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State Auditor

An Audit Report on

**Performance Measures at the
Executive Council of
Physical Therapy and
Occupational Therapy
Examiners**

July 2010

Report No. 10-033



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Overall Conclusion

The Executive Council of Physical Therapy and Occupational Therapy Examiners (Council) reported reliable results for 14 (82 percent) of 17 performance measures for fiscal year 2009. A result is considered reliable if it is certified or certified with qualification. The Council's performance measures provide key information regarding its licensing and enforcement functions.

Five key licensing performance measures were certified with qualification because the Council did not have a documented review of its performance measure calculations. These five performance measures were:

- Number of New Licenses Issued to Individuals: Occupational Therapy.
- Number of New Licenses Issued to Individuals: Physical Therapy.
- Number of Licenses Renewed (Individuals): Occupational Therapy.
- Number of Licenses Renewed (Individuals): Physical Therapy.
- Percent of Licensees Who Renew Online.

Eight key enforcement performance measures were certified with qualification because the Council did not have written policies and procedures for or a documented review of its performance measure calculations. These eight performance measures were:

- Percent of Licenses with No Recent Violations: Physical Therapy.
- Percent of Licenses with No Recent Violations: Occupational Therapy.
- Number of Complaints Resolved: Physical Therapy.
- Number of Complaints Resolved: Occupational Therapy.

Background Information

The Executive Council of Physical Therapy and Occupational Therapy Examiners (Council) was created in 1993 to carry out the functions of boards that regulate the following occupations:

- Physical therapists.
- Physical therapy assistants.
- Occupational therapists.
- Occupational therapy assistants.

The Council's staff, which includes 18 full-time equivalent (FTE) employees, is organized into three functional areas:

- Administrative support.
- Licensing.
- Investigations.

Key Performance Measures

Key performance measures are:

- Budget drivers that are generally externally focused.
- Closely related to the goals identified in the statewide strategic plan.
- Reflective of the criteria of good performance measures.

Entities report results for their key performance measures to the Legislative Budget Board's budget and evaluation system, which is called the Automated Budget and Evaluation System of Texas, or ABEST.

Source: *Guide to Performance Measure Management* (State Auditor's Office Report No. 06-329, August 2006).

- Average Time for Complaint Resolution: Physical Therapy (Days).
- Average Time for Complaint Resolution: Occupational Therapy (Days).
- Percent of Complaints Resulting in Disciplinary Action: Physical Therapy.
- Percent of Complaints Resulting in Disciplinary Action: Occupational Therapy.

One key licensing performance measure—Percent of New Individual Licenses Issued Online—was certified with qualification because the Council did not calculate the performance measure according to the performance measure definition and because it did not have a documented review of the performance measure calculation.

One key licensing performance measure—Total Number of Business Facilities Registered—was inaccurate because the Council did not calculate the performance measure according to the performance measure definition and there was more than a 5 percent error rate in the sample of documentation that auditors tested.

Factors prevent certification of two key enforcement performance measures—Number of Jurisdictional Complaints Received: Physical Therapy and Number of Jurisdictional Complaints Received: Occupational Therapy—because the Council did not have all the documentation available for its calculations of these performance measures and because the Council’s controls were not adequate to ensure the accuracy of these performance measures.

Table 1 on the next page summarizes the certification results for the key performance measures tested.

