

FINANCE COMMISSION
Austin, Texas

INTERNAL AUDIT PLAN

For Fiscal Year 2024



FINANCE COMMISSION
Austin, Texas

Internal Audit Plan
For Fiscal Year 2024

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Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

Finance Commission and Audit Committee Members
Finance Commission of Texas
Austin, Texas

Enclosed is the Finance Commission's proposed Internal Audit Plan (Plan) that was prepared for audits and other functions to be performed in fiscal year 2024 for the Texas Department of Banking (DOB), Department of Savings and Mortgage Lending (SML), and the Office of Consumer Credit Commissioner (OCCC). This Plan determines the scope of internal audit activities and is the source for assignment and prioritization of internal audit responsibilities for fiscal year 2024. Specific planning for audit procedures is a naturally ongoing process; thus, the Plan is reviewed annually and may be revised by the Finance Commission or Audit Committee, as necessary.

This Plan has been prepared by Garza/Gonzalez & Associates, an independent Certified Public Accounting firm, following Generally Accepted Auditing Standards, International Standards for the Professional Practice of Internal Auditing, and the Institute of Internal Auditors' Code of Ethics contained in the Professional Practices Framework.



January 23, 2024

FINANCE COMMISSION

Austin, Texas

Internal Audit Plan For Fiscal Year 2024

I. Methodology

The Finance Commission is responsible for overseeing and coordinating the activities of the Texas Department of Banking (DOB), the Department of Savings and Mortgage Lending (SML), and the Office of Consumer Credit Commissioner (OCCC), which are financial regulatory agencies. The 3 agencies were granted a self-directed, semi-independent (SDSI) status by the Legislature. Under this SDSI status, each agency is responsible for its operational costs, prohibited from incurring any costs to the general revenue fund, and operate independently from the legislative budgeting process. However, the Finance Commission retains the responsibility of establishing their spending authority or limits. Each agency relies entirely on fees assessed to the businesses they regulate to generate operating funds, which are then utilized to cover both direct and indirect costs.

This Internal Audit Plan (Plan) encompasses all 3 agencies. The Plan was developed using a risk assessment process, where we reviewed various documents and questionnaires completed by the Finance Commission Chair, management, and other staff from each of the 3 agencies, as documented below.

The following documents from the 3 agencies were reviewed and/or considered in our risk assessment process:

- Operating Budgets
- Organizational Charts
- Policies & Procedures and Processes
- Applicable Laws and Rules
- Audit and/or Monitoring Reports from Third Party Agencies
- Prior Internal Audit Reports
- Finance Commission and Audit Committee Minutes

Questionnaires were developed for completion by the Finance Commission Chair, Commissioners, a Deputy Commissioner, Division Directors, and other staff to update our understanding of each division, and its role within the overall scheme of the respective agency. The questionnaires included topics; such as, changes in significant systems or key personnel, time elapsed since last audit or review, status from past audits or reviews, and regulatory compliance requirements (i.e., TAC 202, *Information Security Standards* and contract management). Utilizing information obtained through the completed questionnaires and background information reviewed, audit areas for each of the 3 agencies were identified as potential audit topics. A risk analysis was completed for each individual audit topic and then compiled to develop an overall risk assessment for each of the 3 agencies.

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Internal Audit Plan

The following 8 risk factors were considered for each potential audit topic:

Risk Factor	Description
1. Materiality	Measure of the auditable unit's <i>financial</i> materiality based on the dollar amount per year of assets, receipts, or disbursements for which the unit is responsible, or the license/charter holders' assets that the unit supervises; or, <i>non-financial</i> materiality based on the degree of its responsibility related to the agency's primary mission.
2. Time Since Last Audit or Review	Measure of the number of years between the date of the previous audit or review and the date of the risk assessment.
3. Results of Prior Audit or Review	Measure of the results and status of prior audits or reviews.
4. Personnel	Measure of personnel changes and the adequacy of the auditable unit's staffing level as it relates to the achievement of its objectives.
5. Policies & Procedures and Processes	Measure of established internal controls (policies and procedures documenting the auditable unit's activities) and changes in processes and systems.
6. Compliance Requirements	Measure of the complexity of contracts, laws, and/or regulations for which the auditable unit is responsible for ensuring compliance.
7. Fraud, Waste, or Abuse	Measure of the auditable unit's risks and controls in place as it relates to fraud, waste, or abuse.
8. Commission & Management Feedback	Measure of feedback expressed in completed questionnaires.

