

Fiscal Year 2017 Annual Audit Plan

Texas Department of Criminal Justice Internal Audit Division



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Assignment Schedule	Division/ Audit Title/ Resources	Audit Summary	
		Justification	Objectives
1701	<p>Parole Division</p> <p>Restitution Collection Follow up</p> <p>Start Date: 09/01/16 End Date: 11/30/16</p>	<p>Restitution is a court ordered payment by an offender to the victim for financial loss sustained as a result of a crime. Parole Division Policy and Operating Procedure 3.1.6, <i>Fees/Restitution/Post Secondary Education Reimbursement/Collection</i>, establishes procedures for the collection of restitution while on supervision.</p> <p>A supervising parole officer investigates the offender’s financial obligations and identifies any non-essential expenses the offender can eliminate to determine the maximum amount the offender can pay toward his restitution obligation. The officer creates a budget with the offender and monitors monthly payments until restitution is paid in full. The offender is required to pay the full amount of restitution in the least amount of time possible.</p> <p>We conducted a fiscal year 2014 audit of this function and found financial budgets for the payment of restitution by offenders on supervision were not established in a consistent manner resulting in variances in the offender’s obligated monthly restitution payment amount. In addition, financial budgets were not always submitted within the required timeframes. We also found offenders in our sample were generally making restitution payments, but parole officers were not always consistent in applying required strategies to enforce restitution payments.</p> <p>We have scheduled this follow up audit.</p>	<p>1. To determine the status of corrective action taken in response to Audit 1407.</p>
1702	<p>Windham School District</p> <p>Recreation Programs Follow up</p>	<p>Administrative Directive – 07.33, <i>Organization, Administration, and Responsibilities of the TDCJ Offender Recreation Program</i>, requires the TDCJ to provide recreation programs for incarcerated offenders. The programs are administratively organized under the supervision of the Windham School District. The Windham School District is responsible for the coordination of financial needs, the development and issuance of policies and procedures, and technical oversight of the recreation program.</p>	<p>1. To determine the status of corrective action taken in response to Audit 1409.</p>

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	<p>Start Date: 09/01/16 End Date: 11/30/16</p>	<p>The Recreation Program is funded with state appropriated funds generated from the sale of commissary items.</p> <p>We conducted an audit of this function in fiscal year 2014 and found management’s expectations for dayroom recreational supplies and television viewing were achieved. However, all recreational equipment and supplies were not always available for offender use in indoor and outdoor recreation areas.</p> <p>In addition, while general recreation documentation was not always compliant with the <i>Recreation Program Procedures Manual</i>, craft shop related documentation was generally compliant with applicable policies.</p> <p>We have scheduled this follow up audit.</p>	
1703	<p>Business and Finance Division</p> <p>Victim Restitution System</p> <p>Start Date: 09/01/16 End Date: 12/31/16</p>	<p>Restitution is money the court orders a defendant to pay a victim who has suffered financial losses caused by a crime. The judgment and sentence direct how much restitution, if any, a defendant pays and who receives it. Dependent upon the disposition of an offense, restitution may be collected and distributed in a variety of methods.</p> <p>If the defendant is on probation, the Community Supervision and Corrections Department collects the restitution and distributes it to the victim. If the defendant is incarcerated, and there is a court order, the TDCJ can withdraw the restitution from the inmate’s trust fund account for distribution to the victim. If there is no court order, the victim can request the court issue one. In cases where the defendant is on parole or mandatory supervision, the parole officer collects the restitution and the TDCJ is responsible for disbursement of the funds to the victim. Any funds collected but not able to be disbursed are maintained for five years before being transferred to the Crime Victims’ Auxiliary Fund.</p>	<p>1. To determine the reliability of victim contact information maintained in the Victim Restitution System.</p>