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Table 1

The Executive Council of Physical Therapy and Occupational Therapy Examiners (Agency No. 533)				
Related Objective or Strategy, Classification	Description of Measure	Fiscal Year	Results Reported in ABEST	Certification Results ^a
A.1.1, Output	Number of New Licenses Issued to Individuals: Occupational Therapy	2009	795	Certified with qualification
A.1.1, Output	Number of New Licenses Issued to Individuals: Physical Therapy	2009	1,268	Certified with qualification
A.1.1, Output	Number of Licenses Renewed (Individuals): Occupational Therapy	2009	3,966	Certified with qualification
A.1.1, Output	Number of Licenses Renewed (Individuals): Physical Therapy	2009	7,235	Certified with qualification
A. Goal, Outcome	Percent of Licenses with No Recent Violations: Physical Therapy	2009	100%	Certified with qualification
A. Goal, Outcome	Percent of Licenses with No Recent Violations: Occupational Therapy	2009	100%	Certified with qualification
B.1.1, Output	Number of Complaints Resolved: Physical Therapy	2009	346	Certified with qualification
B.1.1, Output	Number of Complaints Resolved: Occupational Therapy	2009	160	Certified with qualification
B.1.1, Efficiency	Average Time for Complaint Resolution: Physical Therapy (Days)	2009	127	Certified with qualification
B.1.1, Efficiency	Average Time for Complaint Resolution: Occupational Therapy (Days)	2009	119	Certified with qualification
B.1.1, Explanatory	Number of Jurisdictional Complaints Received: Physical Therapy	2009	409	Factors prevent certification
B.1.1, Explanatory	Number of Jurisdictional Complaints Received: Occupational Therapy	2009	166	Factors prevent certification
B. Goal, Outcome	Percent of Complaints Resulting in Disciplinary Action: Physical Therapy	2009	16%	Certified with qualification
B. Goal, Outcome	Percent of Complaints Resulting in Disciplinary Action: Occupational Therapy	2009	21%	Certified with qualification
A.1.1, Explanatory	Total Number of Business Facilities Registered	2009	3,451	Inaccurate
A. Goal, Outcome	Percent of Licensees Who Renew Online	2009	93.87%	Certified with qualification
A. Goal, Outcome	Percent of New Individual Licenses Issued Online	2009	78.14%	Certified with qualification

^a A measure is Certified if reported performance is accurate within plus or minus 5 percent of actual performance and if it appears that controls to ensure accuracy are in place for collecting and reporting performance data.

A measure is Certified With Qualification when reported performance appears accurate but the controls over data collection and reporting are not adequate to ensure continued accuracy. A measure is also certified with qualification when controls are strong but source documentation is unavailable for testing. A measure is also certified with qualification if the agency's calculation of performance deviated from the measure definition but caused less than a 5 percent difference between the number reported to ABEST and the correct performance measure result.

A measure is Inaccurate when the actual performance is not within 5 percent of reported performance, or when there is more than a 5 percent error in the sample of documentation tested. A measure is also inaccurate if the agency's calculation deviated from the measure definition and caused more than a 5 percent difference between the number reported to ABEST and the correct performance measure result.

A Factors Prevent Certification designation is used if documentation is unavailable and controls are not adequate to ensure accuracy. This designation also will be used when there is a deviation from the measure definition and the auditor cannot determine the correct performance measure result.

Summary of Management's Response

The Council agreed with the recommendations in this report.

Summary of Information Technology Review

Auditors assessed the information technology (IT) controls over the Council's information systems and the automated processes the Council uses for performance measure data. Auditors evaluated general IT controls, including logical access, program change management, physical security, and disaster recovery. Auditors also reviewed application controls, including input controls, process controls, and output controls.

Overall, the Council's general IT controls and application controls were adequate, and the Council's licensing application database contains input edits and audit trails to help ensure data integrity. However, the Council's disaster recovery plan did not include certain elements required by the Texas Administrative Code, and all Council users have "modify" access rights to the performance measure results, which increases the risk of unauthorized changes to data.

Summary of Objectives, Scope, and Methodology

The objectives of the audit were to determine whether the Council:

- Is accurately reporting its performance measure to the Automated Budget and Evaluation System of Texas (ABEST).
- Has adequate controls in place over the collection, calculation, and reporting of its performance measures.

The audit scope included 17 key performance measures the Council reported for fiscal year 2009. Auditors reviewed the controls over submission of the data used in reporting the performance measures and traced performance measure information to the original source documents when possible.

The audit methodology consisted of selecting 17 performance measures, auditing reported results for accuracy and adherence to measure definitions, evaluating controls over the performance measures' calculation processes and related information systems, and testing of original source documentation.