II. Audit Scope

In accordance with the **International Standards for the Professional Practice of Internal Auditing**, the audit scope will encompass the examination and evaluation of the adequacy and effectiveness of the respective agency's system of internal control and the quality of performance in carrying out assigned responsibilities. The audit scope, as applicable, considers the following objectives:

- **Reliability and Integrity of Financial and Operational Information** – Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- **Compliance with Policies, Procedures, Laws, Regulations, and Contracts** – Review the systems established to ensure compliance with those policies, procedures, laws, regulations, and contracts which could have a significant impact on operations and reports, and determine whether the organization is in compliance.
- **Safeguarding of Assets** – Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
- **Effectiveness and Efficiency of Operations and Programs** – Appraise the effectiveness and efficiency with which resources are employed.
- **Achievement of the Organization's Strategic Objectives** – Review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

FINANCE COMMISSION

Internal Audit Plan

III. Texas Department of Banking (DOB)

Internal Audit Plan

In addition to conducting the 2024 risk assessment in preparation for this Internal Audit Plan (Plan), this Plan also includes 2 audits to be performed; a follow-up on the prior year’s audit recommendations; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, the preparation of the 2024 Internal Audit Annual Report.

Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 17 potential audit topics were identified. A risk analysis was conducted for each of these topics using the 8 risk factors mentioned in section I of this report. The results of these individual assessments were then compiled to develop an overall risk assessment.

Following are the results of the risk assessment performed for the 17 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Payroll and Human Resources Trust Examinations	Management Information Systems [(MIS) Includes Disaster Recovery Plan] Revenue Accounting Process Corporate Activities Bank Examinations Procurement/Contract Management/HUB Financial Reporting	Money Service Businesses Travel IT Examinations Asset Management Imaging & Records Management Prepaid Funeral Guaranty Fund Perpetual Care Cemeteries Prepaid Funeral Contracts Consumer Assistance

This report includes the “Risk Assessment Summary” as Attachment A-1; and, the “History of Areas Audited” as Attachment B-1, which identifies audits and/or reviews performed from fiscal year 2014 through 2023 for the above 17 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- Corporate Activities Audit
- Procurement/Contract Management/HUB Audit
- Preparation of the Internal Audit Annual Report

Fiscal Year 2022:

- Risk Assessment & Preparation of the Internal Audit Plan
- Bank Examinations Audit
- IT Examinations Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2021:

- Risk Assessment & Preparation of the Internal Audit Plan
- Management Information Systems [(MIS) Includes Disaster Recovery Plan] Audit
- Consumer Assistance Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

The areas recommended for internal audits and other functions to be performed for fiscal year 2024 are as follows:

1. Completion of the Fiscal Year 2024 Risk Assessment and Preparation of this Internal Audit Plan

2. Audit of Payroll and Human Resources Area

An audit of this area will be performed to assess the effectiveness and efficiency of the internal controls, policies, procedures, and processes in place for the Payroll and Human Resources Area; and, to ensure compliance with applicable state requirements.

3. Audit of Trust Examinations Area

An audit of this area will be performed to ensure DOB's established policies and procedures, and internal controls are effective to enforce and administer applicable state laws and regulations of the financial institutions it regulates. The audit will also include a review of staff training and relevant performance measures.

4. Follow-Up of Prior Year Internal Audits

Follow-up procedures will be performed to determine the status of the prior year comments that were not fully implemented as of fiscal year ended August 31, 2023, which will result in a determination that the recommendation is (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or (4) Not Implemented.

5. Preparation of the 2024 Internal Audit Annual Report

The 2024 Internal Audit Annual Report will be prepared in the form prescribed by the State Auditor's Office; and, that meets the Texas Internal Auditing Act requirements.

