

**FINANCE COMMISSION**  
Austin, Texas

**INTERNAL AUDIT PLAN**

For Fiscal Year 2022



**FINANCE COMMISSION**

Austin, Texas

Internal Audit Plan  
For Fiscal Year 2022

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# Garza/Gonzalez & Associates

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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 2022 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 2022. 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.



November 19, 2021

# FINANCE COMMISSION

Austin, Texas

## Internal Audit Plan For Fiscal Year 2022

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### I. Methodology

The Finance Commission's fiscal year 2022 Internal Audit Plan (Plan) was prepared using a risk assessment process, where we reviewed various documents; and, questionnaires completed by the Audit Committee Chair, management, and other staff from each of the 3 agencies, as documented below.

These 3 agencies are considered financial regulatory agencies who were granted a self-directed, semi-independent (SDSI) status by the Legislature. With the SDSI status, these agencies are responsible for its costs of operation, prohibited from causing the general revenue fund to incur any cost, and removed from the legislative budgeting process. However, the Finance Commission is responsible for setting their spending authority or limits. Each agency's entire operating funds are generated from fees assessed to the businesses they regulate and are used to fund both, direct and indirect costs.

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

- Operating Budgets
- Organizational Charts
- Policies and Procedures
- 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 Audit Committee Chair, Commissioners, Deputy Commissioners, 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, issues and/or concerns, recent changes in key personnel, time elapsed since last audit, status of past audit findings, 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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The following 8 risk factors were considered for each potential audit topic:

1. Materiality Measure of the auditable unit's *financial* 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, *non-financial* materiality based on the number of licensees for which the unit is responsible, or the magnitude 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 Previous Audit or Review Measure of the results of the prior audit or review.
4. Adequacy of Staffing Levels Measure of the adequacy of the auditable unit's staffing level as it relates to the achievement of its objectives.
5. Policies and Procedures Measure of the existence of policies and procedures documenting the auditable unit's activities.
6. Compliance with Contracts, Laws, and Regulations Measure of the magnitude of contracts, laws, and/or regulations for which the auditable unit is responsible for complying.
7. Susceptibility of Theft, Waste, Abuse, or Fraud Measure of the auditable unit's risk and controls in place as it relates to theft, waste, abuse, or fraud.
8. Issues or Concerns Measure of issues or concerns expressed in completed questionnaires.

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### 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.

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## Internal Audit Plan

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### III. Texas Department of Banking (DOB)

#### Internal Audit Plan

In addition to performing the 2022 risk assessment for preparation of this Internal Audit Plan (Plan), this Plan also includes 2 audits to be performed; a follow-up of the prior year audit recommendations; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, preparation of the Internal Audit Annual Report for fiscal year 2022.

#### Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 17 audit areas were identified as potential audit topics. A risk analysis utilizing the 8 risk factors, mentioned in section I of this report, was completed for each of the 17 potential audit topics and 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
Bank Examinations Corporate Activities	Procurement/Contract Management/HUB Payroll & Human Resources Travel IT Examinations Trust Examinations Management Information Systems [(MIS) Includes Disaster Recovery Plan] Consumer Assistance Revenue Accounting Process	Fixed Asset Management Financial Reporting Money Service Businesses Prepaid Funeral Guaranty Fund Perpetual Care Cemeteries Prepaid Funeral Contracts Imaging & Records Management

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 2012 through 2021 for the above 17 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

#### 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

#### Fiscal Year 2020:

- Risk Assessment & Preparation of the Internal Audit Plan
- Revenue Accounting Process Audit
- Imaging & Records Management Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

## FINANCE COMMISSION

### Internal Audit Plan

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#### Fiscal Year 2019<sup>1</sup>:

- Risk Assessment & Preparation of the Internal Audit Plan
- Information Technology Change Management Program Audit
- Fines, Penalties, and Restitution Processes Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

The areas recommended for internal audits and other functions to be performed for fiscal year 2022 are as follows:

1. Completion of the Fiscal Year 2022 Risk Assessment and Preparation of this Internal Audit Plan
2. Audit of (1) Bank Examinations Area; and (2) IT Examinations Area  
An audit of these areas 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 state-chartered financial institutions. The audits will also include a review of staff training and relevant performance measures.
3. Follow-up of Prior Year Internal Audits and Prepare the 2022 Internal Audit Annual Report  
Perform follow-up procedures to determine the status of prior year comments that were not fully implemented as of the fiscal year ended August 31, 2021 and prepare the 2022 Internal Audit Annual Report. The follow-up audit procedures will result in a determination that the recommendation is (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete or Ongoing; or, (4) Not Implemented.
5. Other Tasks  
Other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

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<sup>1</sup> Performed by McConnell & Jones LLP.



