automated system which retains the date on which a proposal changed status from "approved" to "awarded." Although the auditors confirmed that TCADA correctly reported the total number of awards for the year, our automated system could not provide supporting documentation that the number of awards in a given quarter were the same as reported for the quarter. The reason is that the Commission's present system does not retain the date history of change of status information. The new information system design includes this feature and will allow for past quarterly award totals to be tested and confirmed.

Results of Performance Measures Review

Agency 529

Health and Human Services Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Interagency Administrative Support Initiatives	Outcome	11	Certified	
HUB Compliance for Health and Human Service Agencies	Outcome	18.7	Certified	
Number of Interagency Projects	Output	4	Certified	

Results of Performance Measures Review

Agency 556

Texas Agricultural Experiment Station

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Bee Colonies Inspected	Output	28,541	Factors Prevented Certification	Texas Agricultural Experiment Station (Station) does not maintain source documentation for all of the quarters. Without adequate source documentation, it was not possible to determine whether the reported performance was accurate.
Percentage of Product Labels Inspected	Output	34%	Factors Prevented Certification	There was a deviation from the definition by the Station for this performance measure. There was limited source documentation maintained or available which would not allow a recalculation of the performance measure to ensure its accuracy of reporting.
Number of Patents, Disclosures, and Licenses	Output	21	Inaccurate	The correct number is 17. A mathematical error in the summary documents resulted in a variance of 24 percent in the performance for the measure.
Number of Refereed Publications	Output	285	Factors Prevented Certification	Systemic problems that prevent the Station from providing adequate information to recalculate and ensure accuracy of data reported. Also, the annual report obtained by the Station is based a calendar year, which does not allow it to report the number in accordance with the fiscal year reporting guidelines.
Number of Refereed Publications	Output	226	Factors Prevented Certification	Systemic problems exist that prevent the Station from providing adequate information to recalculate and ensure accuracy of data reported. Also, the annual report obtained by the Station is based a calendar year, which does not allow it to report the number in accordance with the fiscal year reporting guidelines.

Results of Performance Measures Review

Agency 556

Texas Agricultural Experiment Station

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent Change in Number of Patents, Licenses, Disclosures, and Publications	Outcome	264%	Inaccurate	The correct amount is 282 percent. A mathematical error in the summary documents resulted in a variance of 6 percent in the performance for this measure.

Results of Performance Measures Review

Agency 556
Texas Agricultural Experiment Station

Fiscal Year 1996

Finding 1:

Source Documentation Was Not Available for Calculation and Reporting, and Definition Was Not Being Followed

Key Performance Measures:

- **Number of Refereed Publications**
(Strategy: Conduct Research to Protect Water, Air and Soil Quality and Biodiversity)
- **Number of Refereed Publications**
(Strategy: Conduct Research of Ag Product Safety, Nutrition, and Quality)

Factors prevented certification of the above measures because the Texas Agricultural Experiment Station (Station) was unable to provide an accurate recalculation of the numbers reported to ABEST. This was due to several factors. First, data used to calculate the measure is maintained in a live database, which is not downloaded at year-end. Second, an error was detected in the reading of certain codes in the Statistical Analysis Software (SAS) Program. In addition, the Station does not have the ability to provide the information, as required by the definition, on a quarterly basis.

Recommendation:

The Station should download the five-year plan database at fiscal year-end to disk or tape. In addition, the Station should work with the Legislative Budget Board to revise the performance measure definition to allow the Station to report what it is capable of reporting.

Management's Response:

The Texas Agricultural Experiment Station has corrected the SAS program and has changed its procedure to download data files used for future recalculations. Information is provided on a quarterly basis but as an estimate of the actual yearly number by quarter. The Texas Agricultural Experiment Station will request that this number be a non-cumulative and therefore not a quarterly issue.

Results of Performance Measures Review

Agency 556
Texas Agricultural Experiment Station

Fiscal Year 1996

Finding 2:

Source Documentation Was Not Available for Calculation and Reporting

Key Performance Measure:

- Number of Bee Colonies Inspected

Factors prevented certification of the above measure because the Station did not maintain adequate source documentation for two of the four quarters. Without adequate source documentation, it was not possible to determine whether the reported performance was accurate.

Recommendation:

The Station should maintain the source documentation used to calculate the performance measure. The retention of the documentation will allow an audit trail to exist in order to substantiate the ratings reported to ABEST.

Management's Response:

The Foulbrood Department and The Texas Agricultural Experiment Station have instituted the proper procedures to ensure that all documentation is maintained.

Results of Performance Measures Review

Agency 556
Texas Agricultural Experiment Station

Fiscal Year 1996

Finding 3:

Definition Was Not Followed, and Adequate Source Documentation Was Not Available for Recalculation, Selecting, and Testing Sample

Key Performance Measure:

- Percentage of Product Labels Inspected

Factors prevented certification for the above measure. The Station deviated from the definition and was unable to provide the documentation that would support the number of in-house label reviews for the output measure “Percentage of Product Labels Inspected.”

Recommendation:

The Station should provide an update to the definition to clearly define the meaning of “product labels inspected” and “computerized testing of all labels.” In addition, there should be procedures to determine the number of in-house label reviews that will be used for future years instead of historical data. There should also be additional controls in place to ensure that the information entered by the investigators is accurate. This can be done by requesting that the investigators maintain their hard copies on file.

Management’s Response:

Product labels inspected is defined as the total number of investigator samples taken during the fiscal year plus the number of product labels reviewed and added to the data base by the registration department for the fiscal year. This total number is then compared to the total number of active products on file, for both feed and fertilizer products, to determine the output measure. There is no “computerized testing of all labels” presently available. The number of label reviews (in-house) would be difficult to determine except based on historical data. This would be especially true given that the commercial feed law, revised in January of 1996, no longer requires feed licensees to submit labels in order to be licensed. The number of labels received in a given fiscal year may vary significantly especially on a quarter by quarter basis. The 35% measure may also be too high given this new set of label review guidelines.

Results of Performance Measures Review

Agency 556

Texas Agricultural Experiment Station

Fiscal Year 1996

Controls are already in place to ensure the accuracy of the investigator input of data. The information is reviewed in-house by clerical personnel as well as the Supervisor of Field Operations and his Staff Assistant. Hard copies of all samples are printed in-house and maintained by firm for fertilizer and by facility for feed.

The revised definition for this performance measure is “percent of product labels inspected to total number of active products on file.”

Results of Performance Measures Review

Agency 578

Board of Veterinary Medical Examiners

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Average Licensing Cost for Individual License	Output	\$4.31	Certified	
Number of Complaints Resolved	Output	161	Certified	
Average Time for Complaint Resolution	Output	212	Certified With Qualification	The fiscal year 1996 results for this performance measure were not requested by or submitted to ABEST. Testing supported the performance reported. However, controls were not adequate to ensure continued accuracy of the measure.
Average Cost Per Complaint Resolved	Output	\$705.75	Certified	

Results of Performance Measures Review

Agency 582

Natural Resource Conservation Commission

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Industrial Solid Waste Clean-ups Completed	Output	269	Certified	
Percent of Texas' Surface Water Meeting or Exceeding 1994 State and/or Federal Water Quality Standards	Outcome	82.9%	Certified	
Number of Spill Cleanup Inspections	Output	550	Certified	
Percent of Air Pollution Sources Complying With Statutory and Regulatory Requirements	Outcome	84.1%	Certified	

Results of Performance Measures Review

Agency 601

Texas Department of Transportation

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Percent Counties Connected to Automated Registration and Titling System	Outcome	92.13%	Certified	
Percent Change in Statewide Traffic Accident Fatality Rates	Outcome	-5.6%	Certified	
Number of Parcels of Right-of-Way Acquired on Schedule to Meet Contract Letting	Output	1,051	Factors Prevented Certification	The calculation for this performance measure was done manually by the Department of Transportation. The information supporting the documentation was not available for recalculation and testing.
Number of New Location Lane Miles Contracted	Output	175	Certified	
Number of Lanes Miles Contracted to Increase Capacity	Output	420	Certified	
Number of Lanes Miles Contracted for Asphaltic Seal Coat Surfacing	Output	11,180	Certified	
Number of Lanes Miles Contracted for Asphaltic Concrete Pavement Overlay	Output	1,284	Certified	
Average Cost Per Lane Mile Contracted for Asphaltic Seal Coat Surfacing	Efficiency	\$6,839	Certified	

Results of Performance Measures Review

Agency 601

Texas Department of Transportation

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Number of Highway Lane Miles Resurfaced With Seal Coat	Output	3,949	Certified	
Number of Vehicles Carried on Ferryboats at Galveston	Output	2,158,303	Certified	
Number of Vehicles Carried on Ferryboats at Port Aransas	Output	2,048,674	Certified	

Results of Performance Measures Review

Agency 601
Texas Department of Transportation

Fiscal Year 1996

Finding:

Adequate Summary Documentation Was Not Available for Calculation and Testing

Key Performance Measure:

- **Number of ROW (Right-of-way) Parcels Acquired on Schedule**

Factors prevented certification for the above measure. The Department of Transportation was not retaining adequate documentation for the output measure "Number of ROW Parcels Acquired on Schedule." Specifically, the number of right-of-way parcels that are not acquired on time was missing.

