



A Report on

The Self-reported Implementation of Sunset Advisory Commission Management Actions

February 2, 2021

Members of the Legislative Audit Committee:

The State Auditor's Office (SAO) has obtained from 29 state entities their self-reported implementation statuses for 223 nonstatutory recommendations (management actions) in the Sunset Advisory Commission Report to the 86th Legislature. (See the text box on the next page for additional information about this project.)

The entities reported to the SAO that on or before December 31, 2020:

- They had fully implemented 180 (80.7 percent) of the 223 management actions.
- They had substantially implemented 20 (9.0 percent) of the 223 management actions.
- The implementation of 20 (9.0 percent) of the 223 management actions was incomplete or ongoing.
- Three (1.3 percent) of the 223 management actions were not implemented.

Definitions of Implementation Status for Nonstatutory Recommendations

Fully Implemented: Successful development and use of a process, system, or policy to implement a management action.

Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a management action.

Incomplete/Ongoing: Ongoing development of a process, system, or policy to address a management action.

Not Implemented: Lack of a formal process, system, or policy to address a management action.

For the purposes of this project, auditors followed up on the implementation statuses of 70 selected management actions that 26 entities reported as fully implemented and that the Sunset Advisory Commission rated as having either a high or medium priority. Auditors verified that 60 of those 70 management actions were fully implemented, 6 were substantially implemented, 2 were incomplete or on-going, and 2 were not implemented.

Table 1 in the attachment to this letter summarizes the implementation statuses that the SAO determined for those 70 management actions at 26 agencies. Table 2 in the attachment to this letter summarizes the self-reported implementation statuses of all of the management actions at the 29 entities included in this report.

We appreciate the entities' cooperation with the SAO during the preparation of this report. If you have any questions, please contact Becky Beachy, Audit Manager, or me at (512) 936-9500.

Sincerely,

Lisa R. Collier, CPA, CFE, CIDA
First Assistant State Auditor

SAO Report No. 21-010

Attachment

cc: The Honorable Greg Abbott, Governor
Boards, commissions, and executive management of
the following entities:

Alcoholic Beverage Commission
Behavioral Health Executive Council
Board of Plumbing Examiners
Board of Professional Engineers and Land Surveyors
Board of Professional Geoscientists
Board of Public Accountancy
Department of Banking
Department of Motor Vehicles
Department of Public Safety
Department of Savings and Mortgage Lending
Finance Commission of Texas
Funeral Service Commission
Guadalupe-Blanco River Authority
Historical Commission
Library and Archives Commission
Lower Colorado River Authority
Military Department
Nueces River Authority
Office of Consumer Credit Commissioner
Real Estate Commission and Appraiser Licensing
and Certification Board
Red River Authority
School Land Board (General Land Office)
Securities Board
Sunset Advisory Commission
State Office of Risk Management
Texas Division of Emergency Management (Texas
A&M University System)
Texas Medical Board
Veterans Commission
Veteran's Land Board (General Land Office)
Windstorm Insurance Association

Objective, Scope, and Methodology

Texas Government Code, Section 325.012(d), provides for the State Auditor's Office's examination of the nonstatutory recommendations (management actions) that the Sunset Advisory Commission (Commission) makes.

The objective of this project was to report on the implementation status of the management actions included in the *Sunset Advisory Commission's Report to the 86th Legislature*. The Commission provided a list of 223 selected management actions to the State Auditor's Office for this report.

The project scope included 29 entities to which the Commission directed management actions in its report to the 86th Legislature. For the purpose of this project, auditors requested the implementation status of the management actions from each entity.

The project methodology consisted of reviewing selected management actions that the entities self-reported as fully implemented as of September 30, 2020. For the selected management actions, auditors reviewed supporting documentation for evidence of an entity's implementation of the management actions.

The agencies self-reported the information in this report, and the State Auditor's Office did not independently verify all of that information. It is important to note that this project was a non-audit service; therefore, the information in this report was not subject to all of the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to help ensure accuracy.

The following members of the State Auditor's staff performed the project:

- Namita Pai, CPA (Project Manager)
- Brandy Corbin
- Lauren Ramsey
- Jeremy Wong
- Mary Ann Wise, CPA, CFE (Quality Control Reviewer)
- Becky Beachy, CIA, CGAP (Audit Manager)



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Implementation Status Determined by the State Auditor's Office of Sunset Advisory Commission Management Actions

Table 1 shows the implementation statuses that the State Auditor's Office determined for the 70 nonstatutory recommendations (management actions) selected and reviewed from the *Sunset Advisory Commission Report to the 86th Legislature*. Auditors verified that 60 of those 70 management actions were fully implemented, 6 were substantially implemented, 2 were incomplete or on-going, and 2 were not implemented. Those management actions were directed to the following 26 state entities:

- Alcoholic Beverage Commission.
- Board of Plumbing Examiners.
- Board of Professional Engineers and Land Surveyors.
- Board of Professional Geoscientists.
- Board of Public Accountancy.
- Department of Banking.
- Department of Motor Vehicles.
- Department of Public Safety.
- Finance Commission of Texas.
- Funeral Service Commission.
- Guadalupe-Blanco River Authority.
- Historical Commission.
- Library and Archives Commission.
- Lower Colorado River Authority.
- Military Department.
- Nueces River Authority.
- Office of Consumer Credit Commissioner.

- Real Estate Commission and Appraiser Licensing and Certification Board.
- Red River Authority.
- School Land Board (General Land Office).
- State Office of Risk Management.
- Texas Division of Emergency Management (Texas A&M University System).
- Texas Medical Board.
- Veterans Commission.
- Veteran’s Land Board (General Land Office).
- Windstorm Insurance Association.

Those agencies reported that the 70 management actions had been **fully implemented** as of September 30, 2020. If auditors determined that a management action was not fully implemented, then comments in Table 1 explain the reasoning for that determination. For those management actions with no comment, auditors confirmed that the management action had been fully implemented.

Table 1

Implementation Status of Sunset Advisory Commission Management Actions		
Management Action	Auditors’ Determination of the Implementation Status	State Auditor’s Office Comments ^a
Alcoholic Beverage Commission (TABC)		
Direct TABC to update its rule describing the separation of duties between the commission and executive director.	Substantially Implemented	The status of this management action was determined to be substantially implemented because TABC, while updating its existing rule, did not include the commission’s role in approving key agency documents, including the annual operating budget, legislative appropriations request, and strategic plan as recommended by the Sunset Advisory Commission in the details of this management action.
Board of Plumbing Examiners		
Direct the agency to eliminate the requirement to have a high school diploma or GED for licensure.	Substantially Implemented	The status of this management action was determined to be substantially implemented because the agency removed the high school or equivalent requirement for Journeyman Plumber licenses but not for all types of plumber licenses.
Direct the agency to publish disciplinary history online by May 1, 2019.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
Board of Professional Engineers and Land Surveyors		
Direct the board to adopt a staggered renewal system for licenses and registrations.	Not Implemented	The status of this management action was determined to be not implemented because the board did not implement a staggered renewal system for licenses and registrations. ^b
Board of Professional Geoscientists		
Direct the board to cease routinely opening unlicensed public practice complaints against expired licensees who failed to timely renew.	Fully Implemented	
Board of Public Accountancy		
Direct the board to develop a formal, agency-wide contract development and solicitation process for its professional services contracts.	Fully Implemented	
Direct the board to accept online submission of exam applications.	Fully Implemented	
Direct the board to amend its peer review rules to account for risk posed to the public.	Fully Implemented	
Department of Banking (DOB)		
Direct DOB and the Finance Commission to develop an updated complaint process in rule.	Fully Implemented	
Department of Motor Vehicles		
Direct the board to establish advisory committees to provide expertise for rulemaking and other issues and adopt rules regarding standard committee structure and operating criteria.	Fully Implemented	
Direct the department to adopt its current "red flag" fraud warning system to further implement a clear and efficient path for county tax assessor-collectors to report and request department action for suspected fraud, waste, or abuse of the registration and title system by employees, dealers, and full-service deputies.	Fully Implemented	
Department of Public Safety (DPS)		
Direct DPS to develop a system for collecting and maintaining output data related to its border security mission.	Fully Implemented	
Direct DPS to regularly report to members of the Legislature threat levels along the Texas-Mexico border.	Fully Implemented	
Direct DPS to adopt a process for applying mitigating and aggravating factors in criminal history evaluations.	Fully Implemented	
Direct DPS to cease permanently disqualifying individuals for certain convictions (other than those convictions specified by Chapter 53 [Texas Occupations Code]), but in reviewing and modifying its rules, allow DPS to apply mitigating and aggravating factors to crimes relevant to the profession according to the level of threat to public safety.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
Finance Commission of Texas		
Direct the Finance Commission to develop a budget policy that fosters more straightforward budgeting and fee setting.	Fully Implemented	
Funeral Service Commission		
Direct the agency to modify its MOU with Department of State Health Services (DSHS) to include sanitation standards for funeral homes and death care businesses.	Incomplete/Ongoing	The status of this management action was determined to be incomplete/ongoing because while the agency updated the inspection forms, it did not modify the MOU or create procedures over sanitation standards.
Direct the agency to adopt rules for informal settlement conferences.	Fully Implemented	
Direct the agency and DSHS to coordinate access to death certificate information for investigations.	Not Implemented	The status of this management action was determined to be not implemented because the agency did not coordinate with DSHS on direct access to death certificate information for investigations.
Direct the agency to discontinue its involvement in mediating private cemetery access disputes.	Fully Implemented	
Guadalupe-Blanco River Authority (GBRA)		
Guadalupe-Blanco River Authority (GBRA) should take additional steps to centralize its approach to procurement and contracting functions.	Fully Implemented	
GBRA should improve certain contracting activities to ensure consistency and enhance monitoring. Also direct GBRA to re-evaluate contracts for professional services every five years, and frequently compile updated vendor lists and best value practices for cost savings to use when re-evaluating contracts.	Fully Implemented	
Direct GBRA to consolidate the funds it provides to the Guadalupe-Blanco River Trust and San Antonio Bay Foundation to one organization and clearly define expectations tied to this funding.	Fully Implemented	
Direct GBRA to create clear boundaries and reporting structures between its staff and associated nonprofits.	Fully Implemented	
Direct GBRA to evaluate whether the Gorge Preservation Society's narrow mission justifies GBRA support or whether its activities could be performed internally.	Fully Implemented	
Strategic Planning: Direct GBRA and RRA [Red River Authority] to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Direct the written plan to be made public record online at the time of its completion and updated regularly when needed.	Fully Implemented	
Historical Commission (THC)		
Direct THC to establish and lead a working group composed of the chair or their designee from THC, TPWD [Texas Parks and Wildlife Department], and State Preservation Board (SPB), the commissioner of the General Land Office (GLO) or his designee, and stakeholders to begin to develop a statewide historic	Substantially Implemented	The status of this management action was determined to be substantially implemented because THC's proposal for developing a statewide historic sites master plan does not address the resources or the timeframe needed for the plan's development.