# FINANCE COMMISSION

## Internal Audit Plan

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### IV. Department of Savings and Mortgage Lending (SML)

#### Internal Audit Plan

In addition to performing the 2022 risk assessment for preparation of this Internal Audit Plan (Plan), this Plan also includes 1 audit to be performed; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, preparation of the Internal Audit Annual Report for fiscal year 2022.

#### Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 12 audit areas were identified as potential audit topics. A risk analysis utilizing the 8 risk factors, mentioned in section I of this report, was completed for each of the 12 potential audit topics and 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
Mortgage Examinations Legal and Enforcement Thrift Examinations Thrift Supervision and Compliance	Revenue Accounting Process Mortgage Licensing and Registration Management Information Systems [(MIS) Includes Disaster Recovery Plan] Payroll and Human Resources	Financial Reporting (includes Fixed Assets & Travel) Procurement/ Contract Management/ HUB Consumer Protection Records Management

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 2012 through 2021 for the above 12 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

#### 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

#### Fiscal Year 2020:

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

#### Fiscal Year 2019<sup>1</sup>:

- Risk Assessment & Preparation of the Internal Audit Plan
- Information Technology Change Management Program Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

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<sup>1</sup> Performed by McConnell & Jones LLP.

## **FINANCE COMMISSION**

### **Internal Audit Plan**

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The area recommended for internal audit and other functions to be performed for fiscal year 2022 are as follows:

1. Completion of the Fiscal Year 2022 Risk Assessment and Preparation of this Internal Audit Plan
2. Audit of Legal & Enforcement Area  
An audit of this area will be performed to ensure SML'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 SML's administration of the Mortgage Broker Recovery Fund.
3. Preparation of the 2022 Annual Report  
Prepare the 2022 Internal Audit Annual Report.
4. 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

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### V. Office of Consumer Credit Commissioner (OCCC)

#### Internal Audit Plan

In addition to performing the 2022 risk assessment for preparation of this Internal Audit Plan (Plan), this Plan also includes 1 audit to be performed; a follow-up of the prior year audit recommendations; other tasks that may be assigned by the Finance Commission, Audit Committee, or executive management during the year; and, preparation of the Internal Audit Annual Report for fiscal year 2022.

#### Risk Assessment

Utilizing information obtained through the completed questionnaires received and background information reviewed, 17 audit areas were identified as potential audit topics. A risk analysis utilizing the 8 risk factors, mentioned in section I of this report, was completed for each of the 17 potential audit topics and 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
Fiscal Division (Includes Fixed Assets & Travel) Revenue Accounting Process	Procurement/Contract Management/HUB Regulated Lenders Examinations Legal and Enforcement Motor Vehicle Sales Finance Examinations Credit Access Business Examinations Pawn Examinations Management Information Systems [(MIS) Includes Disaster Recovery Plan] Payroll and Human Resources	Complaint Intake and Investigation Property Tax Lender Examinations TFEE Fund Grant Administration Business Licensing Business Registration Professional Licensing (Pawnshop Employees & RMLO) Records Management

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 2012 through 2021 for the above 17 potential audit topics. In the prior 3 years, the internal auditor performed the following *internal audit functions*:

#### Fiscal Year 2021:

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

#### Fiscal Year 2020:

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

## FINANCE COMMISSION

### Internal Audit Plan

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#### Fiscal Year 2019<sup>1</sup>:

- Risk Assessment & Preparation of the Internal Audit Plan
- Investment Administration Controls Audit (*Required Periodic Audit*)
- Information Technology Change Management Program Audit
- Follow-Up of the Prior Year Internal Audits
- Preparation of the Internal Audit Annual Report

The areas recommended for internal audit and other functions to be performed for fiscal year 2022 are as follows:

1. Completion of the Fiscal Year 2022 Risk Assessment and Preparation of this Internal Audit Plan
2. Audit of Regulated Lenders Examinations Area  
An audit of this area will be performed to ensure OCCC's established policies and procedures and internal controls are effective to enforce and administer applicable state laws and regulations of Regulated Lenders. The audit will also include a review of staff training and relevant performance measures.
3. Follow-up of Prior Year Internal Audits and Preparation of the 2022 Annual Report  
Perform follow-up procedures to determine the status of prior year comments that were not fully implemented as of the fiscal year ended August 31, 2021 and prepare the 2022 Internal Audit Annual Report. The follow-up audit procedures will result in a determination that the recommendation is (1) Fully Implemented; (2) Substantially Implemented; (3) Incomplete or Ongoing; or, (4) Not Implemented.
4. Other Tasks  
Other tasks as may be assigned by the Finance Commission, Audit Committee, or executive management during the year.

