



**TEXAS BOARD  
OF  
PARDONS AND PAROLES**

**Number: BPP-POL. 141.201**

**Date: April 18, 2019**

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**Supersedes: April 19, 2017**

## **BOARD POLICY**

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**SUBJECT: POLICY STATEMENT ON INTERNAL AUDIT PROCEDURES**

**PURPOSE:** To authorize the appointment of an Internal Auditor, via a memorandum of understanding executed by the Presiding Officer of the Texas Board of Pardons and Paroles and the Chair of the Texas Board of Criminal Justice, to provide that the Texas Department of Criminal Justice, Internal Audit Division, shall conduct economy, efficiency, and program results audits for the Texas Board of Pardons and Paroles.

**AUTHORITY:** Texas Government Code Sections 2102.006 and 2102.015

**POLICY:** It is the policy of the Texas Board of Pardons and Paroles (Board) that the Texas Department of Criminal Justice (TDCJ), Internal Audit Division, will serve, through memorandum of understanding, as the Internal Auditor for the Board. The Internal Auditor will remain under the supervision of the Texas Board of Criminal Justice with unrestricted access to the Presiding Officer.

With regard to audits that are the subject of this policy, the Internal Auditor will report directly to the Board. The Internal Auditor will assist the Board by furnishing independent analyses, appraisals, and recommendations concerning the adequacy and effectiveness of the Board's system of internal controls, policies and procedures, and the quality of performance in carrying out assigned responsibilities.

Effective September 1, 2013, the Board shall post all Internal Audit plans approved by the Board as well as the Internal Audit's annual report to the Board's website. The Board shall update the posting as required and in the manner provided by the state auditor to include a detailed summary of the weaknesses, deficiencies, wrongdoings, or other concerns, if any, raised by the audit plan or annual report.

**PROCEDURES:**

- I. The Internal Auditor is authorized to conduct both financial and performance audits which assess and identify improvements to the Board's system of internal controls so that the Board may have the assurance it is:
  - A. Maintaining accurate, reliable, timely, complete, and useful information;
  - B. Complying with applicable policies, plans, procedures, laws, regulations, and contracts;
  - C. Adequately safeguarding assets;
  - D. Economically and efficiently employing resources; and
  - E. Achieving established goals and objectives as planned.
  
- II. The Internal Auditor shall:
  - A. Prepare and present to the Board for approval an annual audit plan, using risk assessment techniques, which identifies individual audits to be conducted during the year;
  - B. Oversee the conduct of audits as specified in the annual audit plan, with any deviations from the plan documented and communicated to the Board at the next regular meeting;
  - C. Oversee the preparation of audit reports in the format determined by the Internal Auditor and provide these reports to each Board Member and any other designated Board personnel;
  - D. Conduct quality assurance reviews in accordance with professional standards and ensure that the internal audit program conforms to: the Standards for the Professional Practice of Internal Auditing and the Code of Ethics contained in the International Professional Practices Framework, promulgated by the Institute of Internal Auditors; and the Generally Accepted Government Auditing Standards (GAGAS), promulgated by the Comptroller General of the United States Government Accountability Office;
  - E. Prepare an annual audit report on the activities of the Internal Auditor and the responses of the departments to the recommendations made by the Internal Auditor, in the format prescribed by the State Auditor's Office, and submit the report before November 1<sup>st</sup> of each year to the Governor, the Legislative Budget Board, the Sunset Advisory Commission, the State Auditor, the Board, and other Board personnel as appropriate;

- F. Report to the Board on other matters as required; and
- G. Refer to the State Auditor's Office or the TDCJ Inspector General those audit issues which, in the opinion of the Internal Auditor, warrant consideration of an investigation for acts or allegations of impropriety, malfeasance, or nonfeasance in the obligation, expenditure, receipt, or use of State funds, or into specified financial transactions or practices that may involve such impropriety, malfeasance, or nonfeasance.

III. Free of Impairments

The Director and the staff of the Internal Audit Division shall be free of all operational and management responsibilities that would impair their ability to review independently all aspects of the Board's operations. The work of the Internal Audit Division in no way relieves Board personnel of their assigned responsibilities.

**ADOPTED BY MAJORITY VOTE OF THE BOARD ON THE 18<sup>TH</sup> DAY OF APRIL, 2019.**

**DAVID GUTIÉRREZ, PRESIDING OFFICER (CHAIR)**

*\*Signature on file.*