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
sites master plan, including presenting a proposal for the development of such a plan by December 10, 2018.		
Direct agencies with a curatorial collection and deaccession policy to work with Texas Facilities Commission (TFC) to sell unneeded collections items.	Fully Implemented	
Direct THC and TPWD to work with the TFC to explore options for a joint curatorial facility to serve the needs of the state's historic site collections. Also direct THC and TPWD, in consultation with the SPB, GLO, and the Texas State Library and Archives Commission, to identify and consider each agency's storage needs. Also specify the agencies should work together to create a master inventory of the state's curatorial collections. Further, direct THC to collaborate with TPWD, SPB, GLO, and the Texas State Library and Archives Commission to develop a uniform approach to inventorying the state's curatorial collections and create a master inventory of such property.	Substantially Implemented	The status of this management action was determined to be substantially implemented. THC implemented all parts of the management action except for the direction to create a master inventory of the State's curatorial collections.
Direct THC and TPWD to develop a memorandum of understanding to limit duplication in management of historic sites related to curatorial storage facilities, procurement and contracting, and preservation and interpretation.	Fully Implemented	
Library and Archives Commission (TSLAC)		
Direct TSLAC to work with the Texas Historical Commission, Texas State Preservation Board, Texas Parks and Wildlife Department, and General Land Office to explore options for new curatorial space at TSLAC's Shoal Creek location.	Fully Implemented	
Direct TSLAC to identify and coordinate with other state agencies to promote the agency's grant programs to increase participation among libraries across the state. The intent of this recommendation is to increase participation in the agency's grant programs, not the funding for the grant programs.	Fully Implemented	
Lower Colorado River Authority (LCRA)		
Direct LCRA to provide more detailed financial information in its publicly available documents. Specify that in providing more detailed financial information, LCRA should do so in an annual, publicly available report that strives to include the information listed in the staff recommendation. Clarify that the clear explanation of money transfers between business units, departments, and funds applies only to material transfers. For its operational reserve funds, LCRA should provide a list of each fund, its purpose, and its balance. For its strategic reserve funds, LCRA should just provide the cumulative balance of all the funds.	Fully Implemented	
Direct LCRA to improve transparency of its committees-of-the-whole.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
Military Department (TMD)		
Direct the adjutant general to improve supervision and support of the department's state employees.	Fully Implemented	
Direct the department to improve planning and implementation of purchasing policy changes, including scheduling policy updates based on risk and ensuring all staff involved in purchasing have information needed to carry out their duties.	Fully Implemented	
Direct TMD to evaluate State Guard missions and establish strategies to support the program and protect the state's interest.	Substantially Implemented	The status of this management action was determined to be substantially implemented because while TMD had established strategies to plan support for State Guard missions, it has not implemented those strategies as directed by the Sunset Advisory Commission in the details of this management action. The strategies were pending TMD executive approval as of October 28, 2020.
Direct the department to establish updated goals to target the use of limited state tuition benefits and collect information needed to measure performance.	Fully Implemented	
Nueces River Authority (NRA)		
Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.	Substantially Implemented	The status of this management action was determined to be substantially implemented because while NRA implemented the requirement for providing opportunities for public comment during board meetings, it has not made the Board packets available to the public on its website to implement additional best practices to improve openness and transparency.
Direct Red River Authority (RRA) and Nueces River Authority (NRA) to develop a policy to ensure all professional services contracts are reviewed every five years. RRA and NRA should also frequently compile vendor lists and best value practices for cost savings to use when re-evaluating contracts.	Fully Implemented	
Office of Consumer Credit Commissioner (OCCC)		
Direct OCCC and the Finance Commission to develop an updated complaint process in rule.	Fully Implemented	
Direct the agency to make enforcement orders available online.	Fully Implemented	
Real Estate Commission and Appraiser Licensing and Certification Board		
Direct the agency to evaluate and update its key performance measures.	Fully Implemented	
Direct the agency to develop a budget policy that fosters more realistic, straightforward budgeting and fee setting.	Fully Implemented	
Direct the agency to update its fund balance policy to limit growth.	Fully Implemented	
Direct the Appraiser Board to establish a process to prioritize complaint investigations based on the risk each complaint poses to the public by March 15, 2019.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
Direct the Appraiser Board to develop a plan to improve its investigative process and reduce complaint resolution timeframes by March 15, 2019.	Fully Implemented	
Direct the Appraiser Board to implement policies and practices to allow for electronic submission of licensing information, materials, and experience logs whenever possible by March 15, 2019.	Fully Implemented	
Red River Authority		
Direct Red River Authority (RRA) to document and regularly update its key duties and procedures.	Fully Implemented	
Direct Red River Authority (RRA) and Nueces River Authority (NRA) to develop a policy to ensure all professional services contracts are reviewed every five years. RRA and NRA should also frequently compile vendor lists and best value practices for cost savings to use when re-evaluating contracts.	Fully Implemented	
Strategic Planning: Direct GBRA [Guadalupe-Blanco River Authority] and RRA to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Direct the written plan to be made public record online at the time of its completion and updated regularly when needed.	Fully Implemented	
Succession Planning: RRA should take action to prepare for future retirements and workforce changes.	Fully Implemented	
School Land Board (SLB) (General Land Office)		
Direct SLB to adopt rules to guide its investment policy and strategies and to align its investment policy and strategies with those that apply to SBOE [State Board of Education].	Fully Implemented	
Direct SLB to adopt rules for the size, membership, and responsibilities of the investment advisory committee, including a requirement that a majority of the committee members have expertise in the management of a financial institution or other business in which investment decisions are made.	Incomplete/Ongoing	The status of this management action was determined to be incomplete/ongoing because, while the SLB adopted rules identifying the investment advisory committee, the rules lacked information regarding the size, membership, and responsibilities of that committee.
Direct SLB to publicly report more detailed investment information in the PSF [Permanent School Fund] Comprehensive Annual Financial Report and to provide SBOE a quarterly report that includes returns for the investment benchmark and investments themselves.	Fully Implemented	
Direct SLB to review and approve large contracts and to receive briefings from the General Land Office director of contract management at least once a year regarding contracts under \$1 million.	Fully Implemented	
Direct SLB to develop, adopt, and implement clear contract monitoring policies and include them in the contract manual and training.	Fully Implemented	
Direct the General Land Office to develop a training policy and provide contract management training for project managers and other staff involved in the contracting process.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions		
Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
State Office of Risk Management (SORM)		
Direct SORM to strengthen oversight by updating its board regularly on identified problems and improvements.	Fully Implemented	
Texas Division of Emergency Management (Texas A&M University System)		
Direct DPS [Department of Public Safety] to better coordinate the State of Texas Emergency Assistance Registry and provide greater guidance to local jurisdictions to ensure the safety of vulnerable Texans during natural disasters.	Fully Implemented	
Texas Medical Board		
For a site visit the Texas Medical Board makes as part of an investigation or inspection, require the Medical Board to establish practices that preclude the use of DEA [Drug Enforcement Administration] personnel, or any peace officer whose primary assignment is drug enforcement, as security personnel.	Fully Implemented	
Veterans Commission (TVC)		
Direct the agency to create and provide grant-writing training for veterans county service officers either through online or in-person training.	Fully Implemented	
Direct TVC to develop and track enhanced grantee performance measures to better evaluate the benefit of its grant funding to veterans.	Fully Implemented	
Veteran's Land Board (VLB) (General Land Office) (GLO)		
Direct VLB and GLO staff to work together to develop and require regular training for staff involved in the VLB contracting process to effectively monitor contracts.	Fully Implemented	
Direct VLB to work with GLO to further develop written policies outlining clear authority over the board's contracting functions, including the roles of project management and other program staff.	Fully Implemented	
Direct VLB and GLO to develop a framework for program staff to identify significant contract compliance issues and a clear process for requiring the reporting and documenting these issues for review.	Fully Implemented	
Direct VLB to develop and adopt written policies establishing criteria for all levels of contract review, including board review of contracts over \$1 million. Additionally, direct VLB to receive briefings from the GLO director of contract management at least once a year regarding the status of all contracts under \$1 million.	Fully Implemented	
Direct VLB to track complaint data and make the complaint process accessible to the public by March 15, 2019.	Fully Implemented	
Windstorm Insurance Association (TWIA)		
Direct TWIA to directly bill customers for premiums for automatic renewal by January 1, 2020.	Fully Implemented	