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		<p>The Business and Finance Division’s Restitution and Fees section processes payments to victims based on contact information stored in the Victim Restitution System. The record is initially obtained from court documents and may be updated over time through direct contact with the victim or coordination with the Victim Services Division. However, the primary responsibility for notification of changes in contact information resides with the victim.</p> <p>The Restitutions and Fees section processed approximately \$588,000 in payments to victims during fiscal year 2015.</p> <p>Management requested and we have scheduled this audit.</p>	
1704	<p>Human Resources Division</p> <p>Position Classification Review Follow up</p> <p>Start Date: 09/01/16 End Date: 11/30/16</p>	<p>The State Position Classification Plan provides a generic job description and a salary range for each job title the agency uses. Personnel Directive 93, <i>Employee Classification</i>, requires, with limited exceptions, supervisors to ensure an employee’s duties remain within the employee’s current position classification. However, as a result of changes in operational objectives, it may at times be necessary to revise an employee’s duties.</p> <p>In these instances the supervisor must request, through executive management, for the Human Resources Division to conduct a position classification review. The position classification review evaluates the nature of the job duties and recommends the appropriate classification.</p> <p>The Employee Classification Program is also required to review each of the TDCJ’s position descriptions at least once every five years. To accomplish this objective they may initiate a spot position classification review at any time to verify the position is appropriately classified.</p> <p>We conducted a fiscal year 2014 audit and found position classification reviews were conducted in conformance with Personnel Directive 93.</p>	<p>1. To determine the status of corrective action taken in response to Audit 1418.</p>

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		<p><i>Employee Classification.</i> However, the timeliness of completing reviews did not meet management’s expectation.</p> <p>We have scheduled this audit.</p>	
1705	<p>Information Technology Division</p> <p>Information Systems Security – Texas Administrative Code Chapter 202</p> <p>Start Date: 12/01/16 End Date: 02/28/17</p>	<p>Information systems security is comprised of the standards and procedures that protect data against unauthorized disclosure, modification, or destruction, whether accidental or intentional. Due to the rapidly changing environment, system security presents a significant risk to information systems.</p> <p>To provide guidance to agencies in mitigating these security risks, the Texas Department of Information Resources developed information security standards. These standards are published in the Texas Administrative Code, Title 1, Part 10, Chapter 202. All state agencies are required to have an information resources security program consistent with these standards and the state agency’s head is responsible for the protection of information resources.</p> <p>The standards underwent significant revisions in 2015 and management requested we conduct an audit to measure compliance with the updated standards. Therefore, we have scheduled this audit.</p>	<p>1. To evaluate agency compliance with Chapter 202 of the Texas Administrative Code.</p>
1706	<p>Executive Administration</p> <p>Ethics Programs</p> <p>Start Date: 12/01/16 End Date: 02/28/17</p>	<p>The TDCJ is committed to providing guidance to employees so they can strive to maintain high professional standards of conduct while on duty. Ethical conduct issues generally relate to conflicts or perceived conflicts between a person’s self-interest and external duties. Ethical behavior means elevating those external duties above one’s self-interest, except in those instances when action based on self-interest is both authorized and appropriate.</p> <p>Board Policy - 02.01, <i>Texas Department of Criminal Justice Ethics Policy</i>, establishes the framework for agency employees when conducting duties associated with public service and related to working with others, including</p>	<p>1. To determine the effectiveness of agency efforts to educate employees of their ethical responsibilities.</p>

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		<p>offenders and crime victims, in an honest and fair environment. This directive also contains the agency Code of Ethical Conduct. The TDCJ Code of Ethical Conduct is a fundamental element of the TDCJ’s mission of providing public safety, promoting positive offender change and reintegration into the society, and assisting victims of crime. As a reflection of the mission statement, the Code of Ethical Conduct serves as a practical guide for all employees.</p> <p>In addition to Board Policy – 02.01, provisions for ethical behavior are included in numerous other agency policies and operating procedures. For example, Executive Directive – 02.02, <i>Fraud Prevention, Detection, and Reporting</i>, establishes, “Prevention of fraud starts with the leadership of the TDCJ emphasizing the importance of a workplace environment that promotes ethical behavior throughout the TDCJ.”</p> <p>As it is the objective of the agency ethics program to establish and ensure every employee is made aware conduct to which they should aspire, we have scheduled this audit.</p>	
1707	<p>Reentry and Integration Division</p> <p>Continuity of Care</p> <p>Start Date: 12/01/16 End Date: 03/31/17</p>	<p>Chapter 614 of the Texas Health and Safety Code establishes guidelines for interagency cooperation in the identification of offenders who may be in need of special reentry assistance.</p> <p>The Texas Department of Criminal Justice, the Department of State Health Services, the Bureau of Identification and Records of the Department of Public Safety, representatives of local mental health or intellectual and developmental disability authorities appointed by the commissioner of the Department of State Health Services, and the directors of community supervision and corrections departments cooperate through a Memorandum of Understanding that establishes their respective responsibilities to institute a continuity of care and service program for special needs offenders in the criminal justice system.</p>	<p>1. To evaluate the effectiveness of efforts to identify offenders for continuity of care services.</p>