6. Other Tasks

Other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

FINANCE COMMISSION

Internal Audit Plan

IV. Department of Savings and Mortgage Lending (SML)

Internal Audit Plan

In addition to conducting the 2024 risk assessment in preparation for this Internal Audit Plan (Plan), this Plan also includes one audit to be performed; a follow-up on the prior year’s audit recommendation; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, the preparation of the 2024 Internal Audit Annual Report.

Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 13 potential audit topics were identified. A risk analysis was conducted for each of these topics using the 8 risk factors mentioned in section I of this report. The results of these individual assessments were then compiled to develop an overall risk assessment.

Following are the results of the risk assessment performed for the 13 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Mortgage Grant Fund Administration Thrift Examinations Mortgage Examinations	Thrift Supervision and Compliance Payroll and Human Resources Management Information Systems [(MIS) Includes Disaster Recovery Plan]	Revenue Accounting Process Legal and Enforcement Consumer Responsiveness Mortgage Licensing and Registration Financial Reporting (includes Asset Management & Travel) Records Management Procurement/ Contract Management/ HUB

This report includes the “Risk Assessment Summary” as Attachment A-2; and, the “History of Areas Audited” as Attachment B-2, which identifies audits and/or reviews performed from fiscal year 2014 through 2023 for the above 13 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- Mortgage Examinations Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2022:

- Risk Assessment & Preparation of the Internal Audit Plan
- Legal & Enforcement Audit
- Preparation of the Internal Audit Annual Report

Fiscal Year 2021:

- Risk Assessment & Preparation of the Internal Audit Plan
- Procurement/Contract Management/HUB Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

The area recommended for internal audit and other functions to be performed for fiscal year 2024 are as follows:

1. Completion of the Fiscal Year 2024 Risk Assessment and Preparation of this Internal Audit Plan
2. Audit of Mortgage Grant Fund Administration Area
An audit of this area will be performed to determine whether SML's established policies and procedures and internal controls are adequately designed and followed in administering the Mortgage Grant Fund in accordance with applicable state laws and regulations.
3. Follow-Up of Prior Year Internal Audits
Follow-up procedures will be performed to determine the status of the prior year comment that was not fully implemented as of fiscal year ended August 31, 2023, which will result in a determination that the recommendation is (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or (4) Not Implemented.
4. Preparation of the 2024 Internal Audit Annual Report
The 2024 Internal Audit Annual Report will be prepared in the form prescribed by the State Auditor's Office; and, that meets the Texas Internal Auditing Act requirements.
5. Other Tasks
Other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

FINANCE COMMISSION

Internal Audit Plan

V. Office of Consumer Credit Commissioner (OCCC)

Internal Audit Plan

In addition to conducting the 2024 risk assessment in preparation for this Internal Audit Plan (Plan), this Plan also includes one audit to be performed; a follow-up on the prior year’s audit recommendations; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, the preparation of the 2024 Internal Audit Annual Report.

Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 12 potential audit topics were identified. A risk analysis was conducted for each of these topics using the 8 risk factors mentioned in section I of this report. The results of these individual assessments were then compiled to develop an overall risk assessment.

Following are the results of the risk assessment performed for the 12 potential audit topics identified:

HIGH RISK	MODERATE RISK	LOW RISK
Payroll and Human Resources Examinations Legal and Enforcement	Management Information Systems [(MIS) Includes Disaster Recovery Plan] Business Licensing Procurement/Contract Management/HUB	Fiscal Division (Includes Asset Management & Travel) Revenue Accounting Process Complaint Intake and Investigation Business Registration & Professional Licensing Records Management TFEE Fund Grant Administration

This report includes the “Risk Assessment Summary” as Attachment A-3; and, the “History of Areas Audited” as Attachment B-3, which identifies audits and/or reviews performed from fiscal year 2014 through 2023 for the above 12 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

Fiscal Year 2023:

- Risk Assessment & Preparation of the Internal Audit Plan
- TFEE Fund Investment Portfolio Administration Audit (*Required Periodic Audit*)
- Human Resources and Payroll Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2022:

- Risk Assessment & Preparation of the Internal Audit Plan
- Regulated Lenders Examinations Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

Fiscal Year 2021:

- Risk Assessment & Preparation of the Internal Audit Plan
- TFEE Fund Investment Portfolio Administration Audit (*Required Periodic Audit*)
- Fiscal Division (Includes Asset Management & Travel) Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