Implementation Status of Sunset Advisory Commission Management Actions

Management Action	Auditors' Determination of the Implementation Status	State Auditor's Office Comments ^a
Direct TWIA to fully implement a risk-based approach to monitoring insurance adjusters.	Fully Implemented	

^a Auditors reviewed the *Sunset Advisory Commission Report to the 86th Legislature* and the Commission's entity-specific reports to determine the implementation status of each management action for the 26 state entities included in this table. The Commission's reports include further details related to the management actions, such as the intent of the management actions and additional actions required to implement each recommendation. Auditors also consulted with Sunset Advisory Commission staff in making determinations on the implementation status for some management actions. Sunset Advisory Commission reports are available on its website at <https://www.sunset.texas.gov/review-cycles/2018-2019-review-cycle>.

^b Effective September 1, 2019, the Board of Professional Land Surveying and the Board of Professional Engineers were combined to form the Board of Professional Engineers and Land Surveyors.

Entities' Self-reported Status of Implementation of Sunset Advisory Commission Management Actions

Table 2 presents information on the 29 entities' self-reported status of implementation of management actions in the *Sunset Advisory Commission Report to the 86th Legislature*. The State Auditor's Office (SAO) requested that the entities report the status of implementation of management actions in September 2020 and gave entities the option to update their initial responses by December 2020. Some entities updated implementation dates and/or comments in response to auditor testing.

The entities reported to the SAO that on or before December 31, 2020:

- They had fully implemented 180 (80.7 percent) of the 223 management actions.
- They had substantially implemented 20 (9.0 percent) of the 223 management actions.
- The implementation of 20 (9.0 percent) of the 223 management actions was incomplete or ongoing.
- Three (1.3 percent) of the 223 management actions were not implemented.

Table 2

Entities' Self-reported Status of Implementation of Sunset Advisory Commission Management Actions		
Management Action	Self-reported Implementation Status	Entity Comments
Alcoholic Beverage Commission (TABC)		
Direct the commission to establish advisory committees to provide expertise for rulemaking and other issues, and to adopt rules regarding standard committee structure and operating criteria.	Incomplete/Ongoing	TABC has made progress on this recommendation but will not completely implement it until fall 2021. For example, in January 2020 the commission adopted Rule 31.6 to institute a framework for creating and using advisory committees, including membership, adherence to Open Meetings, among others. In addition, staff developed a high-level plan for appointment of one initial advisory committee for consideration by the Commission. However, because of unforeseen events related to the COVID-19 pandemic, TABC leadership determined it was necessary to postpone consideration and implementation of this proposal until summer/fall of 2021. For example, TABC needs to recruit industry members and other stakeholders to serve on an advisory committee, but the alcoholic beverage industry has little bandwidth for a new initiative like this considering the severe economic impacts of the pandemic. In the meantime, TABC has continued to go above and beyond to obtain the necessary stakeholder input needed for rulemaking. Since the regular session ended, the agency held 10 public stakeholder meetings to obtain input on TABC's extensive rulemaking efforts.

Entities' Self-reported Status of Implementation of Sunset Advisory Commission Management Actions

Management Action	Self-reported Implementation Status	Entity Comments
Direct TABC to evaluate and address gaps in its rules.	Fully Implemented as of July 1, 2020	<p>TABC has dedicated the resources to ensure comprehensive review of all agency rules on a regular basis, and developed leadership-approved plans/schedules and formal procedures to implement this process.</p> <p>TABC considers this to be fully implemented because the schedule and process are in place to accomplish regular review, though the actual review and update of rules will continue indefinitely.</p> <p>TABC staff also made a presentation to the commission at the July 2020 meeting regarding progress on reviewing agency rules and intends to do at least an annual update going forward, as directed by the Sunset Commission.</p>
Direct TABC to update its rule describing the separation of duties between the commission and executive director.	Fully Implemented as of September 2020	<p>TABC adopted rules in September 2020 to implement the application review and protests process mandated in statute, which includes language specifying the commission's role in decisions, primarily about application denials. These rules will be effective on December 31, 2020.</p> <p>In May 2020, the Commission adopted changes to Rule 31.1 to specify the Commission's new required role in deciding contested cases and establish thresholds for deciding on certain settlements. General Counsel has drafted procedures for how staff and the commission will handle these contested case decisions that provide more detail beyond the rule change.</p> <p>TABC does not plan to adopt a rule requiring the commission to approve certain agency documents, primarily because this process can be accomplished without a rule change. Furthermore, because the Commission meets every two months, sometimes the timing of due dates for items such as the LAR do not coincide with Commission meetings in a way that lends itself to meaningful review by the commissioners. The Commission was able to formally approve the TABC Strategic Plan in May 2020. TABC will make every effort to align commission votes with approval of agency documents. Regardless of whether the commission takes a formal vote on each of these key agency documents, staff will continue to brief the commission on these at commission meetings.</p>
Direct TABC to make meeting materials and recordings available online.	Fully Implemented as of March 1, 2019	<p>TABC uses a software solution called BoardDocs to facilitate access to commission materials for the public. TABC also uses BoardDocs to make materials available for all other agency public meetings, including regular stakeholder meetings.</p> <p>TABC provides all meeting materials (such as the agenda, presentation slides, pending rules, etc.) to the public one day before each commission meeting via BoardDocs. For stakeholder meetings, TABC provides these materials to the public 10-14 days in advance.</p> <p>After each meeting, TABC makes meeting videos available via BoardDocs (typically videos are available 1-2 weeks after each meeting). The commission's votes are also made available after each meeting.</p>
Direct the commission to update its existing penalty guidelines to strengthen enforcement against licensees who violate the credit law.	Incomplete/Ongoing	<p>TABC developed an approach to address this recommendation—resulting in a draft rule and revised advisory that TABC plans to pursue after the 2021 legislative session. Under the new rules TABC will clearly define a violation and reduce the number of warnings a retailer is given before being subject to penalty, in line with the recommendation to strengthen enforcement of the credit law.</p> <p>TABC has put a significant amount of effort into these draft rules, but decided to delay pursuing these rules due to the COVID-19 pandemic. Because of the negative impact of the pandemic on the alcoholic beverage industry, there has been little bandwidth to pursue these changes.</p>
Direct TABC to clearly inform applicants of their due process rights.	Incomplete/Ongoing	<p>TABC has completed the work necessary to implement this recommendation, but will not put it into practice until December 31, 2020. Related statutory changes from the Sunset bill take effect on that date (Rec. 4.1), and TABC is implementing [this management action] in conjunction with these statutory and rule changes.</p>

Entities' Self-reported Status of Implementation of Sunset Advisory Commission Management Actions

