An Audit Report on

Performance Measures at the Commission on Law Enforcement Officer Standards and Education

October 2013
Report No. 14-003
Overall Conclusion

The Commission on Law Enforcement Officer Standards and Education\(^1\) (Commission) reported unreliable results for all three key performance measures tested for fiscal year 2012 and the first two quarters of 2013. A result is considered reliable if it is certified or certified with qualification.

Factors prevented certification of the following two key performance measures:

- Number of New Licenses Issued to Individuals (for fiscal year 2012 and the first two quarters of fiscal year 2013).
- Percent of Licensees with No Criminal Misconduct Dispositions (for fiscal year 2012).

For both performance measures, the Commission uses license information in the Texas Commission on Law Enforcement Data Distribution System (TCLEDDS) to calculate the results. However, auditors could not recalculate the performance measures for the time periods audited because the Commission’s licensing data was not reliable. Specifically:

- The Commission backdates the license award date in TCLEDDS, rather than using the actual date on which the Commission issued the license. As a result, the Commission’s licensing data may change frequently.
- The Commission does not sequentially number its licenses. As a result, the Commission cannot ensure that the licensing data is complete.

In addition, for the Number of New Licenses Issued to Individuals performance measure, the Commission did not include the correct officer types in its reported results for fiscal year 2012, and it made mathematical errors when summing the

\(^1\) The 83rd Legislature enacted legislation (Senate Bill 686, Regular Session) that changed the name of the Commission on Law Enforcement Officer Standards and Education to the Texas Commission on Law Enforcement effective January 2014.
various license types for fiscal year 2012 and the first two quarters of fiscal year 2013.

For the Percent of Licensees with No Criminal Misconduct Dispositions performance measure, the Commission also deviated from the definition in the Automated Budget and Evaluation System of Texas (ABEST) by including all licenses surrendered during fiscal year 2012 and not reporting results for only criminal disposed cases.

One key performance measure—Complaints Resolved—was inaccurate for fiscal year 2012 and the first two quarters of 2013 because the actual performance as calculated by auditors was not within 5 percent of reported performance.

Table 1 summarizes the certification results for the three key performance measures tested.

### Table 1

<table>
<thead>
<tr>
<th>Related Objective or Strategy, Classification</th>
<th>Description of Performance Measure</th>
<th>Fiscal Year</th>
<th>Results Reported in ABEST</th>
<th>Certification Results a</th>
</tr>
</thead>
<tbody>
<tr>
<td>A, Outcome</td>
<td>Percent of Licensees with No Criminal Misconduct Dispositions</td>
<td>2012</td>
<td>98.8%</td>
<td>Factors Prevented Certification</td>
</tr>
<tr>
<td>A.1.1, Output</td>
<td>Number of New Licenses Issued to Individuals</td>
<td>2012</td>
<td>12,976</td>
<td>Factors Prevented Certification</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2013 - First Two Quarters</td>
<td>8,238</td>
<td>Factors Prevented Certification</td>
</tr>
<tr>
<td>B.1.1, Output</td>
<td>Complaints Resolved</td>
<td>2012</td>
<td>889</td>
<td>Inaccurate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2013 - First Two Quarters</td>
<td>240</td>
<td>Inaccurate</td>
</tr>
</tbody>
</table>

a Auditors perform several steps in the certification process for performance measures, including determining the correct results based on data or other information provided by the Commission. Based on the results of that process, performance measures were designated as “certified,” “certified with qualification,” “inaccurate,” or “factors prevented certification.” Specifically:

- A performance 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 performance 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 performance measure is also certified with qualification when controls are strong but source documentation is unavailable for testing. A performance measure is also certified with qualification if agency calculation of performance deviated from the performance measure definition but caused less than a 5 percent difference between the number reported to ABEST and the correct performance measure result.

- A performance 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 performance measure is also inaccurate if the agency’s calculation deviated from the performance measure definition and caused more than a 5 percent difference between the number reported to ABEST and the correct performance measure result.

- A **Factors Prevented 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 performance measure definition and the auditor cannot determine the correct performance measure result.
Summary of Management’s Response

The Commission concurred with the audit findings and recommendations in this report. The Commission’s detailed management responses are presented immediately following each set of recommendations in the Detailed Results section of this report.

Summary of Information Technology Review

Auditors assessed the controls over the Commission’s information system and the automated processes used for the Commission’s performance measure data. The Commission primarily uses TCLEDDS to collect and calculate performance measure results.

