

1-1 By: Sanford, et al. (Senate Sponsor - Kolkhorst) H.B. No. 2374
 1-2 (In the Senate - Received from the House April 21, 2021;
 1-3 May 6, 2021, read first time and referred to Committee on Health &
 1-4 Human Services; May 14, 2021, reported favorably by the following
 1-5 vote: Yeas 9, Nays 0; May 14, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to efficiency audits of the Department of Family and
 1-20 Protective Services.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter B, Chapter 40, Human Resources Code,
 1-23 is amended by adding Section 40.045 to read as follows:

1-24 Sec. 40.045. EFFICIENCY AUDIT. (a) For purposes of this
 1-25 section, "efficiency audit" means an investigation of the
 1-26 operations of the department to examine fiscal management,
 1-27 efficiency, outcomes for children and families served by the
 1-28 department, and utilization of resources.

1-29 (b) During the state fiscal year ending August 31, 2022, and
 1-30 every fourth year after that date, the department shall conduct an
 1-31 efficiency audit.

1-32 (c) In a year in which an efficiency audit is completed as
 1-33 required by this section, the efficiency audit shall satisfy the
 1-34 department's annual internal audit requirements under Chapter
 1-35 2102, Government Code.

1-36 (d) The department shall pay the costs associated with an
 1-37 efficiency audit required under this section using money
 1-38 appropriated for administrative and internal audit operations in
 1-39 the state fiscal year the audit is conducted.

1-40 (e) Not later than March 1 of the state fiscal year in which
 1-41 an efficiency audit is required under this section, the
 1-42 commissioner, in collaboration with the council, the department's
 1-43 chief financial officer, and the department's internal audit
 1-44 director, shall select an external auditor to conduct the
 1-45 efficiency audit.

1-46 (f) The external auditor shall be independent of the
 1-47 department's direction.

1-48 (g) The external auditor shall complete the audit not later
 1-49 than the 90th day after the date the auditor is selected.

1-50 (h) The Legislative Budget Board shall establish the scope
 1-51 of the efficiency audit and determine the areas of investigation
 1-52 for the audit, including:

1-53 (1) reviewing the department's resources to determine
 1-54 whether they are being used effectively and efficiently to achieve
 1-55 desired outcomes for children and families served by the
 1-56 department, including the following outcomes:

1-57 (A) ensuring the safety of children in
 1-58 placements;

1-59 (B) preventing entry into foster care through the
 1-60 use of family preservation services;

1-61 (C) reducing the amount of time that a child is

2-1 placed in substitute care and is in the conservatorship of the
2-2 department;
2-3 (D) increasing the placement of children with
2-4 relative or kinship caregivers when possible;
2-5 (E) ensuring sufficient state capacity for
2-6 foster care and kinship placements;
2-7 (F) reducing the number of children who age out
2-8 of care and enhancing supports for youth at risk of aging out of
2-9 care; and
2-10 (G) increasing the reunification of children
2-11 with the biological parents of the children when possible;
2-12 (2) identifying cost savings or reallocations of
2-13 resources; and
2-14 (3) identifying opportunities for the department to
2-15 partner with other state agencies and community organizations to
2-16 improve services through consolidation of essential functions,
2-17 outsourcing, and elimination of duplicative efforts.
2-18 (i) Not later than November 1 of the calendar year an
2-19 efficiency audit is conducted, the auditor shall prepare and submit
2-20 a report of the audit and recommendations for efficiency
2-21 improvements to the governor, the Legislative Budget Board, the
2-22 state auditor, the commissioner, the council, and the chairs of the
2-23 House Human Services Committee and the Senate Health and Human
2-24 Services Committee.

2-25 SECTION 2. This Act takes effect September 1, 2021.

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