

TEXAS HIGHER EDUCATION COORDINATING BOARD



September 1, 2020

Response to formal request for information

House Committee on Higher Education

Interim Charge 5: Monitor the State Auditor's review of agencies and programs under the Committee's jurisdiction. The Chair shall seek input and periodic briefings on completed audits for the 2019 and 2020 fiscal years and bring forth pertinent issues for full committee consideration.

The Coordinating Board was the subject of the following recommendations from the State Auditor's Office (SAO) related to audits completed for the 2019 and 2020 fiscal years:

- *The State of Texas Federal Portion of the Statewide Single Audit for the Year Ended August 31, 2019* (Report No. 20-317) included one recommendation that the Coordinating Board should revise its Notice of Grant Award (NOGA) template to include all required information to be communicated to subrecipients per 2 CFR 200.331 and that the agency should communicate required information as an addendum to existing NOGAs. The agency agreed with this recommendation and has completed the action plan.
- *An Audit Report on Financial Management Processes at the Higher Education Coordinating Board, June 2020* (Report No. 20-035) included one recommendation that the Coordinating Board should verify that all purchasing personnel involved in its contracts, including bid evaluation team members, sign forms that contain all the required disclosures prior to the award of contracts. The Coordinating Board completed the document review outlined in the action plan in August 2020.
- *The State of Texas Federal Portion of the Statewide Single Audit for the Year Ended August 31, 2018* (Report No. 19-315) included three recommendations:
 - The Coordinating Board should ensure that the tracker used to monitor non-default claims in Account Services is complete and accurate through an independent validation process. The agency agreed with this recommendation and implemented the corrective action plan as of November 12, 2018.
 - The Coordinating Board should retain documentation and correspondence related to the certification and supervisory review of employee time, and a process should be implemented to ensure that employees and supervisors complete their tasks prior to when accounting runs their payroll allocation entries. The agency agreed with this recommendation and implemented the corrective action plan as of January 2019.
 - The Coordinating Board should ensure that information submitted to TEA for the purposes of federal Career and Technical Education (CTE) grants is complete and accurate. The agency agreed with this recommendation and implemented the corrective action plan as of November 1, 2018.
- *An Audit Report on Performance Measures at the Higher Education Coordinating Board August 2019* (Report No. 19-047) included the below recommendations. The agency's Internal Audit and Compliance Monitoring department is currently conducting a review to confirm completion of the recommendations, the results of which should be available in October 2020.

- Develop detailed written policies and procedures for all performance measures, including procedures for creating and retaining documentation of reviews.
- Perform and document reviews of its calculation of performance measure results.
- Perform and document reviews of the performance measure results entered into ABEST prior to submitting those results into that system.
- Consider strengthening its data collection processes by ensuring that all records transmitted by institutions are included in performance measure calculations.