Recommendation:

The Department of Transportation should retain proper documentation for calculating and reporting this measure. The Design Division is responsible for providing the number of right-of-way parcels that were not acquired in a timely manner to the ROW Division. The Design Division has now converted from a manual process to an automated process. This has occurred since the fiscal year 1996 figure was calculated and reported, according to the Assistant Director of the ROW Division. There needs to be a way to recreate the figure from the Design Division, or to preserve documentation of what is reported, so that the ROW Division can recreate the performance measure's figure.

Management's Response:

The referenced Key Performance Measure was instituted for Fiscal Year 1996. The Design Division receives monthly from each district a Letting Schedule Modification Form. This form is sent to the Design Division by the districts after the approved letting list for the month is sent out. The Letting Schedule Modification Form sets out what projects are to be pulled from the scheduled letting and the reason for pulling the project. In Fiscal Year 1996 this information was manually assembled by the Design Division. The Right of Way Division would assemble the information for each quarter performance report.

Beginning in Fiscal Year 1997, the Design Division has created an automated database for the reports sent in by the districts. Each month the Design Division sends

Results of Performance Measures Review

Agency 601

Texas Department of Transportation

Fiscal Year 1996

a copy of the report to the Right of Way Division along with a cover chart that shows how many projects each district has pulled from the scheduled letting and the reason for pulling the project. The report sent to the Right of Way Division shows projects that were pulled from the scheduled letting for, among other things, unclear right of way. The Right of Way Division must then contact each district that reported a project being pulled due to unclear right of way to ascertain exactly how many parcels in the project were not acquired to meet the letting schedule. The Design Division has the reports showing the projects that were pulled from a scheduled letting and the reasons for pulling the projects in an automated database along with hard copies of the reports. The Right of Way Division also has hard copies of those reports as provided by the Design Division.

Results of Performance Measures Review

Agency 696

Department of Criminal Justice

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Articles of Clothing Produced	Output	3,494,640	Inaccurate	The Department of Criminal Justice (Department) underreported the quarterly reports from 28 percent to 37 percent per quarter. The discrepancy in the amount reported in ABEST and the recalculation was due to pairs of socks being excluded. The Department and the State Auditor's Office have worked with the Legislative Budget Board to reword the definition.
Average Inmate Population in State Jail Facilities	Output	13,586.6	Certified	
Release Revocation Rate	Outcome	6.7	Factors Prevented Certification	The Department was unable to provide source documentation regarding the performance measure for fiscal year 1996. In order to retrieve the information, a computer program would have to have been written.
Number of Parole Cases Considered	Output	73,419	Certified With Qualification	Controls were not adequate to ensure continued accurate reporting.
Number of Parole Cases Processed	Output	29,283	Certified With Qualification	Controls were not adequate to ensure continued accurate reporting.

Results of Performance Measures Review

Agency 696
Department of Criminal Justice

Fiscal Year 1996

Finding:

Source Documentation Was Not Available for Calculation and Reporting

Key Performance Measure:

- Release Revocation Rate

Factors prevented certification of the above performance measures because the Department of Criminal Justice (Department) was unable to provide source documentation. The source documentation, which is taken from the Monthly Supervisory Database, is not downloaded on a monthly basis. Without adequate source documentation, it is not possible to tell whether the reported performance is accurate.

Recommendation:

The Department should download the Monthly Supervisory Database on a periodic basis to tape or disk. If the Department is unable to create or recreate the automated reports used to calculate the performance measure in a timely manner, a hard copy of each month's reports, in accordance with the definition, should be maintained.

Management's Response:

Management of the agency concurs with the auditor's findings and would like to add the following remarks:

Articles of Clothing Produced - *As noted in your comments, TDCJ and the State Auditor's Office have worked with the Legislative Budget Board to revise the definition for clarification. The new definition reads: Articles of inmate clothing produced. Cumulative. Any cloth item that is manufactured by Texas Correctional Industries that an inmate may wear will be included in the list. The list includes and is limited to the following items: inmate pants; inmate shorts; inmate jackets; coveralls; inmate dresses; discharge pants; thermal pants; hospital slides (each); gowns; discharge shirts; jacket hoods; inmate shirts; cook caps; caps; discharge tops; discharge dresses; diagnostic dresses; thermal shirts; socks (each); pajamas; discharge jackets; and aprons.*

Results of Performance Measures Review

Agency 696
Department of Criminal Justice

Fiscal Year 1996

Release Revocation Rate - The audit finding indicated that there were Factors Preventing Certification. The measure is calculated by dividing the number of revocations by the average number of offenders under the jurisdiction of the Parole Division. We feel that the auditors were provided with accurate revocation data. However, Data Services had not downloaded end of the month data and, as a result, the specific end of month figures included in the calculation could not be duplicated without a specific program being written to identify the status of the offenders as of the end of each month (after the fact). This option was deemed unacceptable. The problem could be corrected by having Data Services download data base files as of the end of the month so that end of the month reports could be regenerated in the future. It should be emphasized that this issue was raised during a previous audit and procedures were to have been implemented. Our office will once again request that Data Services develop a procedure for maintaining files of data reported as of the end of traditional reporting periods (i.e. end of month, end of fiscal year) and follow through to ensure that the action is taken.