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		<p>The Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI), under the TDCJ Reentry and Integration Division, provides pre-release screening and referral to aftercare treatment services for special needs offenders releasing from correctional settings, local jails, or other referral sources. The TCOOMMI contracts with local entities across the state to provide continuity of care services for persons on probation or parole by linking them with community based interventions and support services.</p> <p>Management requested we schedule this audit.</p>	
1708	<p>Windham School District</p> <p>Application Processing</p> <p>Start Date: 12/01/16 End Date: 02/28/17</p>	<p>The mission of the Windham School District is to provide quality educational opportunities for offenders to reduce recidivism, reduce the cost of confinement or imprisonment, increase the success of former offenders in obtaining and maintaining employment, and provide an incentive to offenders to behave in positive ways during confinement or imprisonment.</p> <p>To ensure these goals are met, the Windham School District hires teachers at locations across the state. The basic requirements for a teaching position are a bachelor's degree and to meet the State Board for Educator Certification requirements for certification.</p> <p>During fiscal year 2015 the Windham School District authorized 642 teaching positions. During the same time period, the district hired 103 teachers, and, at the end of the fiscal year, had 102 vacancies.</p> <p>This is a management requested audit.</p>	<p>1. To evaluate the efficiency of the process to hire teachers.</p>
1709	Board of Pardons and Paroles	<p>Texas Government Code §508.0441 provided, Board members and parole commissioners shall determine, among other duties, the continuation, modification, and revocation of parole and mandatory supervision. The</p>	<p>1. To evaluate the efficiency of the process to schedule and conduct hearings.</p>

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	<p>Hearings</p> <p>Start Date: 03/01/17 End Date: 06/30/17</p>	<p>revocation process usually involved a hearing for the offender under §508.281 of the code.</p> <p>The hearing process began when a parole officer conducted a pre-hearing interview with the offender who had committed a violation. If the Parole Division decided to seek revocation of parole or other action requiring a Board action, the Parole Officer was responsible for scheduling a hearing with the Board of Pardons and Paroles within seven days of execution of a warrant or sheriff notification.</p> <p>The supervising parole officer provided the evidence to support the allegations during the hearings (i.e., preliminary and revocation). The Hearing Officer conducted the hearings on behalf of the Board and acted as the fact finder for the case. The Hearing Officer collected the evidence and, at the conclusion of the revocation hearing, wrote the hearing report. The report and evidence were provided to the Board Panel Analyst who made recommendations to the Board Panel on the disposition of each case.</p> <p>If the offender waived the hearings, the support and the waiver signed by the offender were provided to the Board Analyst. Once the hearing process was completed or waived, the Board Panel decided whether to revoke parole or take some other action, such as sending the offender to an Intermediate Sanction Facility (ISF).</p> <p>In fiscal year 2015, the Board conducted a total of 20,227 preliminary and revocation hearings, processed a total of 18,332 hearing waivers, and provided 38,559 decisions regarding offenders in the revocation process.</p> <p>Management requested and we have scheduled this audit.</p>	
1710	Correctional Institutions Division	<p>Every secure correctional facility has many people entering and leaving the facility on a daily basis. Unit personnel arrive and depart at shift changes, volunteers enter to provide services, and visitors are allowed entry at designated times. In addition, commodities are delivered on a regular basis</p>	<p>1. To determine compliance with applicable Administrative Directives, Security Memoranda, Post</p>