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Detailed Results

Chapter 1

The Council Should Improve Certain Controls Over Its Licensing Performance Measures

The Executive Council of Physical Therapy and Occupational Therapy Examiners (Council) reported reliable results for 6 (86 percent) of 7 key licensing performance measures tested for fiscal year 2009. A result is considered reliable if it is certified or certified with qualification. One of the seven licensing performance measures tested was inaccurate because the Council did not calculate that performance measure according to that performance measure's definition.

Information Systems Related to the Council's Licensing Performance Measures

The Council uses the TexasOnline portal to process applications and renewals and collect credit card payments.

The Council also uses an internally maintained Microsoft Access database to:

- Collect information from TexasOnline application and manual application processes.
- Process new and renewal applications.

The Council should improve the reliability of its licensing performance measures by developing and implementing adequate controls over the collection, calculation, review, and reporting of performance measures. Important controls on which the Council should focus are:

- Conducting management reviews and documenting approvals to ensure that calculations are consistent with each performance measure's definition and methodology in the Automated Budget and Evaluation System of Texas (ABEST).
- Ensuring that the Council collects information for performance measures that meets the performance measure definitions.

The *Guide to Performance Measure Management* (State Auditor's Office Report No. 06-329, August 2006) is a helpful resource for developing procedures for performance measure reporting.

Key Licensing Performance Measures

The following licensing performance measures were certified with qualification because the reported results were accurate, but auditors identified control weaknesses in the Council's reporting of these performance measures:

**Performance Measures:
Certified with Qualification**

A measure is certified with qualification when reported performance appears accurate but the controls over data collection and reporting are not adequate to ensure continued accuracy.

Number of New Licenses Issued to Individuals: Occupational Therapy

Number of New Licenses Issued to Individuals: Physical Therapy

Number of Licenses Renewed (Individuals): Occupational Therapy

Number of Licenses Renewed (Individuals): Physical Therapy

Percent of Licensees Who Renew Online

The Council did not complete, and its policies and procedures did not require, a documented review of the performance measure calculations to ensure the accuracy of performance measure information reported to ABEST.

The Council's policies and procedures require management to perform a reasonableness check of information after it is entered into ABEST, but this check occurs prior to the confirmation that the data is complete. In addition, this check (1) is not documented, (2) does not include a comparison of source documents to the information entered into ABEST, and (3) does not include a review of the calculation of the performance measure.

The lack of a documented review of performance measure calculations could lead to inaccurate reporting of performance measures in ABEST.

Percent of New Individual Licenses Issued Online

The performance measure Percent of New Individual Licenses Issued Online was certified with qualification because the reported results were accurate, but in addition to the lack of a documented review as noted above, the Council also did not calculate the performance measure according to the performance measure definition.

The performance measure data the Council reported included the number of applications received through the TexasOnline automated system during the reporting period, rather than the number of licenses actually issued from a TexasOnline application. This resulted in the performance measure data including applicants who may not have been issued a license during the performance measure reporting period or may not have been approved for a license. The difference between the Council's reported performance measure result and the correct performance measure result was less than 1 percent for fiscal year 2009.

Recommendations

The Council should:

- Develop and implement written policies and procedures requiring a documented review of all performance measure calculations prior to reporting performance measure information to ABEST.
- Ensure that the reported information for Percent of New Individual Licenses Issued Online meets the performance measure definition by collecting data according to that definition and including only applications that were completely processed and approved during the reporting period.

Management's Response

1. Recommendation: The Council should develop and implement written policies and procedures requiring a documented review of all performance measures calculations prior to reporting performance measure information to ABEST.

Response: The Executive Council will develop and implement written procedures for verifying the accuracy of performance measure data recorded in ABEST by September 1, 2010. The agency has decided upon the concept of the process for the formal review of data; it now only needs to incorporate the changes into its written policy and procedures. Also, it will expand the supervisory review process of the data entries. The agency will follow the updated procedures for the 4th quarter report for FY 2010.