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<sup>1</sup> Performed by McConnell & Jones LLP.

## **ATTACHMENTS**

**TEXAS DEPARTMENT OF BANKING**  
**Risk Assessment Summary**  
**For Fiscal Year 2022**

		RISK FACTOR WEIGHT																
		10.00%	16.50%	16.00%	15.00%	12.50%	12.00%	8.00%	10.00%									
		RISK FACTORS																
		1	2	3	4	5	6	7	8									
										Compliance with Contracts, Laws & Regulations		Susceptibility of Theft or Fraud		Issues or Concerns				
POTENTIAL AUDIT TOPIC		Materiality	Time Since Last Audit or Review	Results of Last Audit or Review	Adequacy of Staffing Levels	Policies and Procedures											Total	
<b>High Risk: &gt; 174</b>																		
1	Bank Examinations	3	30.00	2	33.00	<i>I</i>	16.00	2	30.00	<i>I</i>	12.50	3	36.00	<i>I</i>	8.00	3	30.00	195.50
2	Corporate Activities	3	30.00	2	33.00	<i>I</i>	16.00	3	45.00	<i>I</i>	12.50	2	24.00	<i>I</i>	8.00	2	20.00	188.50
<b>Moderate Risk: 152 - 174</b>																		
3	Procurement/Contract Management/HUB	2	20.00	2	33.00	<i>I</i>	16.00	2	30.00	2	25.00	2	24.00	2	16.00	<i>I</i>	10.00	174.00
4	Payroll and Human Resources	3	30.00	2	33.00	<i>I</i>	16.00	2	30.00	<i>I</i>	12.50	2	24.00	2	16.00	<i>I</i>	10.00	171.50
5	Travel	2	20.00	2	33.00	<i>I</i>	16.00	2	30.00	2	25.00	<i>I</i>	12.00	2	16.00	<i>I</i>	10.00	162.00
6	IT Examinations	3	30.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	3	36.00	<i>I</i>	8.00	<i>I</i>	10.00	160.50
7	Trust Examinations	2	20.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	3	36.00	<i>I</i>	8.00	2	20.00	160.50
8	Management Information Systems [(MIS) Includes Disaster Recovery Plan]	2	20.00	<i>I</i>	16.50	2	32.00	<i>I</i>	15.00	<i>I</i>	12.50	3	36.00	2	16.00	<i>I</i>	10.00	158.00
9	Consumer Assistance	2	20.00	<i>I</i>	16.50	2	32.00	2	30.00	<i>I</i>	12.50	2	24.00	<i>I</i>	8.00	<i>I</i>	10.00	153.00
10	Revenue Accounting Process	3	30.00	<i>I</i>	16.50	<i>I</i>	16.00	<i>I</i>	15.00	2	25.00	2	24.00	2	16.00	<i>I</i>	10.00	152.50
<b>Low Risk: &lt; 152</b>																		
11	Fixed Asset Management	2	20.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	2	25.00	<i>I</i>	12.00	2	16.00	<i>I</i>	10.00	147.00
12	Financial Reporting	<i>I</i>	10.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	2	25.00	2	24.00	<i>I</i>	8.00	<i>I</i>	10.00	141.00
13	Money Service Businesses	2	20.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	2	24.00	<i>I</i>	8.00	<i>I</i>	10.00	138.50
14	Prepaid Funeral Guaranty Fund	2	20.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	<i>I</i>	12.00	2	16.00	<i>I</i>	10.00	134.50
15	Perpetual Care Cemeteries	<i>I</i>	10.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	2	24.00	<i>I</i>	8.00	<i>I</i>	10.00	128.50
16	Prepaid Funeral Contracts	<i>I</i>	10.00	2	33.00	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	2	24.00	<i>I</i>	8.00	<i>I</i>	10.00	128.50
17	Imaging & Records Management	<i>I</i>	10.00	<i>I</i>	16.50	<i>I</i>	16.00	<i>I</i>	15.00	<i>I</i>	12.50	<i>I</i>	12.00	<i>I</i>	8.00	<i>I</i>	10.00	100.00

