

AN ACT

relating to efficiency audits of the Department of Family and Protective Services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

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

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

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

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

(e) Not later than March 1 of the state fiscal year in which an efficiency audit is required under this section, the

1 commissioner, in collaboration with the council, the department's
2 chief financial officer, and the department's internal audit
3 director, shall select an external auditor to conduct the
4 efficiency audit.

5 (f) The external auditor shall be independent of the
6 department's direction.

7 (g) The external auditor shall complete the audit not later
8 than the 90th day after the date the auditor is selected.

9 (h) The Legislative Budget Board shall establish the scope
10 of the efficiency audit and determine the areas of investigation
11 for the audit, including:

12 (1) reviewing the department's resources to determine
13 whether they are being used effectively and efficiently to achieve
14 desired outcomes for children and families served by the
15 department, including the following outcomes:

16 (A) ensuring the safety of children in
17 placements;

18 (B) preventing entry into foster care through the
19 use of family preservation services;

20 (C) reducing the amount of time that a child is
21 placed in substitute care and is in the conservatorship of the
22 department;

23 (D) increasing the placement of children with
24 relative or kinship caregivers when possible;

25 (E) ensuring sufficient state capacity for
26 foster care and kinship placements;

27 (F) reducing the number of children who age out

1 of care and enhancing supports for youth at risk of aging out of
2 care; and

3 (G) increasing the reunification of children
4 with the biological parents of the children when possible;

5 (2) identifying cost savings or reallocations of
6 resources; and

7 (3) identifying opportunities for the department to
8 partner with other state agencies and community organizations to
9 improve services through consolidation of essential functions,
10 outsourcing, and elimination of duplicative efforts.

11 (i) Not later than November 1 of the calendar year an
12 efficiency audit is conducted, the auditor shall prepare and submit
13 a report of the audit and recommendations for efficiency
14 improvements to the governor, the Legislative Budget Board, the
15 state auditor, the commissioner, the council, and the chairs of the
16 House Human Services Committee and the Senate Health and Human
17 Services Committee.

18 SECTION 2. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I certify that H.B. No. 2374 was passed by the House on April 21, 2021, by the following vote: Yeas 125, Nays 14, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2374 was passed by the Senate on May 19, 2021, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor