

TO: Brooke T. Paup, Chairwoman
FROM: Nicole Campbell, Internal Audit Director
DATE: October 31, 2023
SUBJECT: Implementation Status of Audit Recommendations

This semi-annual report provides the status of management's efforts in addressing internal and external audit issues and recommendations.

The Internal Audit Division uses TeamCentral, a web-based database, to track and monitor the implementation status of issues and recommendations resulting from internal and external audits, reviews, and oversight activities. Implementation status is reported in TeamCentral by the individuals identified as responsible for implementing each recommendation. On a semi-annual basis, Internal Audit performs follow-up audit work to validate the implementation status of corrective actions taken in response to significant audit recommendations and/or related control issues.

This status report covers fiscal years 2016 through October 31, 2023¹. The implementation status for a total of 110 recommendations are tracked and listed in the corresponding table below. As of October 31, 2023, the following activity has occurred:

- 30% (33 of 110) of the total audit recommendations are pending, and
- 70% (77 of 110) of the total audit recommendations have been implemented.

The attached table shows the number of audit recommendations by project name that have been implemented or were in progress, as of October 31, 2023.

We appreciate management's efforts in addressing the audit issues, and in improving the agency's control environment.

Attachment:

cc: Patrick Lopez
Jeff Walker
Amanda Lavin
Ashley Harden

¹ Closed recommendations from audit reports issued outside of the records retention requirement were not included in this report and the corresponding table.

Texas Water Development Board – Internal Audit Division
Implementation Status of Audit Recommendations
October 31, 2023

Project Name	Implemented	Pending	Grand Total
Review of Quarterly Investment Reports FY2014 (Oct 2015)	2		2
Biennial Review of Compliance with PFIA (Jan 2016)	7		7
Review of Debt Service Payments (Aug 2017)	4		4
Biennial Review of Compliance with PFIA (Jan 2018)	1		1
Review of State Funded Grant Agreements & Contracts (Nov 2019)	6	23	29
Review of Quarterly Investment Reports FY2018 (Jan 2019)	1		1
Review of Contract Management (SB20 Compliance) (Oct 2020)	2	3	5
Review of Contract Solicitation & Selection Processes (Jul 2021)		6	6
Review of Select Cybersecurity Processes - Phase 1 (Aug 2022)	1	1	2
Review of Select Closing Processes (Sept 2022)	1		1
Biennial Review of Compliance with PFIA (Dec 2021)	1		1
Consultations and Advisory Engagements (Various Reports)	17		17
Audits Performed by External Oversight Agencies (Various Reports)	34		34
Total	77	33	110