

The background of the cover is a photograph of the Austin skyline at dusk, featuring prominent skyscrapers like the Frost Tower. In the foreground, a large bridge with a purple-paved pedestrian path spans a river. The scene is framed by large, dark blue geometric shapes, including a prominent 'A' shape.

INTERNAL AUDIT DIVISION | FISCAL 2027

Internal Audit Plan



DON HUFFINES
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

FISCAL 2027 AUDITS

Project Title	Division	Section	Audit Objective	Project Hours
Audit of Agency Business Processes	All Divisions	All Sections	To determine whether agency business processes are accurate, clearly described and reflective of current operations; whether key performance indicators are appropriately defined, measured and utilized to support effective and efficient operations; and whether any redundant or overlapping processes exist that may impede efficiency or consistency.	4,800
Audit of Third-Party Governance, Risk Management and Control Processes	Agency Administration and Divisions who participate in the Procurement and Contracting Process	All Sections	To evaluate whether the organization has established and maintained a comprehensive third party management framework — including governance structures with defined oversight and roles; consistent, risk based due diligence, risk assessment and risk response processes; formal contracting, onboarding and ongoing monitoring with an emphasis on urgency, speed and timeliness; and offboarding controls —and to verify that these components are operating effectively and efficiently.	2,070
Audit of Information Technology (IT) Asset Optimization	IT and Contracted Resources	All Sections	To determine whether IT assets are being used economically and efficiently by identifying waste, eliminating redundant or unused resources, improving asset management practices and reducing costs through consolidation, rightsizing and better vendor agreements.	2,100

Project Title	Division	Section	Audit Objective	Project Hours
Audit of Agency Contracts and Contractor Utilization	All Divisions	All Sections	To evaluate the effectiveness, efficiency and compliance of contractor utilization practices by assessing whether contractors are appropriately selected, contracted, deployed, monitored with an emphasis on urgency, speed and timeliness; and managed to ensure a valid and complete contract is in place; to determine whether contractor engagements support operational goals, optimize resource use and adhere to applicable policies, contract terms and regulatory requirements.	3,020
Audit of Statewide Procurement and Contracting	Statewide Purchasing Division (SPD)	All Sections	To assess whether SPD effectively and efficiently manages the procurement of non-IT goods and services and whether existing statutes, rules and guidance support a streamlined procurement lifecycle that achieves best value. Additionally, evaluating whether contract language used in awarded procurements clearly establishes expectations for urgency, speed, timeliness and consistent adherence to deadlines, ensuring that vendors and contractors maintain the pace necessary to support an efficient and reliable delivery of goods and services.	2,370
Total Fiscal 2027 Audit Hours:				14,360

FISCAL 2027 PROCESS REVIEWS

Project Title	Division	Section	Audit Objective	Project Hours
Process Review of Agency-wide Continuity and Crisis Management Support	Agency Administration	Support Services	To assess whether the agency's Continuity of Operations Program is effectively and efficiently designed and maintained to ensure continuity of essential functions under all conditions, including the development, coordination and submission of Business Impact Analysis, Continuity Plans and related activities.	430
Process Review of the Administration of the Education Savings Account Program	Educational Savings Accounts	Education Savings Accounts	A process review to evaluate implementation of Senate Bill 2 that establishes an education savings account program to be administered by the Texas Comptroller of Public Accounts.	350
Total Fiscal 2027 Process Review Hours:				780

FISCAL 2026 AUDITS IN PROGRESS

Project Title	Division	Section	Audit Objective	Project Hours
Audit of Agency Accounting and Financial Reporting	Agency Administration	Budget and Internal Accounting	To evaluate internal controls to assess the accuracy and timeliness of fund reconciliations, financial reporting and accounts receivable management, including invoicing for interagency contracts.	1,570
Audit of Centralized Accounting and Payroll/Personnel System (CAPPS) Managed Services	Fiscal Management	CAPPS Technology Operations	To assess the effectiveness and efficiency of the contract monitoring processes for CAPPS Managed Services, ensuring that contractual obligations are being met, service level agreements (SLAs) are enforced, risks are managed and value for money is achieved.	70

INTERNAL AUDIT PLAN | FISCAL 2027

Project Title	Division	Section	Audit Objective	Project Hours
Audit of State Energy Conservation Office (SECO)	Statewide Community Investment Programs	SECO	To evaluate internal controls in SECO to ensure the program effectively and efficiently manages grants and contracts and complies with statutory reporting requirements.	55
Total Fiscal 2026 Audits in Progress Hours:				1,695

FISCAL 2026 PROCESS REVIEWS IN PROGRESS

Project Title	Division	Section	Audit Objective	Project Hours
Process Review of Opioid Abatement Fund Council (OAFC)	Statewide Community Investment Programs	OAFC	A process review of the activities of the OAFC and related funds.	85
Total Fiscal 2026 Process Reviews in Progress Hours:				85

SPECIAL PROJECTS/MANAGEMENT REQUESTS

Special Projects/Management Requests	Project Hours
Follow Ups	300
Client Assist (Internal/External)	10
Fiscal 2026 Annual Internal Audit Report	20
Enterprise Risk Management	80
Fiscal 2028 Risk Assessment	1,000
Fiscal 2027 Audit Plan Monitoring	240
TeamMate Maintenance	80
Internal Audit SharePoint Maintenance	15
TeamMate Template Revision	75
Quality Assurance Reporting	40
IT Steering Committee	40
Internal Audit Handbook Review	28
IT Audit Template	60
Special Investigations	80
External Peer Reviews	0
Internal Audit Peer Review	112
Legislative Bill Analysis	250
Internal Audit Month	40
Special Projects/Management Requests Carry Forward:	
Fiscal 2027 Risk Assessment	30
Other Requests / Unallocated hours	1,048
Total Special Projects/Management Requests:	3,548

SUMMARY OF HOURS

Category Totals	Hours
Total Fiscal 2027 Audits Hours	14,360
Total Fiscal 2027 Process Review Hours	780
Total Fiscal 2026 Audits in Progress Hours	1,695
Total Fiscal 2026 Process Review in Progress Hours	85
Total Special Projects/Management Requests	3,548
<i>N/A</i>	<i>N/A</i>
Direct Audit Hours	20,468
Indirect Hours	8,764
Total Hours	29,232



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