Auditors evaluated general information technology controls, including logical access controls, program change management, and physical security processes. Auditors also reviewed application data input controls, reviewed TCLEDDS data for completeness, and interviewed employees knowledgeable about TCLEDDS.

Auditors determined that data in TCLEDDS was reliable except for information related to licenses issued. The Commission enters the license issue date in TCLEDDS as the date the licensee started work (effective date), rather than the date on which the license was issued. Because the actual issue dates are not used, the data related to licenses issued is not reliable for collecting and calculating two of the performance measures tested: Number of New Licenses Issued to Individuals and Percent of Licensees with No Criminal Misconduct Dispositions.

Data in TCLEDDS related to the Complaints Resolved performance measure was reliable for enforcement complaints, which represented a portion of the total complaints resolved. However, the data for the remaining portion of complaints resolved, which is associated with legal complaints, was not reliable because the Commission did not record and close those complaints in TCLEDDS in a timely manner. Auditors were able to use other information sources, such as Commission meeting minutes, to identify and verify the correct number of legal complaints resolved.

Summary of Objectives, Scope, and Methodology

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

➢ Is accurately reporting its performance measures to ABEST.

➢ Has adequate controls in place over the collection, calculation, and reporting of its performance measures.
The audit scope included three key performance measures the Commission reported for fiscal year 2012 and the first two quarters of fiscal year 2013.

The audit methodology consisted of auditing reported results for accuracy and adherence to performance measure definitions, evaluating controls over the Commission's performance measure calculation processes, testing documentation, and assessing the reliability of the data obtained from the Commission's information system that supported the performance measure results.

Auditors communicated other, less significant issues related to the Commission's performance measure methodologies and controls over its information technology separately to Commission management in writing.
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Chapter 1

The Commission Should Improve Certain Controls That Affect All Three Performance Measures Tested

Auditors reviewed three of the Commission on Law Enforcement Officer Standards and Education’s (Commission) key performance measures. The Commission should improve certain controls that affect all three performance measures tested. Specifically, the Commission should (1) conduct and document reviews of performance measure data before the results are finalized and entered into the Automated Budget and Evaluation System of Texas (ABEST) and (2) document its procedures for collecting, calculating, and reviewing performance measure information.

Chapter 1-A

The Commission Should Conduct and Document Reviews of Performance Measure Data Entered into ABEST

While the Commission conducted informal reviews of performance measure data before it was entered into ABEST, it did not document those reviews. In addition, those reviews did not identify mathematical errors the Commission made when calculating the Number of New Licenses Issued to Individuals performance measure.

The Guide to Performance Measure Management (State Auditor’s Office Report No. 12-333, March 2012) (Guide) requires agencies to perform documented reviews of all performance measure data entered into ABEST before the agency completes the submission of its performance measure results. In addition, the individual conducting the review should be someone other than the individual who performed the calculations. Without adequate, documented reviews, the Commission faces an increased risk of reporting inaccurate performance measures results.

Recommendation

The Commission should conduct and document its reviews of the supporting documents and the related performance measure data it enters into ABEST before completing the submission of the performance measure data.
Management’s Response

The Commission agrees with the findings outlined above. The data for this measure is contained in a Microsoft SQL table and is extracted from that database using Crystal Reports, a third party reporting software program. Reports developed for this purpose were historically created by a single staff member outside of the information resources team. The reports have since been updated and reviewed to ensure that the internal calculations are correct and a documented review process is in place to independently verify the extracted data. The Special Service Division Chief is responsible for implementing changes from this recommendation not later than November 2013.

Chapter 1-B

The Commission Should Develop Written Policies and Procedures for Collecting, Calculating, and Reviewing Performance Measure Information

The Commission had documented procedures for reporting performance measure results to ABEST; however, it did not have documented policies and procedures for collecting, calculating, and reviewing performance measure information.

The Guide requires state agencies to clearly document all steps performed in the collection, calculation, review, and reporting of performance measure data. Written policies and procedures will help the Commission increase the consistency of collection, calculation, and review of performance measure information.

Recommendation

The Commission should develop written policies and procedures that document the collection, calculation, and review processes for each performance measure.