Management Action	Self-reported Implementation Status	Entity Comments
		TABC has taken the approach of revising form letters used for communicating with applicants as the way to provide this information on a consistent basis. As part of implementing statutory provisions effective on December 31, 2020, TABC has revised or created new form letters that include due process information as specified in state law and in TABC rule. These form letters are finalized, but waiting to be used once the related December 31, 2020 statutory and rule changes go into effect.
Direct TABC to complete its schedule of sanctions to account for all regulatory violations.	Incomplete/Ongoing	<p>TABC has mostly completed work on implementing this recommendation, but must finish training staff on use of the new methodology TABC has developed, including a new rule and penalty policy, which were finally adopted on November 17, 2020, to be effective March 1, 2021.</p> <p>TABC developed three components (rule, policy, worksheet) that together form a new methodology for calculating regulatory penalties. TABC rule will include base penalties for each regulatory violation. Alongside the rule TABC will adopt a penalty policy detailing the process for calculating penalties. This policy will be used by TABC staff and available to the public via the TABC website. Lastly, TABC staff will use the penalty calculation worksheet to demonstrate transparency and show our work to permit holders when proposing an initial settlement amount.</p> <p>The methodology is finalized and was adopted by the commission at the November 2020 meeting. However, due to the time needed to train staff to correctly use the methodology, TABC decided to make the rules and penalty policy effective on March 1, 2021. This will allow sufficient time for training before staff begin using an entirely new process. Training will be conducted from December 2020 through February 2021.</p>
<p>Retain TABC's Ports of Entry Program, but direct TABC to issue a report to the Legislature by March 1, 2019 with recommendations to make the program cost-neutral. The report should address the pros and cons of various options, including but not limited to:</p> <ul style="list-style-type: none"> ▪ operating additional ports of entry locations, ▪ expanding operating hours, ▪ increasing the administrative fee or the tax, and ▪ increasing the statutory limits on the amount of alcohol that can be imported for personal use. 	Fully Implemented as of February 28, 2019	TABC submitted this report to Sunset staff for distribution to the Legislature on February 28, 2019.
Direct TABC to modify its applications to allow local jurisdictions to clearly indicate if they do not certify an area as wet for the license or permit being sought.	Fully Implemented as of September 1, 2020	TABC modified its prequalification packet form to provide the option for a local jurisdiction to choose whether they certify the location or not. This form is only pending upload on the TABC website. The form revisions include check boxes to allow local officials to choose an option, in accordance with the Sunset management action.
Direct TABC to implement a policy allowing license and permit applicants to submit only the name, address, and date of birth for individuals who are not the primary applicant or business owner, and requiring further personal information only if cross-tier or criminal background concerns arise. The policy would only apply to holders of a federal basic permit and TABC could request a	Incomplete/Ongoing	<p>TABC is taking a somewhat different approach to implementing this recommendation than specified by the Sunset Commission. As the agency has pursued building the new Alcohol Industry Management System (AIMS), staff has realized the need to have a single, consistent approach for all applicants, not just federal basic permit holders. The approach TABC is developing would request personal information from fewer individuals as a standard practice.</p> <p>Currently, TABC often reviews several levels of business structure to verify ownership against tied-house prohibitions and qualifications for the privilege to hold the license/permit. Under the new approach, TABC will require submission of personal information only for the main person, entity or</p>

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copy of the federal permit in lieu of further personal information.		applicant applying for the license/permit and/or the person(s) primarily responsible for the management of the business. Applicants would also have to attest to having verified any associated business structures are in compliance with tied-house prohibitions. TABC is still developing this new approach. The launch for this change will occur no later than the launch of the new AIMS system in September 2021.
Behavioral Health Executive Council		
<p>Consolidate the Board of Examiners of Marriage and Family Therapists, Board of Examiners of Professional Counselors, and Board of Social Worker Examiners with the Board of Examiners of Psychologists under a new umbrella agency, the Texas Behavioral Health Executive Council (BHEC), on September 1, 2020.</p> <p>Establish a nine-member executive council consisting of one professional member and one public member appointed from each professional board, as well as a public chair of the council appointed by the governor. Retain each professional board as a governor-appointed board under the overall executive council structure to oversee the substantive regulation of its profession.</p> <p>Prohibit the executive council from adopting rules relating to standards of practice, ethics, license qualifications, and disciplinary sanctions, unless the rule is proposed by the applicable professional board. For these rules, specify the executive council may only adopt the rules as proposed or return the rule to the applicable professional board for revision. Require BHEC to solicit input from each professional board for licensing and disciplinary matters that concern professional standards and qualifications.</p> <p>Direct BHEC to develop policies and procedures to ensure its rulemaking function focuses solely on creating rules governing administration of licensure, investigation, and sanction procedures, and reviewing rules proposed by each licensing board for anticompetitive impacts, administrative consistency, and good governance concerns – not infringing on matters related to professional standards of practice.</p>	Fully Implemented as of September 1, 2020	See [Title] 22 [Texas Administrative Code] Chapter 41.
Board of Plumbing Examiners (TSBPE)		
Direct the board and TDLR [Texas Department of Licensing and Regulation] to form a working group by February 1,	Fully Implemented as of January 30, 2019	TSBPE and TDLR developed a workgroup and met on several occasions. In addition sub groups were formed for specific projects that met to establish and/or streamline specify projects. The Sunset Advisory Commission

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2019, to be dissolved no sooner than September 1, 2020, to develop regulatory processes and rules. Direct the working group to meet in-person monthly for no less than six months, and to submit quarterly status reports to the Sunset Commission on the implementation of recommendations.		recommended transferring administration and enforcement of the PLL [Plumbing License Law] to the TDLR. This recommendation was included in Senate Bill 621 during the 86th legislature, Regular Session. On May 27, 2019, the 86th Legislature, Regular Session, finally adjourned, and the Legislature took no action to amend the Sunset Act provisions of the Plumbing License Law. As a result, the recommended transfer of the regulation of plumbing to TDLR did not occur.
Rather than eliminating the practical components of exams, direct the agency to establish or partner with third parties to open at least seven testing facilities by September 1, 2019, to administer exams across the state.	Substantially Implemented	TSBPE has conducted over 776 examinations at its partnership testing locations outside of Austin. In addition TSBPE is working with a 3rd party to provide computer based testing where applicable. However, the agency has given remote exams in a few locations since 2015.
Direct the board to simplify the timeframe for obtaining continuing education by September 1, 2019.	Incomplete/Ongoing	TSBPE is working to allow the CE [Continuing Education] compliance year to reset according to the preexisting 12 month calendar period before implementing the changes directed by Sunset, to avoid disruptions to the program, and ensure a seamless transition for plumbers and CE providers. Rules covering this and many changes related to continuing education are in development This is [an] extensive change that will incorporate other changes related to endorsements renewal date periods also. TSBPE is working with HPC [Health Professions Council] to modify the Versa Regulator data base to the new date periods. A portion of these changes will have an associated cost that is reflected in the Agency's recently submitted LAR [Legislative Appropriations Requests].
Direct the agency to adopt a risk-based approach to investigations in rule by September 1, 2019, focusing on higher risk complaints first before other lower risk activities, such as jobsite compliance checks.	Fully Implemented as of June 20, 2019	Adopted rule change to carry out this directive.
Direct the agency to use informal settlement conferences in appropriate circumstances and better document its use of this enforcement tool by December 1, 2019.	Fully Implemented as of June 20, 2019	Adopted rules to better document the use of Informal Settlement Conferences.
Direct the agency to publish disciplinary history online by May 1, 2019.	Fully Implemented as of May 1, 2019	TSBPE established the online availability with the assistance of HPC to display disciplinary history for its licensees, utilizing and modifying existing resources.
Direct the agency to eliminate the requirement to have a high school diploma or GED [General Educational Development] for licensure.	Fully Implemented as of July 1, 2019	TSBPE adopted rule changes to eliminate the high school diploma requirement for the Journeyman Plumber License.
Direct the agency to review all written exams and eliminate or revise questions that could test on only one plumbing code or that implicate a conflict between the International Plumbing Code and Uniform Plumbing Code.	Fully Implemented as of January 27, 2019	Examinations are reviewed and updated regularly. No revisions were necessary, as TSBPE's examinations have always been code neutral. Sunset staff did not actually find that TBSPE's examinations favored one code or created a conflict amongst the plumbing codes.
Board of Professional Engineers and Land Surveyors (TBPELS)		
Direct the board to review application requirements to conform with current policy and statute.	Substantially Implemented/Ongoing	Application requirements aligned with policy and statute; board rules published in August 7, 2020, issue of Texas Register.