2. Recommendation: The Council should ensure the reported information for Percent of New Individual Licenses Issued Online meets the performance measure definition by collecting data according to that definition and including only applications that were completely processed and approved during the reporting period.

Response: The Council's Database Consultant will revise the report that calculates the Percent of New Individual Licenses Issued Online to ensure that it includes licensees who applied online at any time, and whose applications were processed and approved during the reporting period. The changes to the report will be implemented by August 31, 2010 and the corrected results will be reported for FY 2010.

Total Number of Business Facilities Registered

The performance measure Total Number of Business Facilities Registered was inaccurate because the Council did not calculate it according to the performance measure definition and there was more than a 5 percent error rate in the sample of documentation that auditors tested.

Performance Measure: Inaccurate

A measure is inaccurate when the actual performance is not within 5 percent of reported performance, or when there is more than a 5 percent error in the sample of documentation tested. A measure is also inaccurate if the agency's calculation deviated from the measure definition and caused more than a 5 percent difference between the number reported in ABEST and the correct performance measure result.

This performance measure is defined as the total number of business facilities registered by the Council. While a single facility can hold more than one license, that facility should be counted only once during the reporting period. Auditors selected a sample of 61 business facilities the Council reported in the fiscal year 2009 performance measure and determined the following:

- 38 facilities had more than one license, and the Council counted them more than once during the reporting period.
- 13 facilities did not have more than one license.
- Auditors did not test 10 facilities due to the high number of errors noted.

In fiscal year 2009, 970 facilities had both physical therapy licenses and occupational therapy licenses. The Council counted each of these facilities twice when reporting Total Number of Business Facilities Registered, which resulted in the reported number being overstated by 970, which represents an error rate of 28 percent.

In addition, the Council did not complete, and its policies and procedures did not require, a documented review of the performance measure calculation to ensure the accuracy of performance measure information reported to ABEST.

Recommendations

The Council should:

- Develop and implement written policies and procedures requiring a documented review of all performance measure calculations prior to reporting performance measure information to ABEST.
- Ensure that the reported performance measure information for Total Number of Business Facilities Registered meets the performance measure definition by collecting data according to that definition and counting a facility only once, even if it has more than one license.
- Recalculate and correct the information reported in ABEST for the Total Number of Business Facilities Registered.

Management's Response

1. Recommendation: The Council should develop and implement written policies and procedures requiring a documented review of all performance measures calculations prior to reporting performance measure information to ABEST.

Response: The Executive Council will develop and implement written procedures for verifying the accuracy of performance measure data recorded in ABEST by September 1, 2010. The agency has decided upon the concept of the process for the formal review of data; it now only needs to incorporate the changes into its written policy and procedures. Also, it will expand the supervisory review process of the data entries. The agency will follow the updated procedures for the 4th quarter report for FY 2010.

2. Recommendation: The Council should ensure the reported performance measure information for Total Number of Business Facilities Registered meets the performance measure definition by collecting data according to that definition and counting a facility only once, even if it has more than one license.

Response: The Council is currently working with the Legislative Budget Board and Governor's Office of Budget and Planning to change the definition of this performance measure in ABEST to reflect the report the agency has been submitting for a number of years, and which all believe better reflects the intent of the performance measure. In the event the measure definition is not changed by the end of FY2010, as a back-up plan, the Database Consultant will review the performance measure definition with Council staff and revise the report that calculates the Total Number of Business Facilities Registered to ensure that it meets the Council's definition. The changes to the report will be implemented by August 31, 2010 and the corrected results will be reported for fiscal year ending 2010.

3. Recommendation: Recalculate and correct the information reported in ABEST for the Total Number of Business Facilities Registered.

Response: If the measure definition change has not been approved by the end of the fiscal year, the performance data for FY2009 will be recalculated and submitted at that time.

