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State Auditor

# A Follow-up Audit Report on Staffing and Caseloads at the Department of Family and Protective Services

June 29, 2012

Members of the Legislative Audit Committee:

The Department of Family and Protective Services (Department) fully implemented all four recommendations that auditors selected for follow-up from *An Audit Report on Staffing and Caseloads at the Department of Family and Protective Services* (State Auditor's Office Report No. 09-021, March 2009). Specifically, of the four recommendations selected for follow-up audit work, the Department fully implemented:

- One recommendation regarding correctly classifying caseworkers.
- One recommendation regarding identifying reasons paid overtime is increasing and developing strategies.
- One recommendation regarding attracting and retaining regional employees.
- One recommendation regarding the annual process for conducting criminal history checks.

Auditors communicated other, less significant issues related to the annual process for conducting criminal history checks to the Department's management separately in writing.

## Background Information

In March 2009, the State Auditor's Office issued *An Audit Report on Staffing and Caseloads at the Department of Family and Protective Services* (State Auditor's Office Report No. 09-021). Auditors selected four of the eight recommendations in that report for follow-up based on Department management's original responses to the recommendations, the Department's subsequent self-reported recommendation implementation status and implementation date, and the level of risk. The four recommendations not selected for testing were related to performance measures that the Department no longer used.

## Implementation Status Definitions

**Fully Implemented** - Successful development and use of a process, system, or policy to implement a prior recommendation.

**Substantially Implemented** - Successful development but inconsistent use of a process, system, or policy to implement a prior recommendation.

**Incomplete/Ongoing** - Ongoing development of a process, system, or policy to address a prior recommendation.

**Not Implemented** - Lack of a formal process, system, or policy to address a prior recommendation.

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Table 1 provides additional details on the Department's implementation of prior State Auditor's Office recommendations.

Table 1

Status of Implementation of Prior Audit Recommendations				
No.	Recommendation	Implementation Status as Reported by the Department	Implementation Status as Determined by Auditors	Auditor Comments
1	The Department should ensure that employees are correctly classified in Child Protective Service Specialists and Adult Protective Services positions if the recommended changes to the Classification Plan are approved by the Legislature.	Fully Implemented	Fully Implemented	The Department correctly classified the employees in Child Protective Service Specialists and Adult Protective Service Specialists positions according to the Classification Plan for the 2010-2011 biennium approved by the Legislature.
2	The Department should identify the reasons paid overtime is increasing, develop strategies to limit the Department's fiscal liability, and ensure that it is in compliance with the federal Fair Labor Standards Act.	Fully Implemented	Fully Implemented	The Department identified reasons that paid overtime was increasing, and it developed tools and strategies to address the reasons overtime is increasing by making overtime reports readily available to all Department supervisors and managers.  The Department developed strategies to address its fiscal liability by adequately monitoring overtime.  To help ensure that the Department is in compliance with the federal Fair Labor Standards Act, the Health and Human Services Commission contracted with an outside vendor to review selected employees. As a result of that review, 301 additional caseworkers were classified as non-exempt from the Fair Labor Standards Act.
3	The Department should analyze regional differences to identify and replicate successful strategies and identify and address region-specific issues.	Fully Implemented	Fully Implemented	The Department analyzed regional differences and identified and developed strategies to address region-specific issues related to attracting and retaining staff.
4	The Department should ensure that the criminal history checks for all employees are completed on an annual basis.	Fully Implemented	Fully Implemented	The Department updated its policies and procedures to include the annual criminal background check requirement for all current employees. The Department's criminal history check process is sufficient to help ensure that criminal background checks are completed for all employees on an annual basis.

Sincerely,

John Keel, CPA  
 State Auditor

Attachment

cc: Mr. Thomas M. Suehs, Executive Commissioner, Health and Human Services Commission  
 Mr. Howard G. Baldwin, Jr., Commissioner, Department of Family and Protective Services



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# Attachment

## Objectives, Scope, and Methodology

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### Objectives

The objectives of this audit were to:

- Determine the implementation status of prior State Auditor's Office recommendations.
- Make selected site visits to verify the implementation status that agencies report.

### Scope

The scope of this audit included reviewing the implementation status of the prior audit recommendations in *An Audit Report on Staffing and Caseloads at the Department of Family and Protective Services* (State Auditor's Office Report No. 09-021, March 2009). The scope covered the Department of Family and Protective Services' (Department) actions from March 2009 through May 2012.

### Methodology

The audit methodology included identifying and collecting information on the implementation of the prior audit recommendations. To determine the implementation status of the recommendations, auditors conducted interviews, observed the Department's processes, reviewed the Department's policies and procedures, reviewed the Department's documentation, and performed selected tests and procedures.

Information collected and reviewed included the following:

- *An Audit Report on Staffing and Caseloads at the Department of Family and Protective Services* (State Auditor's Office Report No. 09-021, March 2009).
- The Department's policies and procedures for leave and time, overtime, and criminal background checks.
- The Department's documentation on region-specific strategies.
- Data from the State Auditor's Office's Electronic Classification Analysis System.

- The Department's overtime reports.
- The Department's criminal background check spreadsheets.
- The Department's Fair Labor Standards Act review report.

Procedures and tests conducted included the following:

- Reviewed the Department's position classifications of caseworkers to determine whether those classifications complied with the General Appropriations Act (81st Legislature).
- Interviewed the Department's staff and reviewed caseloads and overtime reports to determine whether the Department had identified the reasons that paid overtime was increasing.
- Reviewed the Department's policies and reports to determine whether the Department took adequate steps to monitor overtime.
- Reviewed the Department's Fair Labor Standards Act review report to determine whether the Department took appropriate steps to ensure compliance with the Fair Labor Standards Act.
- Reviewed the Department's human resources management plan to determine whether the Department had developed region-specific strategies to attract and retain employees.
- Reviewed the Department's criminal background check policy to determine whether it included an annual criminal background check requirement.
- Observed the Department's annual criminal background check process and reviewed related spreadsheets to determine whether they complied with the Department's internal policies and procedures.

Criteria used included the following:

- The General Appropriations Act (81st Legislature).
- The U.S. Fair Labor Standards Act.
- Department policies and procedures.

### **Project Information**

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:

- Thomas Andrew Mahoney, CGAP (Project Manager)
- Namita Pai, CPA (Assistant Project Manager)
- Ishani Baxi, CIDA
- Jacqueline Gomez
- J. Scott Killingsworth, CIA, CGAP, CGFM (Quality Control Reviewer)
- Ralph McClendon, CISSP, CCP, CISA (Audit Manager)