Number of Parole Cases Considered and Number of Parole Cases Processed - Both measures received the same finding. Information entered into ABEST II system was correct and verifiable; however, a Certification With Qualification rating was awarded. Currently, quarterly performance information is reported via hard copy and then entered into ABEST II system. The reporting was considered weak in that independent verification of the data entered into ABEST was needed. The process was performed by the same individual. As per our discussion, the procedure has been changed to require independent verification of data. The action taken should correct the internal control deficiency.

These actions should insure that definitions are inclusive, adequate controls are implemented and documentation is maintained to support agency performance factors.

Results of Performance Measures Review

Agency 781

Higher Education Coordinating Board

Fiscal Year 1996

Description	Classification	Results	Certification	Comments
Retention Rate of Students Completing Required Remediation	Output	79.7	Certified	
Percentage of Students Completing Required Remediation Within 2 years	Output	52%	Certified	
Percentage of Students Graduating Within 6 years	Outcome	48.7%	Certified	
Additional Dollars Resulting From ATP/ARP Funding (Thousands)	Output	\$114,381	Inaccurate	The number reported for fiscal year 1996 did not meet the definition of the performance measure by the Legislative Budget Board. The number was to reflect fiscal year 1996 but the computer program used by the Higher Education Coordinating Board provides only totals for "Grant Cycles," which do not match the required period. Grant Cycle 1995, which includes funds received in part of fiscal year 1996, was not used for the reported figure.
Percentage of Students Receiving Hinson-Hazlewood Loans	Outcome	1.42%	Certified	

Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to:

- Determine whether selected state entities are accurately reporting their key performance measures to the Automated Budget and Evaluation System of Texas (ABEST) database.
- Determine whether selected state entities have adequate control systems in place over the collection and reporting of their performance measures.
- Provide assistance to selected state entities who were undergoing self-examinations or that have had recurring problems in controlling and reporting performance measure data.

Scope

Certain key measures were reviewed at 26 state entities. 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:

- State entities were chosen in conjunction with the Legislative Budget Board, based on risk factors identified by the Legislative Budget Board.
- 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.
- Calculations were reviewed for accuracy and to ensure that the calculations were consistent with the methodology agreed upon by the entity and the Legislative Budget Board.
- The flow of data was analyzed to evaluate whether proper controls were in place.

- Testing of a sample of source documents was conducted to verify the accuracy of reported performance.

Performance measure results were reported in one of four categories:

- Certified
- Certified With Qualification
- Factors Prevented Certification
- Inaccurate

The Legislative Budget Board requested that findings be written for any measures categorized as “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 January 1997 through June 1997. 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:

- Ed Osner, CPA (Project Manager)
- Fran Carr, CPA (Quality Control Reviewer)
- Jay LeBlanc (Assistant Project Manager)
- Tom McGaha (Assistant Project Manager)
- Courtney Ambres
- Dana Brown
- Mike Burris
- Arthur Cheung
- Barbara Collins, CDP
- Michelle Duncan
- Carlita Joseph
- Lena Lui
- James McGathy
- Janet Melton, CPA
- Carlos Molina
- Abderrahim Taji
- Tracy Tran, CPA
- Won Whitty, CPA
- Charlie Hrcir, CPA (Audit Manager)
- Deborah Kerr, Ph.D. (Director)

Background Information

The 26 entities audited have diverse mission statements that encompass general government, health and human services, public safety and criminal justice, natural resources, business and economic development, regulatory, and education. The 26 entities are:

- Department of Information Resources
- Texas Workforce Commission
- Rehabilitation Commission
- Department on Aging
- Bond Review Board
- Incentive and Productivity Commission
- Adjutant General's Department
- National Guard Armory Board
- Commission on Jail Standards
- Criminal Justice Policy Council
- Department of Licensing and Regulation
- Workers' Compensation Commission
- Department of Commerce
- Board of Private Investigators and Private Security Agencies
- Office of Public Utility Counsel
- Board of Medical Examiners
- Board of Chiropractic Examiners
- Board of Vocational Nurse Examiners
- Commission on Alcohol and Drug Abuse
- Health and Human Services Commission
- Texas Agricultural Experiment Station
- Board of Veterinary Medical Examiners
- Natural Resource Conservation Commission
- Texas Department of Transportation
- Department of Criminal Justice
- Higher Education Coordinating Board