Management’s Response

The Commission agrees with this recommendation and is implementing a review process. The Director for Agency Operations is responsible for implementing changes from this recommendation not later than November 2013.
The Commission reported unreliable results for all three of the key performance measures tested for fiscal year 2012 and the first two quarters of fiscal year 2013. A result is considered reliable if it is certified or certified with qualification. Auditors determined that the data related to licenses issued was not complete or accurate in the Commission’s information system; therefore, that data was not reliable for purposes of this audit. As a result of the unreliable data, factors prevented the certification of two performance measures: Number of New Licenses Issued to Individuals and Percent of Licensees with No Criminal Misconduct Dispositions. The third performance measure, Complaints Resolved, was inaccurate for fiscal year 2012 and the first two quarters of 2013 because the actual performance, as calculated by the auditors, was not within 5 percent of the reported performance. Auditors also identified weaknesses in the Commission’s controls and processes for each of the three performance measures tested.

Number of New Licenses Issued to Individuals

Factors prevented certification of this performance measure for fiscal year 2012 and the first two quarters of fiscal year 2013 because the Commission’s licensing data in its Texas Commission on Law Enforcement Data Distribution System (TCLEDDS) was not reliable. Specifically:

- When the Commission is notified of an application for a Peace Officer or Jailer license, it backdates the license award date in its license tracking system to match the licensee’s employment date, rather than the actual date on which the Commission issued the license. As a result, the Commission’s licensing data may change frequently. In addition, the Commission did not retain a backup copy of the data set it used to calculate its reported results for fiscal year 2012 and the first two quarters of fiscal year 2013.

- The Commission does not sequentially number its licenses. As a result, auditors could not determine whether the Commission’s license data contained all license activity for each specific reporting period audited.

Auditors identified additional errors in the Commission’s calculations of this performance measure. The definition for this performance measure does not include licenses for Telecommunicators and Temporary Telecommunicators. However, the Commission erroneously included both of those types of licenses within its reported results for fiscal year 2012. In addition, the Commission made mathematical errors when summing the various license types for fiscal year 2012 and the first two quarters of 2013.
Based on the licensing data in the Commission’s information system on May 24, 2013, auditors calculated the number of new licenses recorded as issued in fiscal year 2012 and the first two quarters of fiscal year 2013. Those recalculations differed significantly from the Commission’s reported results in ABEST. Specifically, auditors calculated a total of 10,246 new licenses issued for fiscal year 2012. In contrast, the Commission reported to ABEST that it issued 12,976 new licenses in fiscal year 2012, a difference of 2,730 or 21 percent from auditors’ calculations. Auditors calculated a total of 5,089 new licenses issued for the first two quarters of fiscal year 2013. The Commission reported to ABEST that it issued 8,238 new licenses for the same time period, a difference of 3,149 or 38 percent.

Recommendations

The Commission should:

- Develop a process within TCLEDDS, other than backdating, that allows for the Commission to capture the actual license issue date, regardless of the licensee’s employment date.

- Sequentially number new licenses to better track the licenses issued during a specific time period and to improve accountability over issuing licenses.

- Exclude licenses for Telecommunicators and Temporary Telecommunicators from the results reported to ABEST in compliance with the performance measure definition for Number of New Licenses Issued to Individuals.

- Review for accuracy all calculations used for compiling the results for the Number of New Licenses Issued to Individuals performance measure.

Management’s Response

The Commission agrees with the recommendation and is exploring options for capturing a license issued date while also reflecting it effective date. Many times a law enforcement agency reports an appointment of a peace officer who is qualified to obtain a license in a subsequent reporting quarter. This causes a license to be issued back to the time of appointment. The commission is currently refining this process to allow for correct reporting based on the actual issue date of the license. The Special Service Division Chief is responsible for implementing changes from this recommendation not later than November 2013.

The Commission currently issues a unique Personal Identification (P.I.D) Number to track a person who holds one or more commission license. This number has proven to be operationally sound for tracking licensee. The
commission recognizes the recommendations to improve accountability and is reviewing the process.

The Commission recognizes that the inclusion of telecommunicator certifications in past FY reporting periods have been incorrect, however, this certification has been changed to a license by the 83rd legislature and will be included in future reports since it now meets the definition. The reports have since been updated and reviewed to ensure that the internal calculations are correct and a documented review process is in place to independently verify the extracted data.

Percent of Licensees with No Criminal Misconduct Dispositions

Factors prevented certification of this performance measure for fiscal year 2012 because, as discussed above, the Commission’s licensing data was not reliable.

