

By: Kolkhorst

S.B. No. 1577

A BILL TO BE ENTITLED

AN ACT

1
2 relating to efficiency audits of the Department of Family and
3 Protective Services.

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

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

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

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

15 (c) In a year in which an efficiency audit is completed as
16 required by this section, the efficiency audit shall satisfy the
17 department's annual internal audit requirements under Chapter
18 2102, Government Code.

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

23 (e) If the department fails to conduct an efficiency audit
24 as required by this section, the amount appropriated to the

1 department by the legislature for the next state fiscal biennium
2 may not exceed the department's baseline budget.

3 (f) Not later than March 1 of the state fiscal year in which
4 an efficiency audit is required under this section, the
5 commissioner, in collaboration with the council, the department's
6 chief financial officer, and the department's internal audit
7 director, shall select an external auditor to conduct the
8 efficiency audit.

9 (g) The external auditor shall be independent of the
10 department's direction.

11 (h) The external auditor shall complete the audit not later
12 than the 90th day after the date the auditor is selected.

13 (i) The Legislative Budget Board shall establish the scope
14 of the efficiency audit and determine the areas of investigation
15 for the audit, including:

16 (1) reviewing the department's resources to determine
17 whether they are being used effectively and efficiently to achieve
18 desired outcomes for children and families served by the
19 department;

20 (2) identifying cost savings or reallocations of
21 resources; and

22 (3) identifying opportunities for improving services
23 through consolidation of essential functions, outsourcing, and
24 elimination of duplicative efforts.

25 (j) Not later than November 1 of the calendar year an
26 efficiency audit is conducted, the auditor shall prepare and submit
27 a report of the audit and recommendations for efficiency

1 improvements to the governor, the Legislative Budget Board, the
2 state auditor, the commissioner, the council, and the chairs of the
3 House Human Services Committee and the Senate Health and Human
4 Services Committee.

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