



TEXAS
Department of Family
and Protective Services

Fiscal Year 2022
Annual Audit Plan
Internal Audit Division

September 2021

Fiscal Year 2022 Annual Audit Plan

Background

The Internal Audit Division is an independent, objective assurance, and consulting body established within the Department of Family and Protective Services (DFPS). Internal Audit plans, develops, and performs internal audit activities, including assurance services, and consulting engagements, also referred to as non-audit services.

The Commissioner and Executive Management Team participate in the development of an annual risk assessment and audit plan that best and most effectively addresses issues of control, risk management, and governance of the agency. The audit plan may include services designed to address one or more of the following areas:

- Achievement of the organization's strategic objectives
- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations and programs
- Safeguarding of assets
- Compliance with laws, regulations, policies, procedures, and contracts

DFPS internal auditing activities are conducted in accordance with the Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing*, Government Accountability Office *Generally Accepted Government Auditing Standards (GAGAS)*, and the Institute of Internal Auditor's Code of Ethics.

Audit Projects in Progress

In addition to audits planned for fiscal year (FY) 2022, the Annual Audit Plan (AAP) includes four audit projects and five consulting engagements in progress as of August 31, 2021. See Table 1 on the following page and Table 4 in Consulting Services section.

Audit Plan Areas

The Annual Audit Plan identifies planned audit projects, consulting engagements and other management consulting functions for FY 2022. See Table 2 on the following pages and Tables 5 and 6 in Consulting Services section. The AAP also includes other areas Internal Audit has planned a formal review and has allocated direct audit hours for those projects. See Table 3 on the following pages.

Table 1: FY 2022 Audit Projects In-progress

Audit Area	Objectives	Agency Strategic Plan
Identity and Access Management Audit <i>Reporting</i>	Determine that adding, changing, and removing identities on DFPS systems occurs within a timeframe to reduce risk and increase efficiency. Determine if DFPS identities are provisioned and maintained with the least privilege necessary. Also, determine that identities are provisioned with sufficient access to perform their roles.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.
Human Resources Audit <i>Planning</i>	<i>Preliminary Objective:</i> Assess whether DFPS Human Resource's hiring process is efficient and whether the policies and procedures in place support consistent and effective new hire processes.	Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff. Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.
Child Safety Specialist Secondary Case Review Process Audit <i>Fieldwork</i>	Determine if the CSS secondary case review process has appropriate policies and procedures in place to support consistent and effective practices related to child safety. Assess the sufficiency and quality of information used within the CSS secondary case review process. Assess the effectiveness and efficiency of internal communication and monitoring related to the CSS secondary case review process.	Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs. Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations. Goal 4: Teamwork: Enhance internal communications to

Audit Area	Objectives	Agency Strategic Plan
		ensure cohesion among divisions.
Follow-up on Prior Audit Findings <i>Reporting</i>	Determine whether management actions appropriately address DFPS IA audit recommendations that have been implemented as of August 31, 2020.	N/A Implementation Status of Prior Audit Recommendations

Table 2: FY 2022 Planned Audits

Audit Area	Preliminary Audit Objectives	Agency Strategic Plan
Third-Party Access to DFPS Data	Identify and evaluate the controls over third parties who are granted access to DFPS data, both through data exchanges or access to DFPS systems.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations. Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.
Family-Based Safety Services Concurrent Stages	Determine whether actions are occurring simultaneously for cases marked for concurrent stages and whether processes are working as intended to meet agency goals.	Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs. Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations. Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.

Audit Area	Preliminary Audit Objectives	Agency Strategic Plan
Budget	Assess whether budget information and division decisions based on the information are timely, accurate and clearly defined to enable agency divisions to effectively manage their budgets.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations. Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.
Data & Decision Support Data	Evaluate the efficiency and effectiveness of the information request and delivery system within Data & Decision Support.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.