Auditors identified additional weaknesses in the Commission’s controls and processes for collecting and calculating this performance measure. The Commission deviated from the performance measure’s definition in ABEST when calculating this performance measure. According to the ABEST definition, the performance measure should include only criminal misconduct cases that are finalized by a formal Commission vote within the reporting period. During fiscal year 2012, 153 licenses were surrendered as a result of a Commission vote. However, the Commission erroneously included all 1,157 licenses surrendered during fiscal year 2012.

The query the Commission used to obtain the number of active cases from TCLEDDS included administrative rule violations, continuing education violations, and corporate license violations. According to the performance measure definition in ABEST, however, the reported results should include only criminal misconduct cases. The query also included licenses for Telecommunicators and Temporary Telecommunicators, which is not consistent with the performance measure definition in ABEST. In addition, the Commission extracted the license data as of October, 12, 2012, rather than as of the fiscal year-end date of August 31, 2012.
Recommendations

The Commission should:

- Include only criminal misconduct violation cases in its calculation of the Percent of Licensees with No Criminal Misconduct Dispositions performance measure.

- Exclude licenses for Telecommunicators and Temporary Telecommunicators from the population of licenses used to calculate the Percent of Licensees with No Criminal Misconduct Dispositions performance measure, in compliance with the performance measure definition.

- Query TCLEDDS as of fiscal year end (August 31) to correctly identify the population of licenses as of the end of the fiscal year.

Management’s Response

The Commission agrees with the factors preventing certification and this measure is no longer included in performance measures beginning with FY14.

Complaints Resolved

This performance measure was inaccurate for fiscal year 2012 and the first two quarters of 2013 because the actual performance as calculated by auditors was not within 5 percent of reported performance.

Auditors calculated that the Commission resolved 1,027 complaints for fiscal year 2012, instead of the 889 resolved complaints the Commission reported to ABEST for fiscal year 2012, a difference of 138 complaints or 16 percent. For the first two quarters of 2013, auditors calculated that the Commission resolved 412 complaints, instead of the 240 resolved complaints the Commission reported to ABEST for that time period, a difference of 172 complaints or 72 percent.

Auditors identified additional weaknesses in the Commission’s controls and processes for collecting and calculating this performance measure, which resulted in the differences noted above between the Commission’s reported amounts to ABEST and auditors’ calculations. Specifically, the Commission did not include complaints closed during the June Commission meeting in its calculations for the third quarter of fiscal year 2012. The Commission also did not retain supporting documentation for its calculations for the fourth
quarter of fiscal year 2012. Those errors affected the cumulative total the Commission reported to ABEST for fiscal year 2012.

In addition, for the first two quarters of fiscal year 2013, the Commission closed a backlog of complaints; however, it did not update the closed dates for those cases in TCLEDDS. Because of that, the Commission estimated the number of cases closed in the first half of fiscal year 2013, instead of calculating the actual number of cases closed.

According to the performance measure definition in ABEST, the Commission should calculate this performance measure by querying TCLEDDS to sum the number of complaints the Commission resolved during the specified time period. However, the Commission was not able to use TCLEDDS to calculate the performance measure results for fiscal year 2012 and the first two quarters of 2013 because it does not update TCLEDDS in a timely manner when it closes a case. As a result, the Commission manually counted the number of cases resolved during fiscal year 2012 and the first two quarters of fiscal year 2013.

Recommendations

The Commission should:

- Ensure that all complaints are properly closed and updated in TCLEDDS in a timely manner.

- Use TCLEDDS to sum the number of complaints resolved during a specific time period, or work with the Legislative Budget Board and the Governor’s Office of Budget, Planning, and Policy to modify the ABEST performance measure definition so that it is consistent with the Commission’s procedures.

- Retain all supporting documentation for its performance measure calculations.

- Ensure that all closed complaints are included in the performance measure calculation.

Management’s Response

The Commission agrees with the recommendation and this measure has been changed by the Legislative Budget Board to modify the measures definition. Director for Agency Operations is responsible for implementing changes from this recommendation not later than November 2013.
Objectives

The objectives of this audit were to determine whether the Commission of Law Enforcement Officer Standards and Education\(^2\) (Commission):

- Is accurately reporting its performance measures 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.

Scope

The scope of this audit included three key performance measures that the Commission reported for fiscal year 2012 (September 1, 2011, through August 31, 2012) and the first two quarters of fiscal year 2013 (September 1, 2012, through February 28, 2013):

- Number of New Licenses Issued to Individuals.
- Percent of Licensees with No Criminal Misconduct Dispositions.
- Complaints Resolved.