FINANCE COMMISSION

Internal Audit Plan

The areas recommended for internal audit and other functions to be performed for fiscal year 2024 are as follows:

1. Completion of the Fiscal Year 2024 Risk Assessment and Preparation of this Internal Audit Plan
2. Audit of Examinations: Data Collection Area
An audit of this area will be performed to assess the access levels for ensuring authorized handling of examination data; and, the design and operation of internal controls over examination data collection, ensuring the validity, accuracy, and completeness of the data entered into or extracted from the database, to support monitoring and reporting activities.
3. Follow-Up of Prior Year Internal Audits
Follow-up procedures will be performed to determine the status of the prior year comments that were not fully implemented as of fiscal year ended August 31, 2023, which will result in a determination that the recommendation is (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete/Ongoing; or (4) Not Implemented.
4. Preparation of the 2024 Internal Audit Annual Report
The 2024 Internal Audit Annual Report will be prepared in the form prescribed by the State Auditor's Office; and, that meets the Texas Internal Auditing Act requirements.
5. Other Tasks
Other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

ATTACHMENTS

TEXAS DEPARTMENT OF BANKING
Risk Assessment Summary
For Fiscal Year 2024

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%
RISK FACTORS							
1	2	3	4	5	6	7	8

POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review	Results of Prior Audit or Review	Personnel	Policies and Processes	Compliance Requirements	Fraud Waste or Abuse	Commission & Management Feedback	Total								
High Risk: > 174																	
1 Payroll and Human Resources	3	30.00	2	34.00	1	13.00	2	24.00	2	32.00	2	24.00	2	18.00	2	22.00	197.00
2 Trust Examinations	2	20.00	2	34.00	1	13.00	2	24.00	1	16.00	3	36.00	1	9.00	3	33.00	185.00
Moderate Risk: 151 - 174																	
3 Management Information Systems [(MIS) Includes Disaster Recovery Plan]	2	20.00	1	17.00	1	13.00	2	24.00	2	32.00	3	36.00	2	18.00	1	11.00	171.00
4 Revenue Accounting Process	3	30.00	2	34.00	1	13.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	170.00
5 Corporate Activities	3	30.00	1	17.00	2	26.00	2	24.00	1	16.00	2	24.00	1	9.00	1	11.00	157.00
6 Bank Examinations	3	30.00	1	17.00	1	13.00	2	24.00	1	16.00	3	36.00	1	9.00	1	11.00	156.00
7 Procurement/Contract Management/HUB	2	20.00	1	17.00	2	26.00	2	24.00	1	16.00	2	24.00	2	18.00	1	11.00	156.00
8 Financial Reporting	1	10.00	2	34.00	1	13.00	2	24.00	1	16.00	2	24.00	1	9.00	2	22.00	152.00
Low Risk: < 151																	
9 Money Service Businesses	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	2	22.00	150.00
10 Travel	2	20.00	2	34.00	1	13.00	2	24.00	1	16.00	1	12.00	2	18.00	1	11.00	148.00
11 IT Examinations	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	144.00
12 Asset Management	1	10.00	2	34.00	1	13.00	2	24.00	1	16.00	1	12.00	2	18.00	1	11.00	138.00
13 Imaging & Records Management	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00
14 Prepaid Funeral Guaranty Fund	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00
15 Perpetual Care Cemeteries	1	10.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	129.00
16 Prepaid Funeral Contracts	1	10.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	129.00
17 Consumer Assistance	2	20.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	122.00

Risk Factor Rating:
 1 - Low Risk
 2 - Moderate Risk
 3 - High Risk

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
Risk Assessment Summary
For Fiscal Year 2024

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%
RISK FACTORS							
1	2	3	4	5	6	7	8

POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review	Results of Prior Audit or Review	Personnel	Policies and Processes	Compliance Requirements	Fraud Waste or Abuse	Commission & Management Feedback	Total
High Risk: > 182									
1 Mortgage Grant Fund Administration	2	20.00	3	51.00	2	26.00	1	12.00	204.00
2 Thrift Examinations	3	30.00	2	34.00	1	13.00	2	24.00	189.00
3 Mortgage Examinations	3	30.00	1	17.00	2	26.00	2	24.00	185.00
Moderate Risk: 161 - 182									
4 Thrift Supervision and Compliance	3	30.00	2	34.00	1	13.00	1	12.00	177.00
5 Payroll and Human Resources	3	30.00	2	34.00	1	13.00	1	12.00	174.00
6 MIS (Includes Disaster Recovery Plan)	2	20.00	1	17.00	1	13.00	1	12.00	170.00
Low Risk: < 161									
7 Revenue Accounting Process	3	30.00	2	34.00	1	13.00	1	12.00	158.00
8 Legal & Enforcement	3	30.00	1	17.00	1	13.00	2	24.00	156.00
9 Consumer Responsiveness	2	20.00	2	34.00	1	13.00	1	12.00	139.00
10 Mortgage Licensing & Registration	2	20.00	2	34.00	1	13.00	1	12.00	139.00
11 Financial Reporting (Includes Asset Management & Travel)	1	10.00	2	34.00	1	13.00	1	12.00	138.00
12 Records Management	2	20.00	2	34.00	1	13.00	1	12.00	136.00
13 Procurement/Contract Management/HUB	2	20.00	1	17.00	1	13.00	1	12.00	131.00

Risk Factor Rating:
 1 - Low Risk
 2 - Moderate Risk
 3 - High Risk

OFFICE OF CONSUMER CREDIT COMMISSIONER
Risk Assessment Summary
For Fiscal Year 2024

RISK FACTOR WEIGHT							
10.00%	17.00%	13.00%	12.00%	16.00%	12.00%	9.00%	11.00%
RISK FACTORS							
1	2	3	4	5	6	7	8

POTENTIAL AUDIT TOPIC	Materiality	Time Since Last Audit or Review	Results of Prior Audit or Review	Personnel	Policies and Processes	Compliance Requirements	Fraud Waste or Abuse	Commission & Management Feedback	Total								
High Risk: > 159																	
1 Payroll and Human Resources	3	30.00	1	17.00	2	26.00	1	12.00	2	32.00	2	24.00	2	18.00	1	11.00	170.00
2 Examinations	3	30.00	2	34.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	161.00
3 Legal and Enforcement	3	30.00	2	34.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	161.00
Moderate Risk: 148 - 159																	
4 MIS (Includes Disaster Recovery Plan)	2	20.00	1	17.00	1	13.00	1	12.00	2	32.00	3	36.00	2	18.00	1	11.00	159.00
5 Business Licensing	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	3	36.00	1	9.00	1	11.00	151.00
6 Procurement/Contract Management/HUB	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	148.00
Low Risk: < 148																	
7 Fiscal Division (Includes Asset Management & Travel)	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	141.00
8 Revenue Accounting Process	3	30.00	1	17.00	1	13.00	1	12.00	1	16.00	2	24.00	2	18.00	1	11.00	141.00
9 Business Registration & Professional Licensing	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	139.00
10 Complaint Intake and Investigation	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	2	24.00	1	9.00	1	11.00	139.00
11 Records Management	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00
12 TFEE Fund Grant Administration	2	20.00	2	34.00	1	13.00	1	12.00	1	16.00	1	12.00	2	18.00	1	11.00	136.00

Risk Factor Rating:
 1 - Low Risk
 2 - Moderate Risk
 3 - High Risk

TEXAS DEPARTMENT OF BANKING
History of Areas Audited
For Fiscal Year 2024

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	Asset Management	C*			A	C*			C*		
2	Bank Examinations				A/B*	E				A	
3	Consumer Assistance					E			A		
4	Corporate Activities					E					A
5	Financial Reporting				B	E*					
6	Imaging and Records Management			A				A			
7	IT Examinations			A		E				A	
8	Management Information Systems [(MIS) Includes Disaster Recovery Plan] ¹	A			B	E*	A1*/D		A*/D		D
9	Money Service Businesses	A			B*	E	A1*	A*			
10	Payroll and Human Resources	C*				C*/F*	F*		C*		
11	Perpetual Care Cemeteries		A		B*	E	A1*	A*			
12	Prepaid Funeral Contracts				B*	E	A1*	A*			
13	Prepaid Funeral Guaranty Fund					A/E	A1*	A*			
14	Procurement/Contract Management/HUB	C*			B*	C*			C*		A
15	Revenue Accounting Process		A		B	E	A1*	A			
16	Travel	C*			B*	C*/E*			C*		
17	Trust Examinations					A/E					

¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

Note: Performance Measures are included in the scope of the applicable audit area(s).