**Risk Factor Rating:**

- 1 - Low Risk
- 2 - Moderate Risk
- 3 - High Risk

**DEPARTMENT OF SAVINGS AND MORTGAGE LENDING**  
**Risk Assessment Summary**  
**For Fiscal Year 2022**

RISK FACTOR WEIGHT							
10.00%	16.50%	16.00%	15.00%	12.50%	12.00%	8.00%	10.00%

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	Adequacy of Staffing Levels	Policies and Procedures	Compliance with Contracts, Laws & Regulations		Susceptibility of Theft or Fraud	Issues or Concerns	Total							
						6	7										
<b>High Risk: &gt; 172</b>																	
1 Mortgage Examinations	3	30.00	2	33.00	1	16.00	2	30.00	2	25.00	3	36.00	1	8.00	1	10.00	188.00
2 Legal & Enforcement	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	3	36.00	1	8.00	1	10.00	173.00
3 Thrift Examinations	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	3	36.00	1	8.00	1	10.00	173.00
4 Thrift Supervision and Compliance	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	3	36.00	1	8.00	1	10.00	173.00

<b>Moderate Risk: 157 - 172</b>																	
5 Revenue Accounting Process	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	2	24.00	2	16.00	1	10.00	169.00
6 Mortgage Licensing & Registration	2	20.00	2	33.00	1	16.00	2	30.00	2	25.00	2	24.00	1	8.00	1	10.00	166.00
7 MIS (Includes Disaster Recovery Plan)	2	20.00	1	16.50	2	32.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	158.00

<b>Low Risk: &lt; 157</b>																	
8 Payroll and Human Resources	3	30.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	2	16.00	1	10.00	156.50
9 Financial Reporting (Includes Fixed Assets & Travel)	2	20.00	2	33.00	1	16.00	1	15.00	2	25.00	2	24.00	1	8.00	1	10.00	151.00
10 Procurement/Contract Management/HUB	2	20.00	1	16.50	1	16.00	1	15.00	2	25.00	2	24.00	2	16.00	1	10.00	142.50
11 Consumer Protection	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	1	8.00	1	10.00	138.50
12 Records Management	1	10.00	1	16.50	1	16.00	1	15.00	1	12.50	1	12.00	1	8.00	1	10.00	100.00

<b>Risk Factor Rating:</b> 1 - Low Risk 2 - Moderate Risk 3 - High Risk
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**OFFICE OF CONSUMER CREDIT COMMISSIONER**  
**Risk Assessment Summary**  
**For Fiscal Year 2022**

RISK FACTOR WEIGHT							
10.00%	16.50%	16.00%	15.00%	12.50%	12.00%	8.00%	10.00%

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	Adequacy of Staffing Levels	Policies and Procedures	Compliance with		Issues or Concerns	Total
						Contracts, Laws & Regulations	Susceptibility of Theft, Waste, Abuse, or Fraud		

**High Risk: > 169**

1	Fiscal Division (Includes Fixed Assets & Travel)	3	30.00	2	33.00	2	32.00	1	15.00	2	25.00	2	24.00	2	16.00	1	10.00	185.00
2	Revenue Accounting Process	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	2	24.00	2	16.00	2	20.00	179.00

**Moderate Risk: 154 - 169**

3	Procurement/Contract Management/HUB	3	30.00	2	33.00	1	16.00	1	15.00	2	25.00	2	24.00	2	16.00	1	10.00	169.00
4	Regulated Lenders Examinations	3	30.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	168.50
5	Legal and Enforcement	3	30.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	168.50
6	Motor Vehicle Sales Finance Examinations	3	30.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	1	8.00	1	10.00	160.50
7	Credit Access Business Examinations	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	158.50
8	Pawn Examinations	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	158.50
9	MIS (Includes Disaster Recovery Plan)	2	20.00	1	16.50	2	32.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	158.00
10	Payroll and Human Resources	3	30.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	2	16.00	1	10.00	156.50