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Direct the board to adopt a staggered renewal system for licenses and registrations.	Not Implemented ^a	<p>The agency has not implemented a quarterly renewal system for Registered Professional Land Surveyors (RPLS) at this time. The original recommendation made was made by the Sunset staff based on the renewal process challenges of the previous agency, the Texas Board of Professional Land Surveyors (TBPLS), and not on the current improved processes of the Texas Board of Professional Engineers and Land Surveyors (TBPELS). This has been confirmed by SAO staff in consultation with the Sunset team. ^b</p> <p>TBPLS had 4 total staff to handle all agency operations, including renewals for all 2,800 Registered Professional Land Surveyors (RPLS). TBPELS has 11 staff in the Licensing and Registration department alone and can handle the additional workload with no impact on efficiency or effectiveness. The increased staffing post-merger has made the renewal process easier and reduced the need for this recommendation. This was demonstrated during the 2019 December renewal period when all engineering and surveying renewals were handled without issue. TBPELS renews between 13,800 and 20,800 engineering renewals per quarter. The addition of 2,800 RPLS to the December engineering total resulted in 17,600 renewals, which is within the normal processing range.</p> <p>The merger also required the implementation of Criminal History Background Checks for all RPLS starting in September 2020. TPBELS has also implemented significant fee reductions for FY21 and FY22 for RPLS. These changes, in addition to database conversions and RPLS rule revisions, were not conducive to moving to a quarterly renewal system for RPLS at this time. The agency will continue to review its renewal processes and consider all options as part of its continuous improvement process.</p>
Direct the board to conduct a comprehensive analysis regarding adoption of the nationally accepted practice exam and a separate, corresponding jurisprudence exam.	Incomplete/Ongoing	Rules proposed to make recommended change in August 7, 2020, issue of <i>Texas Register</i> . Exam development ongoing. Implementation delayed due to COVID-19.
Direct the board to publish disciplinary history online.	Fully Implemented as of September 1, 2019	Summaries of all engineering and surveying enforcement actions are published on the Board's website after each Board meeting and maintained on the website for at least three years. Full orders are timely provided to the public upon request in accordance with the Texas Public Information Act.
Board of Professional Geoscientists		
Direct the board to eliminate the reference letter, in rule, for individuals applying to register as a geoscientist-in-training.	Fully Implemented as of September 1, 2019	
Direct the board to discontinue geoscience firm registration.	Incomplete/Ongoing	Forming an Advisory Committee to assess possible impact.
Direct the board to cease routinely opening unlicensed public practice complaints against expired licensees who failed to timely renew.	Fully Implemented as of September 1, 2019	
Direct the board to further develop policies guiding the administrative dismissal of complaints by staff, specifically to provide staff clear direction to handle continuing education complaints unless aggravating circumstances require board involvement.	Fully Implemented as of September 1, 2019	

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Direct the board to publish its penalty matrix on its website.	Fully Implemented as of September 1, 2019	
Board of Public Accountancy		
Direct the board to develop a formal, agency-wide contract development and solicitation process for its professional services contracts.	Fully Implemented as of November 15, 2018	Adopted by Board.
Direct the board to develop a contracting improvement process.	Fully Implemented as of March 12, 2020	Adopted by Board.
Direct the board to comply with statute directing rules and procedures for military service members, veterans, and military spouses by March 1, 2019.	Fully Implemented as of December 5, 2018	Nine rules revised effective November 15, 2018, and December 5, 2018.
Direct the board to remove unnecessary application requirements for candidates to take the CPA exam.	Fully Implemented as of December 1, 2018	Omitted mental health records for applications.
Direct the board to accept online submission of exam applications.	Fully Implemented as of December 1, 2018	Eligibility application completed 2018. Issuance application, with low work volume, would not be cost effective to implement.
Direct the board to eliminate rules and policies requiring notarized information.	Fully Implemented as of January 16, 2020	Online application and three rules revised.
Direct the board to amend its peer review rules to account for risk posed to the public.	Fully Implemented as of October 10, 2019	Preparation engagements created [and] rules revised.
Direct the board to update its complaint policies and procedures by March 1, 2019.	Fully Implemented as of December 1, 2018	Online complaint form created, disclosure of professional associations removed [and] non-jurisdictional complaints tracked.
Direct the board to develop rules on administrative costs assessed on respondents.	Fully Implemented as of September 19, 2019	Administrative costs rule revised to describe cost calculations.
Direct the Sunset Commission to request that the Legislature examine all state boards, including the Texas State Board of Public Accountancy, for any legislation needed to mitigate the potential liability of boards controlled by active market participants.	Fully Implemented on June 10, 2019	Governor's office reviews [and] determines rules that affect market participation.
Department of Banking (DOB)		
Direct DOB and the Finance Commission to develop an updated complaint process in rule.	Fully Implemented as of September 8, 2019	The Department of Banking drafted new rules pertaining to procedures for handling complaints to align with the Sunset Advisory Commission's Licensing and Regulation Model guidelines. The new rules, [Title] 7 [Texas Administrative Code], Part 2, Chapter 11, §§11.10, 11.11 and 11.12, were presented at the June 21, 2019 Finance Commission of Texas meeting, adopted at the August 16, 2019 meeting, and became effective on September 8, 2019. [44 TexReg 4706] [Title] 7 [Texas Administrative Code], Part 2, Chapter 11, §§11.10, 11.11 and 11.12

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Department of Motor Vehicles (TxDMV)		
Direct the Sunset Commission to request that the Legislature examine all state boards, including TxDMV's board, for any legislation needed to mitigate the potential liability of boards controlled by active market participants.	[Not Implemented]	This recommendation was directed to the Sunset Commission so TxDMV does not have a part in implementing this recommendation.
Direct the board to establish advisory committees to provide expertise for rulemaking and other issues and adopt rules regarding standard committee structure and operating criteria.	Fully Implemented as of August 23, 2019	
Direct the department to adopt its current "red flag" fraud warning system to further implement a clear and efficient path for county tax assessor-collectors to report and request department action for suspected fraud, waste, or abuse of the registration and title system by employees, dealers, and full-service deputies.	Fully Implemented as of March 1, 2020	
Direct the department to identify and implement methods to reduce its complaint resolution timeframes.	Fully Implemented as of November 29, 2018	
Direct the department to develop clear guidance and criteria for prioritizing investigations and inspections.	Fully Implemented as of November 29, 2018	
Direct the department to improve enforcement data tracking in its existing systems.	Fully Implemented as of August 10, 2020	
Direct the department to revise and expand key performance indicators and annual enforcement reports.	Fully Implemented as of March 26, 2020	
Direct the department to publish penalty matrices.	Fully Implemented as of May 22, 2018	
Direct the department to provide more detailed enforcement histories of regulated motor vehicle and motor carrier businesses online.	Fully Implemented as of March 26, 2020	
Direct the department to conduct criminal history checks for all motor vehicle license renewals.	Fully Implemented as of May 22, 2018	
Direct the department to adopt criminal history evaluation rules and guidelines consistent with Chapter 53, Texas Occupations Code for salvage industry regulation.	Fully Implemented as of October 1, 2020 ^c	This recommendation has been implemented as of October 2020. See publication: https://texreg.sos.state.tx.us/public/readtac\$ext.TacPage?sl=T&app=9&p_dir=P&p_rloc=201511&p_tloc=&p_ploc=1&pg=5&p_tac=&ti=43&pt=10&ch=211&rl=1 .
Remove unnecessary application requirements for salvage licenses.	Fully Implemented as of May 24, 2018	

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Direct the department to develop a comprehensive approach to developing, maintaining, and updating its IT infrastructure.	Substantially Implemented	<p>TxDMV is implementing a comprehensive approach to developing, maintaining, and updating our IT infrastructure, as outlined by the following high-level tasks and expected completion dates:</p> <ul style="list-style-type: none"> ▪ Create inventory of major IT systems: Complete. ▪ Conduct assessments regarding personnel and maintenance releases in order to develop recommendation for additional resources and frequency of maintenance releases: Complete. ▪ Create full inventory of all IT assets: Complete. ▪ Redesign a new organization structure: Complete. ▪ Implement a new organization structure: Complete. ▪ Create career paths and employee incentives: Complete. ▪ Develop product support/maintenance release schedule for all systems, as well as the creation of a short-term technology roadmap: Complete and reviewed with Executive Office. Roadmap will be updated on an ongoing basis. ▪ Create long-term Technology Roadmap: Complete and reviewed with Executive Office. Roadmap will be updated on an ongoing basis. ▪ Assess all technology project management, communication, and customer relationship management processes and procedures and revise processes/procedures as needed: Initial changes made, with continuous improvement activities ongoing beyond 12/31/2018. ▪ Assess all software development processes and enhance as needed, including implementation of additional infrastructure to support software development: Initial changes targeted for 9/1/2019, with continuous improvement activities ongoing beyond 9/1/2019 as needed. ▪ Continued implementation of state cybersecurity requirements and industry best practices: Ongoing.
Direct the department to evaluate and identify further opportunities to consolidate and modernize its customer service functions.	Fully Implemented as of April 20, 2020	
Direct the department to complete the existing contracted study, as required under House Bill 1959 (85th Legislature, Regular Session), to identify and assess alternative technologies for registering commercial vehicles by March 31, 2019, instead of December 1, 2021.	Fully Implemented as of March 1, 2019	
As part of the license application process for a salvage vehicle dealer, direct the department to consider the criminal background of an applicant's partner, company principal, officer, or general manager as a qualifying factor when determining whether to issue a license.	Fully Implemented as of October 31, 2019	
Direct the department to establish a risk-based approach to its salvage vehicle dealer inspections.	Fully Implemented as of October 1, 2019	