Table 3: FY 2022 Other IA Project Areas

Project Area	Preliminary Objective	Agency Strategic Plan
Follow-up on Prior Audit Findings	Determine whether management actions appropriately address prior audit recommendations.	N/A Implementation Status of Prior Audit Recommendations

Consulting Services

Consulting services may be conducted as requested by Executive Management. Through agency reorganization, the Internal Audit team has gained staff that allows for additional consulting engagement hours. Therefore, Internal Audit has allocated 7,200 hours for consulting engagements to be performed during FY 2022. Specific consulting project areas will be determined throughout the year based on identified agency and/or divisional need and discussions with or requests from agency leadership. See Tables 4, 5 and 6 for in-progress, planned, and other consulting services.

Table 4: FY 2022 Consulting Projects In-progress

Consultant Area	Objectives	Agency Strategic Plan
Office of Consumer Relations (OCR) Reports	Provide a quarterly report of trends and patterns in substantiated complaints based on the OCR's monthly substantiated complaints logs.	<p>Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs.</p> <p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.</p>
APS Practice Model	Facilitate APS workgroup to develop a communication plan in anticipation for the new practice model rollout to the field.	<p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.</p> <p>Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.</p>
Worker Safety	Facilitate development of Worker Safety strategic goals with a focus on reducing safety-related incidents.	Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff.
Preparation for Adult Living (PAL) Life Skills Reimagined	Facilitate process to assist with development and implementation of a plan to integrate Life Skills Reimagined, an online training resource for youth aged 16-21 transitioning to adulthood.	Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs.

Consultant Area	Objectives	Agency Strategic Plan
CPS Title IV-E Stipend Program	Facilitate a workgroup to develop a more seamless transition of the CPS Title IV-E Stipend program to include the Community-Based Care model.	Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff.

Table 5: FY 2022 Consulting Projects Planned

Consultant Area	Objectives	Agency Strategic Plan
APS District Review of Austin/ El Paso District	Conduct a holistic review of regional functional areas of processes, personnel, performance, and community engagement.	<p>Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs.</p> <p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.</p> <p>Goal 5: Community Relations Improve external communications and outreach to better inform the public and assist with protecting clients, families, and communities.</p>
Community-Based Care (CBC)	Evaluate CBC staff function and use.	<p>Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff.</p> <p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency</p>

Consultant Area	Objectives	Agency Strategic Plan
		operations and identifying and correcting areas for more efficient and effective operations.

Table 6: FY 2022 Other Consulting Projects

Consultant Area	Objectives	Agency Strategic Plan
Employee Recognition Ceremony and Promotion Broadcasts	Coordinate all aspects of the quarterly and monthly awards ceremony and recognition efforts for DFPS staff and agency partners.	Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff.
DFPS Director Team Meeting	Facilitate a quarterly director-level meeting to improve coordination of the various initiatives being implemented across the agency to break down silos and create a cohesive culture.	Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.
Governor’s Committee on People with Disabilities	Represent DFPS on the committee serving as central source of information and education on the abilities, rights, problems, and needs of Texans with disabilities.	Goal 5: Community Relations Improve external communications and outreach to better inform the public and assist with protecting clients, families, and communities.
Quality, Process Improvement and Innovation (QPII) State Agency Coordinating Committee (SACC)	Represent the agency on the subcommittee that examines administrative and management practices, review problems or issues that have an impact across agency lines, and encourages and fosters management practices that are beneficial and cost effective for all state agencies.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.

Consultant Area	Objectives	Agency Strategic Plan
Grant Management Coordination	Provide grant coordination services for DFPS. This project includes the Grants Workgroup and updating Grants handbook.	Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.

Allocation of Staff Hours

Internal Audit allocated direct staff hours available for each of the Annual Audit Plan areas as listed in Table 7 below.

Table 7: Allocation of Staff Hours to Audit Engagements and Consulting Services

FY 2022 Audit Engagements	Staff Hours
Available Hours	7,400 ¹
Audits In-progress (FY 2021)	2,500
Planned Audits	4,400
Other IA Project Areas	500

FY 2022 Consulting Services	Staff Hours
Available Hours	7,200 ²
Consulting Engagements In-progress (FY 2021)	1,306
Other CS Functions/Project Areas	240

¹ Total direct audit project hours based on 4 auditors, 1 IT auditor, 1.75 audit managers, and 1 assistant director, minus hours designated for IA policies and procedures refresh; figure rounded to nearest hundred.

² Total consulting services hours based on 7 consultants minus hours designated for internal development and process improvement; figure rounded to nearest hundred.