The Council Should Improve Certain Controls Over Its Enforcement Performance Measures

The Council reported reliable results for 8 (80 percent) of 10 key enforcement performance measures tested for fiscal year 2009. A result is considered reliable if it is certified or certified with qualification. Factors prevent certification for 2 of the 10 enforcement performance measures because the Council did not have all of the supporting documentation for those performance measures and controls were not adequate to ensure their accuracy.

The Council should improve the reliability of its enforcement performance measures by developing and implementing adequate controls over the collection, calculation, review, and reporting of performance measures. Specifically, the Council should develop and implement written policies and procedures to:

- Conduct management reviews of performance measures and document that calculations are consistent with each performance measure's definition and methodology in ABEST.
- Ensure that it conducts regular, independent reconciliations of the number of complaints received with the number of complaints closed and pending.

The *Guide to Performance Measure Management* (State Auditor's Office Report No. 06-329, August 2006) is a helpful resource for developing procedures for performance measure reporting.

Key Enforcement Performance Measures

The following enforcement measures were certified with qualification because the reported results were accurate, but auditors identified control weaknesses in the Council's reporting of these performance measures:

Performance Measures: Certified with Qualification

A measure is certified with qualification when reported performance appears accurate but the controls over data collection and reporting are not adequate to ensure continued accuracy.

Percent of Licenses with No Recent Violations: Physical Therapy

Percent of Licenses with No Recent Violations: Occupational Therapy

Number of Complaints Resolved: Physical Therapy

Number of Complaints Resolved: Occupational Therapy

Average Time for Complaint Resolution: Physical Therapy (Days)

Average Time for Complaint Resolution: Occupational Therapy (Days)

Percent of Complaints Resulting in Disciplinary Action: Physical Therapy

Percent of Complaints Resulting in Disciplinary Action: Occupational Therapy

The Council did not complete, and its policies and procedures did not require, a documented review of the performance measure calculations to ensure the accuracy of performance measure information reported to ABEST.

The Council's policies and procedures require management to perform a reasonableness check of the ABEST information after it is entered into ABEST, but this check occurs prior to the confirmation that the data is complete. In addition, this check (1) is not documented, (2) does not include a comparison of source documents to the information entered into ABEST, and (3) does not include a review of the calculation of the performance measure.

The lack of a documented review of performance measure calculations could lead to inaccurate reporting of performance measure information to ABEST.

Recommendation

The Council should develop and implement written policies and procedures requiring a documented review of all performance measure calculations prior to reporting performance measure information to ABEST.

Management's Response

The Executive Council will develop and implement written procedures for verifying the accuracy of performance measure data recorded in ABEST by September 1, 2010. The agency has decided upon the concept of the process for the formal review of data; it now only needs to incorporate the changes into its written policy and procedures. Also, it will expand the supervisory

review process of the data entries. The agency will follow the updated procedures for the 4th quarter report for FY 2010.

Number of Jurisdictional Complaints Received: Physical Therapy

Number of Jurisdictional Complaints Received: Occupational Therapy

**Performance Measures:
Factors Prevent
Certification**

A factors prevent certification designation is used if documentation is unavailable and controls are not adequate to ensure accuracy. This designation also will be used when there is a deviation from the measure definition and the auditor cannot determine the correct performance measure result.

Factors prevent the certification of the two performance measures listed above because the Council did not have all of the supporting documentation for those performance measures and the Council's controls were not adequate to ensure the accuracy of these performance measures. The Council's controls were considered inadequate because of the lack of written policies and procedures and the lack of a documented review of the performance measure calculations.

The Council should improve controls over its records related to enforcement performance measures.

The Council's investigative section performs the data collection for and calculation of the Council's enforcement performance measures. The investigative section is also responsible for (1) managing the receipt and resolution of all complaints for the Council and (2) logging and maintaining a manual record of all reported complaints. The investigative section uses a manual record of complaints to calculate enforcement performance measures, and on an annual basis the investigative section compares its manual record to the same information recorded in a Microsoft Access database.

Auditors recalculated the enforcement performance measures using data from the Microsoft Access database for fiscal year 2009, and the results were within 5 percent of the performance measures the Council reported for 8 of the 10 enforcement performance measures tested. The remaining performance measures—Percent of Licensees with No Recent Violations: Physical Therapy and Percent of Licensees with No Recent Violations: Occupational Therapy—did not have corresponding reporting data in the Microsoft Access database and were manually recalculated within 5 percent of the reported number.

Although auditors were able to recalculate the performance measure results, the Council's investigative section was not able to provide some of the records for complaints it reported in its performance measure calculations for fiscal year 2009. Auditors requested 2 samples of 61 records of complaints received and reported in fiscal year 2009 that supported the Number of Jurisdictional Complaints Received—Physical Therapy and the Number of Jurisdictional Complaints Received—Occupational Therapy performance measures and:

- The Council was unable to provide 6 (10 percent) of the 61 records of complaints regarding physical therapy.
- The Council was unable to provide 3 (5 percent) of the 61 records of complaints regarding occupational therapy.

Although the investigative section is responsible for logging and maintaining a manual record of all reported complaints, it did not have a tracking log of complaint records to assist in accounting for the missing documentation regarding complaints. Regular tracking and reconciliation of complaints from receipt to resolution would help the Council to account for each complaint received and reported in ABEST.

The Council also did not have written policies and procedures to ensure that it collects, calculates, and reports enforcement performance measures in a consistent manner. It also did not conduct a documented review of enforcement performance measure calculations to ensure the accuracy of performance measures reported to ABEST. The lack of policies and procedures and a documented review could lead to the inaccurate reporting of performance measures in ABEST.

Recommendations

The Council should:

- Develop and implement written policies and procedures for reporting all enforcement measures in ABEST.
- Implement policies and procedures for a documented review of its calculation of all enforcement performance measures.
- On a monthly basis, assign a staff person who is independent of the complaint process to (1) log the receipt of complaints and (2) report on the reconciliation of the complaints received to complaints that are resolved and that remain pending.

Management's Response

1. Recommendation: The Council should develop and implement written policies and procedures for reporting all enforcement measures on ABEST.

Response: The Investigative staff will develop and implement written procedures for verifying the accuracy of performance measure data recorded in ABEST by September 1, 2010. The actual process is identified, but needs to be written into the agency policy and procedures file. The Council will follow the updated procedures for the 4th quarter report for FY 2010.

2. Recommendation: The Council should implement policies and procedures for a documented review of its calculation of all enforcement performance measures.

Response: The Investigative Staff will begin using automated reports vs. hand calculating the data effective September 1, 2010. Written procedures to verify the accuracy of the data recorded in ABEST will be developed concurrently and incorporated into the Council written policy and procedures file.

3. Recommendation: The Council should on a monthly basis, assign a staff person who is independent of the complaint process to (1) log the receipt of complaints and (2) report on the reconciliation of the complaints received to complaints that are resolved and that remain pending.

Response: Effective September 1, 2010, on a short term basis the Council will assign non-investigative staff to log incoming complaints into the investigative database, and the log will be reconciled by a non-investigative staff person. The Council's long term solution is to move to digital scanning/control of all incoming complaints, which is planned for the 2nd quarter of FY2011.

The Council's Controls Over Automated Systems Are Adequate, But It Should Improve Certain Areas

Excerpt from Title 1,
Texas Administrative Code,
Chapter 202

(4) Disaster Recovery Plan-Each state agency shall maintain a written disaster recovery plan for major or catastrophic events that deny access to information resources for an extended period. Information learned from tests conducted since the plan was last updated will be used in updating the disaster recovery plan. The disaster recovery plan will:

(A) Contain measures which address the impact and magnitude of loss or harm that will result from an interruption;

(B) Identify recovery resources and a source for each;

(C) Contain step-by-step implementation instructions;

(D) Include provisions for annual testing.

The Council provides adequate general and application controls for its automated systems that support performance data. However, its disaster recovery plan did not include:

- A list of key employees' contact information.
- A prioritized list of information systems by order of recovery.
- Evidence of regular testing or review of the disaster recovery plan.