**Low Risk: < 154**

11	Complaint Intake and Investigation	2	20.00	2	33.00	1	16.00	2	30.00	1	12.50	2	24.00	1	8.00	1	10.00	153.50
12	Property Tax Lender Examinations	1	10.00	2	33.00	1	16.00	1	15.00	1	12.50	3	36.00	2	16.00	1	10.00	148.50
13	TFEE Fund Grant Administration	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	2	16.00	1	10.00	146.50
14	Business Licensing	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	1	8.00	1	10.00	138.50
15	Business Registration	2	20.00	2	33.00	1	16.00	1	15.00	1	12.50	2	24.00	1	8.00	1	10.00	138.50
16	Professional Licensing (Pawnshop Employees & RML0)	1	10.00	2	33.00	1	16.00	1	15.00	1	12.50	1	12.00	1	8.00	1	10.00	116.50
17	Records Management	1	10.00	1	16.50	2	32.00	1	15.00	1	12.50	1	12.00	1	8.00	1	10.00	116.00

**Risk Factor Rating:**

- 1 - Low Risk
- 2 - Moderate Risk
- 3 - High Risk



**TEXAS DEPARTMENT OF BANKING**  
**History of Areas Audited**  
**For Fiscal Year 2022**

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Bank Examinations	A/B*	B*				A/B*	E			
2	Consumer Assistance							E			A
3	Corporate Activities		A					E			
4	Financial Reporting						B	E*			
5	Fixed Asset Management			C*			A	C*			C*
6	Imaging and Records Management					A				A	
7	IT Examinations					A		E			
8	Management Information Systems [(MIS) Includes Disaster Recovery Plan]	D*	D/D*	A/D*	D*	D*	B/D*	E*	A1*/D	D*	A*/D/D*
9	Money Service Businesses			A			B*	E	A1*	A*	
10	Payroll and Human Resources	F*		C*				C*/F*	F*		C*
11	Perpetual Care Cemeteries				A		B*	E	A1*	A*	
12	Prepaid Funeral Contracts		A				B*	E	A1*	A*	
13	Prepaid Funeral Guaranty Fund	A						A/E	A1*	A*	
14	Procurement/Contract Management/HUB			C*			B*	C*			C*
15	Revenue Accounting Process				A		B	E	A1*	A	
16	Travel			C*			B*	C*/E*			C*
17	Trust Examinations							A/E			

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

**Legend (audits/reviews with 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.
- 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 2022**

	<b>POTENTIAL AUDIT TOPIC</b>	<b>Fiscal Year Audited/Reviewed</b>									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Consumer Protection			A			B*	D			
2	Financial Reporting (Includes Fixed Assets & Travel)			E*			B	D*/E*			
3	Legal and Enforcement						B	D			
4	Management Information Systems [(MIS) Includes Disaster Recovery Plan]	C*	C*	C*	C*	A/C*	B*/C*	C/C*/D*	A1*	C*	C/C*
5	Mortgage Examinations				A		B*	D			G*
6	Mortgage Licensing and Registration	A					B*	D			G*
7	Payroll and Human Resources		F*	E*				E*	F*		
8	Procurement/Contract Management/HUB			E*			B	D*/E*			A
9	Records Management									A	
10	Revenue Accounting Process						B	D*			
11	Thrift Examinations						A	D			
12	Thrift Supervision and Compliance		A				B*	A/D			

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

**Legend (audits/reviews with 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.
- 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 2022**

	POTENTIAL AUDIT TOPIC	Fiscal Year Audited/Reviewed									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Business Licensing						B*	D			
2	Business Registration						A	D			
3	Complaint Intake and Investigation	A						D			
4	Credit Access Business Examinations		A					D			
5	Fiscal Division (Includes Fixed Assets & Travel)		C*				B	C*/D*		C1*	A*
6	Legal and Enforcement						B*	D			
7	Management Information Systems [(MIS) Includes Disaster Recovery Plan]	E*	E*	E	E*	E*	B*/E	D*/E*	A1*/E		E/E*
8	Motor Vehicle Sales Finance Examinations					A		D			
9	Pawn Examinations							D			
10	Payroll and Human Resources		C*/F*					C*	F*		
11	Procurement/Contract Management/HUB		C*				B	C*/D*			
12	Professional Licensing (Pawnshop Employees & RML0)			A			B*	D			
13	Property Tax Lender Examinations							A/D			
14	Records Management									A	
15	Regulated Lenders Examinations							D			
16	Revenue Accounting Process						B	D			
17	TFEE Fund Grant Administration				A		A*	D			
<i>Required Periodic Audit</i>											
18	TFEE Fund Investment Portfolio Administration						A	D	A1		A

**Note:** Performance Measures is included in the scope of the applicable audit area(s).  
OCCC is currently undergoing an SDSI Audit conducted by the State Auditor's Office.

**Legend (audits/reviews with 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.
- 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** Review performed by the Texas Workforce Commission.