

**Summary of Request:**

The Texas Internal Audit Act requires a state agency that receives more than \$10 million or more in revenue and has more than 100 employees must comply with the Texas Government Code, Section 2102.005.

The attached report is to provide the Texas Board of Nursing a status update on prior audit recommendations.

**Historical Perspective:**

This is an annual report as required by internal audit standards.

**Pros:** The Board of Nursing will be in compliance with accepted internal audit standards and will be updated on past audit recommendations.

**Cons:** None.

**Staff Recommendation:**

This report is for informational purposes and no action by the board is required.

Rpt #	High-Level Audit Objective(s)	Observations	Rec #	Findings and Recommendations	Management Initial Response	Management Updates - December 2013
2013-1	<b>Enforcement Procedures Audit - Report Date 2/28/13</b>					
Obj	<b>A</b>	<b>Compliance:</b> Are enforcement activities for conducting investigations of complaints against nurses and adjudicating complaints in compliance with Agency Rules and Regulations? Enforcement activities for conducting investigations of complaints against nurses and adjudicating complaints are in compliance with Agency Rules and Regulations. Existing systems have facilitated the process and are capable of facilitating the process and tracking the information.	2013-1-01	Employ additional monitoring methods such as spot audits of files, random or judgmental sampling audits, and system reconciliations that are documented and evaluated.	<b>In Process:</b> Board staff will work on improving our audit process by working with IT to expand our internal database which will allow Enforcement with additional audit capability	<b>In Process.</b> System reconciliation audit reports for enforcement case information in the NURSE system are in the process of being developed and these reports will identify cases that have missing information. Additionally, in December 2013 each member of the Enforcement Management Team began pulling 1 case file per investigator per month to audit and verify accuracy of the information entered in the NURSE case system.
Obj	<b>B</b>	<b>Effectiveness and efficiency of processes and controls:</b> Are the processes and controls over enforcement activities sufficient to produce reliable information for reporting to management? The processes and controls over enforcement activities are sufficient to produce and store reliable information, as long as the information is input according to procedures. Output reports are currently limited to predefined report formats. There are opportunities for	2013-1-02	<b>Recommendations/ Results:</b> System improvements for case audit could include adding data fields that supervisors would find useful and enabling supervisors to have greater flexibility in designing the reports used for monitoring	<b>In Process:</b> Enforcement will work diligently with IT to improve systems for case audits which allow will allow supervisors more flexibility in running audit reports	<b>Implemented.</b> Effective at beginning of FY2014 revisions to the NURSE system were implemented that include entry of dates for all major case correspondence activities, and in a new audit and case management report including the new dates was made available to enforcement management during the first quarter of FY2014.
			2013-1-03	Additional documentation and training on the existing NURSE system should be obtained as soon as possible to implement the changes identified in #2013-1-02.	<b>In Process:</b> The Agency is currently working with NCSBN to Regulatory Office Management System (ROMS) that will integrate with the national system, and will have a web database design to allow customized reporting. Design and implementation by 2015.	<b>Substantially implemented.</b> Since Jan 2013, IT staff have completed at least 10 days of training and technical support, most of which focused on programming revisions to the NURSE system, provided under contract by Tawnya Smith, who created the original NURSE programing, and that technical support and training continues. During the first quarter of FY2014, a new audit and case management report was made available to enforcement management and the enforcement management team completed a training on how to run reports using functions within the NURSE platform, as well as newly created reports by accessing the facilities Report Server. The IT department is in the process of implementing regular automatic generation of the reports from the Report Server.
			2013-1-04	Evaluate processes around the transfer of cases to Legal. Consider if Legal should take more responsibility for cases once the decision to go to court has been made. Enforcement remains an integral player, ensuring that orders are followed and cases are properly closed.	<b>Ongoing:</b> We will continue to work with Legal to improve our current process.	<b>Ongoing.</b> Management staff from both the Legal and Enforcement Departments have met to discuss and will continue to dialogue regarding current processes for cases to be litigated, while acknowledging that cases are not ever truly "transferred" to the Legal department. Currently, improving communication and interactions between the two departments and more precisely defining the roles and responsibilities of each department have been addressed. Additionally, to facilitate improved communication between the two departments, and to better manage these cases, the NURSE case database has been modified to add an entire table for the legal department to record legal due dates, document legal filings, and track case progression. Further, for cases that are complex and will require extensive legal work (e.g., pill mill cases), Legal has taken the lead in coordinating expert testimony, tracking cases, coordinating with other agencies, advising on the progress of the cases, and monitoring the cases to ensure that the cases are moved through the hearings process in a timely, efficient, effective, and consistent manner.

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			<b>2013-1-05</b>	Succession planning should include ensuring that adequate written procedures exist, including relevant control steps. Back-up positions should be trained. A mentor-protégé program could be established.	<u>In Process</u> : Enforcement is currently in the process of training all investigative staff on current and proper procedures. We are in the process of implementing a system which gives the mentors (Investigator IV's) more responsibility in the training/preceptor process.	<u>Ongoing</u> : Cross training of staff in key positions continues. New supervising investigators and lead investigators have been trained in review of staff work product (formal charges, agreed orders, case reviews) and processes for routing of work product have been revised to include new supervisors and lead investigators. Additionally, the Lead Investigators have been made the designated preceptors for new investigators. Further, Lead Investigators now routinely participate in the initial interviews of applicants for investigator positions.