Including these items in its disaster recovery plan would help to ensure that the Council could successfully recover from a disaster that affects its automated systems.

The licensing application database contained input edits and audit trails to help ensure data integrity. However, all Council users have "modify" access rights to the performance measure results, which increases the risk of unauthorized changes to data.

Recommendations

The Council should:

- Update its disaster recovery plan to include all required elements and periodically test and review that plan.
- Ensure that users' access and rights to automated systems are commensurate with their job titles and duties.

Management's Response

1. Recommendation: The Council should update its disaster recovery plan to include all required elements and periodically test and review that plan.

Response: The Council is now revising its disaster recovery plan to include the missing elements noted by the SAO audit team and expects to complete the task by September 1, 2010. The only remaining item is completing a contingency contract with a local business. The agency will test all elements of its disaster recovery plan annually and document the results of its tests.

2. Recommendation: The Council should ensure that users' access and rights to automated systems are commensurate with their job titles and duties.

Response: The agency has had the Health Professions Council IT support staff restrict the access rights to the folder containing the licensing database and the completed performance measure generated reports and associated data. Access is now limited to only those agency personnel who directly prepare or submit the performance measure reports.

Appendix

Appendix 1

Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to determine whether the Executive Council of Physical Therapy and Occupational Therapy Examiners (Council):

- Is accurately reporting its performance measures to the Automated Budget and Evaluation System of Texas (ABEST).
- Has adequate control in place over the collection, calculation, and reporting of its performance measures.

Scope

The scope of this audit included 17 key performance measures the Council reported for fiscal year 2009. Auditors reviewed controls over the submission of data used in reporting performance measures and traced performance measure information to the original source documents when possible.

Methodology

Auditors tested all 17 key performance measures that the Council reported in ABEST for fiscal year 2009. The Council completed questionnaires related to its performance measurement process to help identify preliminary control information.

Information collected and reviewed included the following:

- Documentation supporting the Council's calculation of each performance measure.
- Hard copy files (licensee files for licensing performance measures and complaint files for enforcement performance measures).
- Performance measure data stored in the licensing database.
- Program code for database performance measure calculations.

Procedures and tests conducted included the following:

- Auditing calculations for accuracy and to ensure that they were consistent with the methodology on which the Council and the Legislative Budget Board agreed.

- Analyzing data flow to evaluate whether proper controls were in place.
- Testing a sample of source documents to verify the accuracy of reported performance when possible.
- Conducting high-level reviews of all information systems that support performance measure data.
- Assessing performance measure results in one of four categories: certified, certified with qualification, inaccurate, and factors prevent certification.

Criteria used included the following:

- The *Guide to Performance Measure Management* (State Auditor's Office Report No. 06-329, August 2006).
- ABEST measure definitions.

Project Information

Audit fieldwork was conducted from April 2010 through May 2010. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The following members of the State Auditor's staff performed the audit:

- Bruce Wayne Dempsey, CPA, CIA (Project Manager)
- Joe Fralin, MBA (Assistant Project Manager)
- Anne Hoel, CIA, CGAP
- Seorin Kim, CPA, MPA
- Joe Kozak, CPA, CISA
- Dana Musgrave, MBA (Quality Control Reviewer)
- John Young, MPAff (Audit Manager)

Copies of this report have been distributed to the following:

Legislative Audit Committee

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The Honorable Joe Straus III, Speaker of the House, Joint Chair
The Honorable Steve Ogden, Senate Finance Committee
The Honorable Thomas “Tommy” Williams, Member, Texas Senate
The Honorable Jim Pitts, House Appropriations Committee
The Honorable Rene Oliveira, House Ways and Means Committee

Office of the Governor

The Honorable Rick Perry, Governor

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Occupational Therapy Examiners

Mr. Roger Matson, Presiding Officer

Ms. Stephanie Johnston, OTR

Ms. Pamela Nelon, OT

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