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Department of Public Safety (DPS)		
Direct DPS to develop a system for collecting and maintaining output data related to its border security mission.	Fully Implemented as of April 28, 2020	This is the date the proposed budget structure and updated performance measures were submitted to the LBB [Legislative Budget Board].
Direct DPS to regularly report to members of the Legislature threat levels along the Texas-Mexico border.	Fully Implemented as of September 1, 2019	This should be considered fully implemented and ongoing as the reporting is ongoing.
Direct DPS to work with TDLR [Texas Department of Licensing and Regulation] to develop regulatory processes and rules.	Fully Implemented as of May 14, 2020	RSD [Regulatory Services Division] engaged TDLR to review existing practices and rules for opportunities to simplify DPS' regulatory functions. DPS utilized TDLR concepts of how they apply Occupations Code Chapter 53 regarding mitigating factors and evidence of rehabilitation to their criminal history reviews. This information was incorporated into our review process.
Direct DPS to adopt a process for applying mitigating and aggravating factors in criminal history evaluations.	Fully Implemented as of May 14, 2020	The Department has reviewed its application review processes and adopted amendments to its administrative rules on disqualifiers. The amendments were adopted on May 14, 2020.
Direct DPS to cease permanently disqualifying individuals for certain convictions (other than those convictions specified by Chapter 53), but in reviewing and modifying its rules, allow DPS to apply mitigating and aggravating factors to crimes relevant to the profession according to the level of threat to public safety.	Fully Implemented as of May 14, 2020	The Department has reviewed its application review processes and has adopted amendments to its administrative rules on disqualifiers. The amendments were adopted on May 14, 2020.
Direct DPS to adopt a risk-based inspection process. Also direct DPS to work with TxDMV [Texas Department of Motor Vehicles] to identify the most appropriate means of managing investigations and inspections of salvage yards, and to establish a Memorandum of Understanding [MOU] with TxDMV to coordinate oversight of these entities.	Substantially Implemented	RSD updated the risk based inspection process to include three primary factors. Risk based inspections are initiated upon: 1) receipt of information from credible sources such as law enforcement indicating potential non-compliance 2) utilizing reporting tools to identify anomalies or trends that point toward noncompliance and 3) receipt of consumer complaints. This will be considered fully implemented when the MOU [Memorandum of Understanding] with the DMV is executed.
The department and TDLR should develop a transition plan for the transfer of the motorcycle and ATV safety training programs.	Fully Implemented as of August 21, 2020	The program was transferred to TDLR by MOU on Aug 21, 2020.
Direct DPS to analyze its contracting and purchasing procedures, and align its levels of review, approval, and accountability with the value and complexity of the contracts and purchases. Also, direct the director of DPS to provide an annual assessment and report of contract management to the Public Safety Commission that includes trends and best practices on all contracts at the agency.	Fully Implemented as of October 15, 2020 ^d	The inaugural annual assessment and report of contract management was presented to the Public Safety Commission on Oct 15, 2020.
Direct DPS to track, analyze, and report contracting and purchasing data through all phases of the procurement process.	Substantially Implemented	DPS enhanced its process to track, analyze and report data using manual processes. However this will be considered fully implemented once a contract management system to enter and report on this data is implemented.

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Direct DPS to maintain all contract-related documentation in a central location and post up-to-date contract information on its website.	Substantially Implemented	DPS enhanced its process to maintain all of the contract documentation. However, because CAPPs [Centralized Accounting Payroll/Purchasing System] is not a true contract management system (CMS) and we are still heavily reliant on manual processes to maintain the repository this will be considered fully implemented once a CMS to enter and report on this data is implemented.
The department should reform its business case development process to include a cost-benefit analysis when deciding whether to outsource a major function.	Fully Implemented as of September 1, 2019	The Department updated its procurement and contracts request template as of 9/1/19 to ensure that a cost-benefit analysis is performed on all open market outsourcing functions valued at 25K or more.
Department of Savings and Mortgage Lending (SML)		
Direct SML and the Finance Commission to develop an updated complaint process in rule.	Fully Implemented as of September 5, 2019	Implemented through the adoption of [Title] 7 TAC [Texas Administrative Code], Chapter 52. Adopted August 16, 2019, effective September 5, 2019.
Direct the agency to modify its penalty matrix to ensure consistent application of administrative penalties.	Fully Implemented as of April 1, 2019	Implemented through the modification of the existing penalty matrix. Modified matrix implemented April 1, 2019.
Finance Commission of Texas		
Direct the Finance Commission to evaluate and update the agencies' key performance measures.	Fully Implemented as of August 16, 2019	For fiscal year 2020, each finance agency selected the appropriate performance measures to make comparable with similar measures tracked by the other finance agencies. Operational performance measures were also added. These were presented and approved at the August 16, 2019 Finance Commission meeting.
Direct the Finance Commission to develop a budget policy that fosters more straightforward budgeting and fee setting.	Fully Implemented as of December 14, 2018	The Finance Commission's Policies and Procedures regarding training, budgeting and travel reporting were updated and approved at the December 2018 Finance Commission meeting.
Direct the Finance Commission to analyze and report on the implementation of their new fund balance policy adopted in February 2018. The Finance Commission would report each agency's change in total fund balance, types of funds reserved, and methodologies by which the agencies reduced their fund balances, if applicable, to the governor, lieutenant governor, speaker of the House, and Sunset Commission on September 1, 2020. Also, direct the Finance Commission to establish clear procedures for tracking performance towards fund balance goals established in their fund balance policy, including the new requirements that agencies present a plan to bring high balances into compliance and that reserve fund balance savings be probable, quantifiable, and non-routine.	Fully Implemented as of December 11, 2020 ^e	Finance Commission Chairman Holt issued a letter on October 29, 2020 to the Governor, Lt. Governor, Speaker of the House, and Sunset reporting the implementation of the fund balance policy and subsequent results. This item is deemed fully implemented.

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Direct the Finance Commission to develop standard policies regarding tracking and reporting travel expenditures.	Fully Implemented as of December 14, 2018	The Finance Commission's Policies and Procedures regarding training, budgeting and travel reporting were updated and approved at the December 2018 Finance Commission meeting. Finance Agencies began reporting expanded categories of travel beginning with the first quarter financials for fiscal year 2019.
Direct the Finance Commission to minimize duplication of agency functions and promote more cost efficient administration of the finance agencies as originally recommended, but remove one requirement that the Finance Commission identify at least a 10 percent reduction in administrative costs. Also, as the Finance Commission studies how to minimize the duplication of agency functions, require the commission to evaluate not just cost efficiencies, but also changes that will make it easier for the public to interact with the agencies.	Substantially Implemented	Efficiency Audit was completed and provided to the agencies on June 7, 2019 and was reported to the Finance Commission at the June 21, 2019 meeting. Agencies provided their management responses and recommended action plan at the August 15-16, 2019 meeting. The Finance Commission voted on the agencies' recommendation and Efficiency Audit at the October 18, 2019 meeting. A status report on the Implementation of the Finance Commission's Directive on the Efficiency Audit was provided at the April 17, 2020 meeting. A second report will be provided at the October 16, 2020 meeting.
Funeral Service Commission (TFSC)		
Direct the agency to modify its MOU [memorandum of understanding] with DSHS [Department of State Health Services] to include sanitation standards for funeral homes and death care businesses.	Fully Implemented as of August 1, 2019	
Direct the agency to adopt rules for informal settlement conferences.	Fully Implemented as of October 3, 2019	
Direct the agency to provide more detailed disciplinary information on its website.	Fully Implemented as of September 10, 2019	
Directs the agency and DSHS to coordinate access to death certificate information for investigations.	Fully Implemented as of August 1, 2019	
Direct TFSC to eliminate unnecessary notarization requirements.	Fully Implemented as of August 1, 2019	
Direct the agency to accept all license applications and fee payments online.	Incomplete/Ongoing	Paper applications will need to be converted to online with online payment ability. This will be a major recoding project.
Direct the agency to make the consumer brochure freely available to licensees online.	Fully Implemented as of September 1, 2019	
Direct TFSC to develop standard procedures for evaluating experience for military service members, military veterans, and military spouses.	Fully Implemented as of September 1, 2019	
Direct TFSC to review and evaluate continuing education courses.	Substantially Implemented	Rule change will take effect after 30 days submitted to the <i>Texas Register</i> .