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	<p>Unit Entry and Search Procedures</p> <p>Start Date: 03/01/17 End Date: 06/30/17</p>	<p>to ensure normal operations and contracted personnel may arrive to provide various services.</p> <p>With each person entering a facility, there is a risk that contraband could be introduced to the unit, either intentionally or inadvertently. As these contraband items could include items that may pose a threat to institutional security, it is important that established prevention and detection procedures are consistently followed.</p> <p>We last audited this area in fiscal year 2010. Therefore, we have scheduled this audit.</p>	<p>Orders, and Operational Plans related to unit entry and contraband prevention and detection.</p>
1711	<p>Victim Services Division</p> <p>Victim Impact Statements</p> <p>Start Date: 03/01/17 End Date: 05/31/17</p>	<p>A victim impact statement is a form used by a crime victim to record the emotional and psychological impact, physical injury, and economic loss a crime has had on a victim and his or her family members. The form is also used to collect contact information for crime victims for notification purposes. This form provides information to personnel in many stages of the criminal justice system, including the court system and the parole review process.</p> <p>The victim impact statement is provided to crime victims by the county of jurisdiction and forwarded to the TDCJ upon conviction and sentencing. Typically, this form is received by the Classification and Records Department with the offender's commitment paperwork. However, the form could also be received through other avenues (e.g. directly mailed to the Victim Services Division).</p> <p>The Victim Services Division reported 2,883 victim impact statements were received by the TDCJ in fiscal year 2015.</p> <p>We have scheduled this audit.</p>	<p>1. To determine the effectiveness of efforts to identify, process, and file victim impact statements received by the agency.</p>

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1712	<p>Human Resources Division</p> <p>Correctional Officer Application Processing</p> <p>Start Date: 03/01/17 End Date: 05/31/17</p>	<p>The correctional officer application process began with receipt of an application and ended when a qualified applicant was made a conditional offer of employment or when the applicant was placed in a pool of pending applicants.</p> <p>The Human Resources Division reviewed applicants to ensure that they met basic eligibility criteria to become a correctional officer. These criteria included such things as having United States citizenship or being an alien authorized to work in the U.S, being at least 18 years old, having graduated from an accredited senior high school or equivalent or obtained a state or military issued General Education Development (GED) certificate, etc.</p> <p>In addition to confirming these eligibility criteria for first time applicants, the division also administered a written correctional officer pre-employment test. If an applicant met eligibility requirements and passed the pre-employment test the division computed the composite evaluation score based on information included in the application, criminal background check, pre-interview questionnaire, employer references, and job-related information obtained in the interview.</p> <p>Hiring sufficient correctional officers to meet staffing needs has been a challenge for the agency and we have audited this functional area several times. Because of the need for the hiring process to ensure appropriate levels of applicants are available during fluctuating periods of correctional officer vacancies, we have scheduled an audit of this function.</p>	<p>1. To evaluate the efficiency of the correctional officer application process.</p>
1713	<p>Business and Finance Division</p> <p>eCommDirect</p>	<p>The TDCJ Commissary and Trust Fund Department utilizes an online program where friends and family may purchase up to \$60 of commissary items the first three calendar quarters for eligible offenders and \$85 for the fourth quarter (Holiday Spend). The items available for purchase include items such as snacks, hygiene products, and correspondence supplies. The online amount purchased does not affect the amount offenders may spend on</p>	<p>1. To determine the effectiveness of efforts to ensure vendor performance meets contractual requirements.</p>

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	Start Date: 06/01/17 End Date: 08/31/17	<p>commissary items from funds deposited in their trust fund account. Additionally, friends and family may also choose to make an online deposit to an offender's trust fund account.</p> <p>This service is provided through contractual agreement between a private vendor, the Texas Department of Information Resources, and the TDCJ. Under this contract, the vendor receives payment for services from the purchaser based on a schedule of fees related to types of transactions. For example, the vendor is paid a \$3.75 convenience fee for each online commissary transaction.</p> <p>Management reported, as of April 2016, there were over 400,000 eCommDirect transactions processed with a total dollar amount exceeding \$19 million during the current fiscal year.</p> <p>Management requested and we have scheduled this audit.</p>	