Methodology

The audit methodology consisted of auditing reported results for accuracy and adherence to performance measure definitions, evaluating controls over the Commission’s performance measure calculation processes, testing documentation, and assessing the reliability of the data obtained from the Commission’s information system that supported the performance measure results.

Auditors assessed the reliability of the data in the Texas Commission on Law Enforcement Data Distribution System (TCLEDDS) that was significant to the performance measures tested by (1) determining population completeness and reasonableness; (2) reviewing queries used to generate data related to the calculation of the performance measures; (3) interviewing Commission employees, information technology administrators, and contractors

\(^2\) The 83rd Legislature enacted legislation (Senate Bill 686, Regular Session) that changed the name of the Commission on Law Enforcement Officer Standards and Education to the Texas Commission on Law Enforcement effective January 2014.
knowledgeable about the data and systems; and (4) reviewing source
documentation for performance measure data. Auditors determined that data
in TCLEDDS was reliable except for information related to licenses issued.
The license issue date within TCLEDDS is entered as the date the licensee
started work (effective date), rather than the actual issue date. Because the
actual issue dates are not used, the data related to licenses issued is not
reliable for collecting and calculating two performance measures: Number of
New Licenses Issued to Individuals and Percent of Licensees with No
Criminal Misconduct Dispositions. Because data within TCLEDDS was
determined to be unreliable for those two performance measures, auditors did
not test any samples of transactions.

Data in TCLEDDS related to the Complaints Resolved performance measure
was reliable for enforcement complaints, which represented a portion of the
total complaints resolved. However, the data for the remaining portion of
complaints resolved, which is associated with legal complaints, was not
reliable because the Commission did not record and close those complaints in
TCLEDDS in a timely manner. Auditors were able use other information
sources, such as Commission meeting minutes, to identify and verify the
correct number of legal complaints resolved. Auditors reviewed 100 percent
of the complaints resolved. As a result, no sample testing was performed.

Information collected and reviewed included the following:

- Performance measure data in TCLEDDS and spreadsheets.
- Supporting documentation retained in hard-copy and system files.
- Information system reports and programming code.
- Commission policies and procedures.

Procedures and tests conducted included the following:

- Interviewing Commission staff to gain an understanding of the processes
  used to calculate performance measures.
- Interviewing Commission information technology staff to gain an
  understanding of TCLEDDS, which is used to collect and calculate
  performance measure information.
- Evaluating the sufficiency of the Commission’s policies and procedures to
determine whether they were adequate to help ensure the correct
  calculation of the performance measures.
- Auditing performance measure calculations for accuracy and to determine
  whether the calculations were consistent with the methodology on which
the Commission; the Legislative Budget Board; and the Governor’s Office of Budget, Planning, and Policy agreed.

- Testing documentation to verify the accuracy of reported performance measures and the effectiveness of controls.
- Reviewing queries used to report and calculate performance measures.
- Performing logical access control testing.
- Assessing performance measure results in one of four categories: certified, certified with qualification, inaccurate, and factors prevented certification. For this audit, a result was considered reliable if it was certified or certified with qualification.

Criteria used included the following:

- ABEST performance measure definitions.
- Title 1, Texas Administrative Code, Chapter 202 – Information Security Standards.
- Commission policies and procedures.

**Project Information**

Audit fieldwork was conducted from May 2013 through June 2013. 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:

- Pamela A. Bradley, CPA (Project Manager)
- Joseph Curtis, CPA, CIA (Assistant Project Manager)
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• Justin Saunders
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Copies of this report have been distributed to the following:

**Legislative Audit Committee**
The Honorable David Dewhurst, Lieutenant Governor, Joint Chair
The Honorable Joe Straus III, Speaker of the House, Joint Chair
The Honorable Thomas “Tommy” Williams, Senate Finance Committee
The Honorable Jim Pitts, House Appropriations Committee
The Honorable Harvey Hilderbran, House Ways and Means Committee

**Office of the Governor**
The Honorable Rick Perry, Governor

**Commission on Law Enforcement Officer Standards and Education**
Members of the Commission on Law Enforcement Officer Standards and Education
  Sheriff Joel W. Richardson, Presiding Officer
  Ms. Patt Scheckel-Hollingsworth, Assistant Presiding Officer
  Dr. Johnny E. Lovejoy, II, Secretary
  Major Jason D. Hester
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  Mr. James Oakley
  Sr. Police Officer Joseph Pennington
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  Mr. Kim Vickers, Executive Director