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Direct the agency to discontinue its involvement in mediating private cemetery access disputes.	Fully Implemented as of September 1, 2019	
Direct the agency to provide information on nontraditional methods and options for the disposition of a body, such as cremation and green burials.	Fully Implemented as of September 1, 2019	
Guadalupe-Blanco River Authority (GBRA)		
Direct GBRA to ensure the asset management process is linked to the authority's public messaging and communications.	Substantially Implemented/ Ongoing	<ul style="list-style-type: none"> ▪ In FY 2017, GBRA began a complete review of all infrastructure it currently owns and/or operates to develop a comprehensive asset management program. GBRA recognizes all equipment and infrastructure with an original cost greater than \$5,000 and with a life exceeding one year as Capital Assets. The primary goal of the asset management program is to develop a risk-based model to prioritize necessary capital improvements and better manage assets from an operational and maintenance perspective. The program will support the development of a comprehensive long-term capital improvement plan, identification and planning for funding needs, improve field data collection approaches, increase efficiency in generating reports on operations, and develop a dashboard for quicker access to information through the installation of a computer maintenance management system (CMMS). ▪ The new system will also allow for GBRA to coordinate with the customers that will ultimately fund these improvements, so that a plan and method of funding can be identified and implemented in advance. ▪ GBRA engaged an asset management consultant in 2018, program kicked-off January 2019. A full-time Asset Manager was hired in January 2020. ▪ GBRA augmented internal communications staff and resources with contracted communication consultants to produce a dedicated public resource website regarding the infrastructure and financing needs related to the failing, 90 year-old Guadalupe Valley Hydroelectric System and associated dams and lakes. https://gvlakes.com/ ▪ Once fully implemented and deployed, the new Asset Management Plan will be annually approved by the GBRA Board of Directors as part of the annual budget, and will be posted on the agency's website.
GBRA should take additional steps to centralize its approach to procurement and contracting functions.	Fully Implemented during fiscal year 2019	<ul style="list-style-type: none"> ▪ GBRA executed a contract with Agiloft, a contract management software company, in July 2018. ▪ A job description was created and a vacancy posting in search of a Purchasing Manager occurred in spring 2018 and continued through the fall of 2018. A Purchasing Manager was hired and started on January 7, 2019. ▪ A centralized purchasing function was created primarily to: <ul style="list-style-type: none"> - Ensure compliance with laws, regulations, and policies. - Maintain the integrity of the procurement process by establishing fair, equitable, and objective practices and evaluation processes. - Obtain goods and services at the best value and best possible price. - Create work flow efficiencies through a standardized process and generate savings through economies of scale and aligned purchases. - Serve as a resource for GBRA team members. ▪ The Purchasing Procedures Manual was revised and updated. ▪ Aligned purchasing thresholds with authorized spending levels. ▪ Revisions to travel and business meal procedures were made.

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		<ul style="list-style-type: none"> ▪ Developed a standard template for procurements, solicitation evaluation criteria document, and template for checking references. ▪ Implemented an electronic procurement system in July 2019 which: <ul style="list-style-type: none"> - Facilitated the sharing of procurement and response documents. - Reduces staff time responding to requests, preparing for proposal evaluations. - Standardizes procurement communications. - Allows for better exposure for solicitations leading to increased competition, potentially better pricing and increased participation from historically underutilized businesses (HUBs). - Provides access to other resources. - Includes a timestamp on proposal submissions. - Reduces costs to vendors to submit electronically as there is no need for delivery service. - Creates a searchable vendor registry. ▪ Created a centralized Amazon business account requiring Purchasing approval. ▪ Current initiative: <ul style="list-style-type: none"> - Implementation of a purchasing card program to provide streamlined submission of receipts, reporting capabilities, card controls, and financial rebate. ▪ Upcoming initiatives: <ul style="list-style-type: none"> - Revamping of purchasing webpage to provide more information in advance to prospective vendors. - https://www.gbra.org/public/currentbids.aspx - Implementation of purchase order module in financial system. - Development of a training session for vendors - "How to do Business with GBRA." - Development of additional methods to reach HUBs. - Participation in State of Texas vendor fair.
<p>GBRA should ensure key procurement and contract management staff receive formal training.</p>	<p>Fully Implemented during fiscal year 2020</p>	<ul style="list-style-type: none"> ▪ All GBRA employees were required to attend a formal purchasing training led by the Purchasing Manager on October 17, 2019. ▪ Division managers, plant/facility managers, and chief operators received formal training at Operations Meetings on September 19, 2019 and January 30, 2020. Continuing education will be provided to employees with procurement and contract management authority, duties, and oversight. ▪ Informal training and discussion takes place throughout the year as procurement opportunities arise.
<p>GBRA should improve certain contracting activities to ensure consistency and enhance monitoring. Also direct GBRA to re-evaluate contracts for professional services every five years, and frequently compile updated vendor lists and best value practices for cost savings to use when re-evaluating contracts.</p>	<p>Fully Implemented during fiscal year 2020</p>	<ul style="list-style-type: none"> ▪ On December 18, 2019, the GBRA Board of Directors adopted changes to Board Policy including Policy 303 (Procurement) to address this issue. It states that "Procurement personnel shall establish a contract management system to track and manage all substantive GBRA procurement contracts and shall review and on-going contracts at least every five years to evaluate the continuing need and cost effectiveness of such contracts." ▪ GBRA is in the process of developing the schedule to ensure periodic review of professional services contracts. ▪ An electronic filing procedure has been established within GBRA's existing TAB records management software for competitive procurement processes and all related documents. ▪ At the outset of a new procurement solicitation, a review committee is established and individuals are required to sign a conflict of interest document disclosing any potential conflicts. ▪ The Purchasing Manager has worked closely with GBRA's legal department over the last year and a half to finalize contract templates and other

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		<p>purchasing related documents. While a formal escalation policy is not in place, trainings have emphasized the need for discussion and dialogue in the event of poor vendor performance. In addition, a template for documenting vendor performance has been developed and shared with stakeholders.</p> <ul style="list-style-type: none"> Through the Bidnet procurement system, at the completion of a solicitation, a scoring summary is posted to the site for review by proposing vendors and others.
<p>Direct GBRA to consolidate the funds it provides to the Guadalupe- Blanco River Trust and San Antonio Bay Foundation to one organization and clearly define expectations tied to this funding.</p>	<p>Fully Implemented during fiscal year 2020</p>	<ul style="list-style-type: none"> In consideration of the Sunset Report, GBRA and GBRT executed an amended Memorandum of Understanding in 2019. The GBRA Board adopted the amended MOU on 7/17/2019 and the GBRT Board adopted the amended MOU on 9/11/2019. The new MOU provides a process and timeframe for GBRT to transition toward administrative, operational, and fiscal autonomy by 2023, per the Sunset Recommendation. The Board of the San Antonio Bay Foundation voted to dissolve the SABF as an organization. The Board of the Guadalupe River Foundation voted to dissolve the GRF as an organization.
<p>Direct GBRA to create clear boundaries and reporting structures between its staff and associated nonprofits</p>	<p>Fully Implemented during fiscal year 2020</p>	<ul style="list-style-type: none"> GBRT and [its] staff are now administratively separated from GBRA, and no longer report or have oversight within GBRA's management structure.
<p>Direct GBRA to evaluate whether the Gorge Preservation Society's narrow mission justifies GBRA support or whether its activities could be performed internally.</p>	<p>Fully Implemented during fiscal year 2019</p>	<ul style="list-style-type: none"> GBRA and Gorge Preservation Society executed an amended Memorandum of Understanding in 2019. The GBRA Board adopted the amended MOU on 7/17/2019 and the GPS Board adopted the amended MOU on 5/8/2019. GBRA now fully administers and manages operations and GBRA staff at the Canyon Lake Gorge.
<p>Direct GBRA to evaluate the continuing need for relationships with any nonprofits every five years to ensure the nonprofits are achieving shared goals.</p>	<p>Fully Implemented during fiscal year 2020</p>	
<p>Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.</p>	<p>Fully Implemented during fiscal year 2020</p>	<ul style="list-style-type: none"> GBRA updated and adopted the board policies at the December 2019 board meeting implementing the across-the-board recommendations applicable to GBRA (i.e. defined separation between policymaking of the board and management by the general manager, alternative dispute resolution, etc). Additionally, the posting and communication related to the public testimony portion of GBRA Board meetings was initially updated and effective October 2017.
<p>Direct GBRA and RRA [Red River Authority] to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Direct the written plan to be made public record online at the time of its completion and updated regularly when needed.</p>	<p>Fully Implemented during fiscal year 2018</p>	<ul style="list-style-type: none"> Prior to the Sunset Review, on September 20, 2017, the GBRA Board unanimously adopted the 2018-2028 Strategic Plan for the Guadalupe-Blanco River Authority. This new plan was the first update since 2002. In compliance with the Sunset Recommendations, GBRA will update and renew the strategic plan and process every 5 years.
Historical Commission (THC)		
<p>Direct THC to establish and lead a working group composed of the chair or their designee from THC, TPWD [Texas Parks and Wildlife Department], and State Preservation Board (SPB), the commissioner of the General Land</p>	<p>Fully Implemented as of December 2018</p>	<p>Based upon the Statement of Work and the draft schedule attached, THC estimates the following costs for implementation. The Fees have been calculated on the assumption of 10 workshops located in various regions. Should the quantity of sites increase, the fees would adjust accordingly.</p> <p>Professional Fees:</p>