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1714	<p>Information Technology Division</p> <p>Office of Incident Management</p> <p>Continuity of Operations Planning</p> <p>Start Date: 06/01/17 End Date: 08/31/17</p>	<p>The TDCJ supports a comprehensive Continuity of Operations Plan that ensures the ability to continue essential TDCJ business operations in the event of a disruptive incident.</p> <p>Business continuity planning is the process of preventing, mitigating, and recovering from disruption. Business continuity plans address information resources so that the effects of a disaster will be minimized and the agency will either be able to maintain or quickly resume mission-critical functions. This planning includes identifying critical data systems and business functions, analyzing the risks and probabilities of service disruptions, and developing procedures to restore those systems and functions.</p> <p>The Office of Incident Management provides coordination of the continuity of operations planning function between divisions, departments, and TDCJ partners to ensure a coordinated response during a crisis. The Office of Incident Management is responsible for the development of operational procedures regarding the development, testing, and maintenance of the TDCJ Continuity of Operations Plan. The plan encompasses all TDCJ functions and operations and contains the continuity of operations plans of all divisions and departments.</p> <p>The Information Technology Division provides assistance to respective divisions regarding the information resources component of continuity of operations planning through facilitation of conducting a business impact analysis and assistance in developing a disaster recovery plan.</p> <p>Management requested this audit.</p>	<p>1. To evaluate the effectiveness of efforts to ensure divisional continuity of operations plans align with their respective business impact analyses and disaster recovery plans.</p>

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1715	<p>Parole Division</p> <p>Absconder Identification Follow up</p> <p>Start Date: 06/01/17 End Date: 08/31/17</p>	<p>An offender is alleged to have committed a violation of absconding supervision when they: fail to make an initial report to a parole office upon release from a detention facility; fail to report as scheduled after the initial report and cannot be located for the purpose of supervision; or fail to attend a scheduled hearing by summons after being provided proper notification. After the parole officer becomes aware the offender has absconded, a violation report must be submitted for a warrant issuance decision.</p> <p>Parole Division Policy and Operating Procedure 4.1.1 directs the efforts required of the parole officer to locate the offender prior to submission of a violation report and establishes the timeframes for the submission of the violation report.</p> <p>We conducted a fiscal year 2015 audit and found staff were not sufficiently compliant with processes included in policy to effectively identify absconders. Therefore, we have scheduled this follow up audit.</p>	<p>1. To determine the status of corrective action taken in response to Audit 1505.</p>
1716	<p>Facilities Division</p> <p>Unit Maintenance</p> <p>Start Date: 06/01/17 End Date: 08/31/17</p>	<p>The Facilities Division provides a full range of facility management services to the Texas Department of Criminal Justice, including facility planning, design, construction, maintenance, and environmental quality assurance and compliance. The Facilities Division Headquarters is located in Huntsville but has maintenance employees working at state owned and operated facilities throughout the state. Those employees provide long range and day-to-day maintenance as required to keep the facilities in proper working condition and support each component of each facility, 24 hours a day, 365 days a year.</p> <p>The Maintenance Department maintains all TDCJ owned and operated facilities. A unit maintenance office is located on each correctional facility. Each office has a technical staff, which varies according to the mission and facility offender population.</p>	<p>1. To determine the effectiveness of efforts to prioritize and complete corrective maintenance work orders.</p>

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		The Facilities Division reported unit maintenance departments completed 399,806 corrective maintenance work orders during fiscal year 2015.	
1717	Internal Audit Division Action Plan Tracking Start Date: 09/01/16 End Date: 08/31/17	<p>In response to a request from the executive director to report the status of action plans for recommendations made by the State Auditor’s Office and by the Internal Audit Division, we request management provide updated action plans on a semi-annual basis. Beginning in fiscal year 2004, in an effort to improve the effectiveness of our actions and expand the scope of our follow up activities, we included a project to actively collect updated action plans from management.</p> <p>We will continue our efforts to collect updated action plans from management.</p>	1. To monitor the status of the implementation of action plans developed in response to audits conducted by the State Auditor’s Office and the Internal Audit Division.
1718	Walk Throughs Various	<p>Conducting walk throughs of functional areas enables us to update our risk analysis on a regular basis and ensures attention to those areas of the agency that would not otherwise be reviewed.</p>	1. To assist in the development of future audit plans by increasing our knowledge of unaudited areas of the agency.