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A** Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1** Internal audit performed by McConnell & Jones LLP.
- B** Audit performed by the State Auditor's Office (SAO).
- C** Post-Payment audit performed by the Comptroller of Public Accounts (CPA).
- D** IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- E** Sunset Review performed by the Sunset Advisory Commission.
- F** Review performed by the Texas Workforce Commission.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING
History of Areas Audited
For Fiscal Year 2024

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	Consumer Responsiveness	A			B*	D					
2	Financial Reporting (Includes Asset Management & Travel)	E*			B	D*/E*					
3	Legal and Enforcement				B	D			A		
4	Management Information Systems [(MIS) Includes Disaster Recovery Plan] ¹			A	B*	C/D*	A1*		C		C
5	Mortgage Examinations		A		B*	D			G*		A
6	Mortgage Grant Fund Administration										
7	Mortgage Licensing and Registration				B*	D			G*		
8	Payroll and Human Resources	E*				E*	F*				
9	Procurement/Contract Management/HUB	E*			B	D*/E*			A		
10	Records Management							A			
11	Revenue Accounting Process				B	D*					
12	Thrift Examinations				A	D					
13	Thrift Supervision and Compliance				B*	A/D					

¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

Note: Performance Measures are included in the scope of the applicable audit area(s).

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A** Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1** Internal audit performed by McConnell & Jones LLP.
- B** Audit performed by the State Auditor's Office (SAO).
- C** IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- D** Sunset Review performed by the Sunset Advisory Commission.
- E** Post Payment Audit performed by the Comptroller of Public Accounts (CPA).
- F** Review performed by the Texas Workforce Commission.
- G** Mortgage accreditation review performed by the Conference of State Bank Supervisors.

OFFICE OF CONSUMER CREDIT COMMISSIONER
History of Areas Audited
For Fiscal Year 2024

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	Business Licensing				B*	D					
2	Business Registration & Professional Licensing	A*			A*/B*	D					
3	Complaint Intake and Investigation					D				B*	
4	Examinations			A*		A*/D				A*	
5	Fiscal Division (Includes Asset Management & Travel)				B	C*/D*		C1*	A*	B	
6	Legal and Enforcement				B*	D				B*	
7	Management Information Systems [(MIS) Includes Disaster Recovery Plan] ¹	E			B*/E	D*	A1*/E		E	B*	E
8	Payroll and Human Resources					C*	F*				A
9	Procurement/Contract Management/HUB				B	C*/D*					
10	Records Management							A			
11	Revenue Accounting Process				B	D				B	
12	TFEE Fund Grant Administration		A		A*	D					

Required Periodic Audit

13	TFEE Fund Investment Portfolio Administration				A	D	A1		A		A
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¹ Periodic vulnerability scans are performed by the DIR or a third-party procured through the DIR, which are considered standardized reviews and therefore not reflected in this schedule by year.

- Note:** 1. Performance Measures are included in the scope of the applicable audit area(s).
 2. Effective FY23 —
- All examinations-related areas were combined into the "Examinations" auditable area.
 - Business Registration and Professional Licensing were combined into the "Business Registration & Professional Licensing" auditable area.

Legend (audits/reviews with an asterisk are considered limited scope for the audit area)

- A** Internal audit performed by Garza/Gonzalez & Associates, CPAs.
- A1** Internal audit performed by McConnell & Jones LLP.
- B** Audit performed by the State Auditor's Office (SAO).
- C** Post-Payment audit performed by the Comptroller of Public Accounts (CPA).
- C1** Overpayment Recovery audit performed by the CPA.
- D** Sunset Review performed by the Sunset Advisory Commission.
- E** IT assessment performed by the Department of Information Resources (DIR) or a third-party vendor procured through the DIR.
- F** Policy review performed by the Texas Workforce Commission.

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