

August 12, 2019

Mr. David Griffith, Deputy Inspector General for Audit
Texas Health and Human Services Commission
11501 Burnet Road, Building 902
Austin, TX 78758

Dear Mr. Griffith:

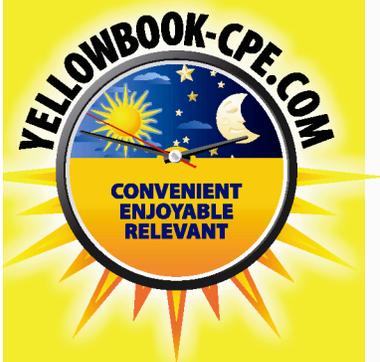
We have completed a peer review of the Texas Office of Inspector General (OIG) Audit Division for the period of 9/1/17 – 6/30/19. Our work involved reviewing the internal quality control system of the audit organization and conducting tests to determine whether the division's internal quality control system operated to provide reasonable assurance of compliance with 2011 version *Generally Accepted Government Auditing Standards* (GAGAS) issued by the Comptroller General of the United States.

Based on the results of our review, it is our opinion that the Texas Office of Inspector General Audit Division's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with 2011 *Government Auditing Standards* for performance audits. Due to variances in individual performance and judgment, compliance does not imply adherence to standards in every case, but does imply adherence in most situations.

We have also issued a separate management letter describing concerns regarding your quality control system in more detail. We believe these issues should be addressed promptly as they could result in the Audit Division not having, per the ALGA GAGAS 2011 Peer Review Program criteria for an audit deficiency, "reasonable assurance of performing and/or reporting in conformity with applicable professional standards in one or more important respects," which could result in a different opinion in a future peer review.

Our procedures included:

- Reviewing internal monitoring procedures.
- Reviewing a sample of audit engagements and working papers.



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- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff, management, and Executive Management to assess their understanding of, and compliance with, relevant quality control policies and procedures
- Surveying all Audit Division personnel and a sample of organizations that the OIG audited.

Respectfully,

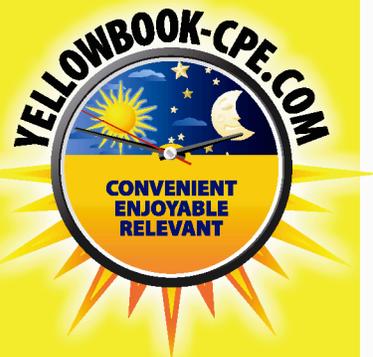


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