Audit Plan Revisions

The FY 2022 Annual Audit Plan can be revised as needed to adjust for emerging issues and resource availability. Deviations from the audit plan must be documented and significant deviations approved by the Commissioner. If a change is made to the annual audit plan, a copy of the amended plan must be submitted to oversight agencies during Internal Audit’s annual reporting process.

Risk Areas Not Included in the Plan

Additional risk areas were identified in the risk assessment process and could be added to the annual audit plan as projects are completed and resources become available (see Table 8 below). Alternately, management could take steps to review controls in these areas.

Table 8: FY 2022 Risk Areas Not Included in the Plan

Risk Area	Potential Objectives	Agency Strategic Plan
Quality Outcomes of Purchased Client Services with focus on Permanency	Assess whether the processes for evaluating contractor performance are effective in helping to ensure the quality outcomes of client services with focus on permanency and that providers are held accountable.	Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.
Child Care Investigations	Assess the effectiveness and efficiency within the Child Care Investigations division operations to ensure processes are working as intended.	Goal 1: Client Services: Improve direct delivery services to meet client, family, and community needs. Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.

Risk Area	Potential Objectives	Agency Strategic Plan
Information Security Awareness	Evaluate the effectiveness of the DFPS information security awareness program in promoting secure practices in the agency and its partners.	<p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.</p> <p>Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.</p>
Center for Learning and Organizational Excellence	Evaluate the efficiency and effectiveness of training course development processes and coordination with DFPS divisions.	<p>Goal 2: Workforce Stability: Increase workforce stability and retention of institutional knowledge by focusing on attracting, retaining, and developing highly qualified staff.</p> <p>Goal 3: Process Improvement: Strengthen internal processes by better analyzing agency operations and identifying and correcting areas for more efficient and effective operations.</p> <p>Goal 4: Teamwork: Enhance internal communications to ensure cohesion among divisions.</p>

Other Internal Audit Activities

- Training & staff development (CPE)³
- Internal Audit Annual Report⁴
- Internal Audit staff meetings
- Risk Assessment and Annual Audit Plan for fiscal year 2023
- External audit coordination – Internal Audit provides an external audit liaison service that includes coordinating and providing a single point of contact for all audits of DFPS by external audit entities
- Legislative coordination
- Internal Audit quality assurance and improvement program
- Internal Audit policies and procedures refresh
- TeamMate migration to DFPS server
- Internal Audit office building relocation

Internal Audit also participates in committees and workgroups in an advisory role, such as:

- Executive Team Meetings
- Texas Family and Protective Services Council
- IT Governance Meetings
- Critical Case Meetings
- DFPS Wellness Council
- Accessibility Workgroup
- DFPS Grants Council
- State Agency Internal Audit Forum (SAIAF)

Approval of FY2022 Audit Plan

(Original signatures on file with Internal Audit Division)

 9-13-21
 Signature Date

Commissioner
Title

 9-13-21
 Signature Date

Chief Audit Officer
Title

³ Professional standards require internal auditors to obtain 40 hours of continuing professional education yearly. Additional hours have also been allocated for staff intending to sit for professional certification exams during the year.

⁴ Preparation of an annual report is required in accordance with the Texas Internal Auditing Act.

Risk Assessment Methodology

In July 2021, the Internal Audit Division sent a risk assessment survey to all DFPS employees to submit input for the purposes of assessing risks on agency activities and its functions for the risk assessment process.

The Internal Audit Division interviewed Executive Management from July to August 2021, to discuss potential risk issues for their respective divisions and gain their perspective on the agency's areas of highest risk. The results from these communications and the risk factors below were used by Internal Audit when identifying activities and functions to include in the annual audit plan:

- Agency Mission
- Service Delivery
- Fiscal Operations
- Compliance
- Fraud
- Information Technology
- Executive Management Input and Other Considerations

Auditing standards require the Internal Audit Director to communicate periodically to senior management on significant risk exposures, control issues, corporate governance issues, and other matters as appropriate. By communicating these high-risk areas, management has the opportunity to review and assess operations to mitigate risk. The audit plan is one of the mechanisms used to communicate risk exposures.