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Office (GLO) or his designee, and stakeholders to begin to develop a statewide historic sites master plan, including presenting a proposal for the development of such a plan by December 10, 2018.		<ul style="list-style-type: none"> ▪ Interpretive Master Plan \$700,000- 850,000. ▪ Affiliation Program \$100,000. ▪ Facility Assessment & Prioritization of Needs \$150,000 - 225,000. ▪ Allowances for other items: ▪ Marketing/PR Plan \$250,000-300,000. ▪ Architectural Services (By THS). ▪ Reimbursable Expenses \$150,000-170,000. ▪ Education Consultant \$50,000-75,000 (Optional/as - required).
Direct agencies with a curatorial collection and deaccession policy to work with Texas Facilities Commission (TFC) to sell unneeded collections items.	Fully Implemented as of July 2020	Approvals took place at THC Quarterly Meetings.
Direct THC and TPWD to work with the TFC to explore options for a joint curatorial facility to serve the needs of the state's historic site collections. Also direct THC and TPWD, in consultation with the SPB, GLO, and the Texas State Library and Archives Commission, to identify and consider each agency's storage needs. Also specify the agencies should work together to create a master inventory of the state's curatorial collections. Further, direct THC to collaborate with TPWD, SPB, GLO, and the Texas State Library and Archives Commission to develop a uniform approach to inventorying the state's curatorial collections and create a master inventory of such property.	Fully Implemented as of March 2019	<p>[The Joint Agency Collections Facility Report] provides an overview and specifics of each agency's collection needs in the Design Considerations section of the report.</p> <p>THC estimates the implementation of this recommendation would take approximately five years and is estimated to cost \$6.4 [million], and includes approximately 16 FTEs distributed between five separate agencies.</p> <p>THC's efforts to address this recommendation included consultation with all partner agencies to consider how such a database might be created; the document, Options for the Creation of a Searchable Public Catalogue of Collections ... outlined requirements and objectives advanced by the collections committee and three viable proposals in collaboration with the subject agencies, each of them serving common deliverables, which are listed below:</p> <ul style="list-style-type: none"> ▪ A public-facing search engine. ▪ Segregation of working collections data. ▪ Translation of unique nomenclature and distinct file formats into a standard template that permits a single search. ▪ Collections Security. ▪ Maintenance and oversight.
Direct THC and TPWD to develop a memorandum of understanding to limit duplication in management of historic sites related to curatorial storage facilities, procurement and contracting, and preservation and interpretation.	Fully Implemented as of March 2019	
Direct THC to work with the attorney general's office on a single, performance based contract and to provide stronger contract oversight.	Fully Implemented as of July 2020	
Direct THC to include the use of the Heritage Trails program and nonprofits in its long-term planning.	Fully Implemented as of July 2020	
Direct THC to adopt rules providing for a process that includes input from professional historians to provide additional perspectives for stakeholders	Fully Implemented as of November 2018	

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to challenge the accuracy of existing THC historical markers.		
Library and Archives Commission (TSLAC)		
Direct TSLAC to adopt a fee schedule for PIA [Public Information Act] requests.	Fully Implemented as of March 18, 2020	
Direct TSLAC to create a working group for legislative records issues.	Not Implemented	Provisions of HB 1962 and HB 4181 transferred ownership of all legislative branch records to the Legislative Reference Library (LRL). Accordingly, TSLAC was no longer the appropriate agency to convene such a group. TSLAC and LRL have worked closely over the past year to transfer legislative records and related functions. *No longer applicable to TSLAC.
Direct TSLAC to gather customer input and regularly update the minimum state records retention schedule. Direct TSLAC to complete an assessment of any statutory changes from the 86th Legislature regarding state records and establish a working group of state agency records management officers by September 1, 2019. Direct TSLAC to update and adopt a new minimum records retention schedule by April 1, 2020.	Fully Implemented as of May 10, 2020	TSLAC gathered stakeholders to begin the process of amending the state retention schedule in June 2019. The group met throughout the summer and fall of 2019. A draft was prepared in the winter of 2019 and 2020 and made available for stakeholder input before the official rule filing process.
Direct TSLAC to prohibit grant reviewers from applying for grants in the same categories they score.	Fully Implemented as of March 18, 2020	
Direct TSLAC to openly solicit peer grant reviewers.	Fully Implemented as of March 18, 2020	
Direct TSLAC to adjust grant award criteria and scoring to better disperse grant funding to a wider pool of libraries.	Fully Implemented as of March 18, 2020	
Direct TSLAC to work with the Texas Historical Commission, Texas State Preservation Board, Texas Parks and Wildlife Department, and General Land Office to explore options for new curatorial space at TSLAC's Shoal Creek location.	Fully Implemented as of December 2018	TSLAC met with representatives of named agencies to discuss the potential for sharing curatorial space. The discussions, convened by the Texas Historical Commission, concluded the best investment of public funds would be to expand on land of the existing state-owned facility located at 4400 Shoal Creek Boulevard in Austin. With this approach, existing facilities would not be duplicated within the same structure and public funds would be invested in public assets. THC submitted the joint report to legislative offices.
Direct TSLAC to identify and coordinate with other state agencies to promote the agency's grant programs to increase participation among libraries across the state. The intent of this recommendation is to increase participation in the agency's grant programs, not the funding for the grant programs.	Fully Implemented as of April 2019	TSLAC staff engaged in conversations with representatives of the Arts Commission, the Texas Education Agency, and the Texas Department of Agriculture to share information on grant programs. As a result, TSLAC staff now regularly partners with the Arts Commission to cross promote activities and provides information about programs to other agencies.
Lower Colorado River Authority (LCRA)		
Direct LCRA to provide more detailed financial information in its publicly available documents. Specify that in	Fully Implemented as of November 14, 2019	Detailed annual financial information is posted online and consists of all elements listed in the recommendation.

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providing more detailed financial information, LCRA should do so in an annual, publicly available report that strives to include the information listed in the staff recommendation. Clarify that the clear explanation of money transfers between business units, departments, and funds applies only to material transfers. For its operational reserve funds, LCRA should provide a list of each fund, its purpose, and its balance. For its strategic reserve funds, LCRA should just provide the cumulative balance of all the funds.		
Direct LCRA to provide more transparent, consistent, and accurate agenda meeting notices to the public.	Fully Implemented as of April 16, 2019	LCRA board agenda items and executive session topics are posted to the website and are consistent with the legal notice posted with the secretary of state.
Direct LCRA to improve transparency of its committees-of-the-whole.	Fully Implemented as of May 21, 2019	Meeting dates, agendas and materials for committees-of-the-whole are posted online. Additionally, LCRA records and posts videos of these committee meetings, when possible.
Direct LCRA to amend its public testimony protocols to provide greater accessibility.	Fully Implemented as of December 11, 2018	The LCRA board approved amended protocols for public communication at board and committee meetings consistent with the recommendation. The protocols are posted online for the public.
Direct LCRA to clearly separate the governance and management of the land trust from its own board and staff.	Fully Implemented as of April 1, 2019	The LCRA board of directors amended Board Policy 106 - Ethics to include recusal provisions for board members serving on both LCRA and CRLT [Colorado River Land Trust]. CRLT amended its bylaws and Conflict of Interest Policy to incorporate recusal provisions and address board member composition and affiliation. The two LCRA employees who previously worked exclusively on CRLT business are now full-time employees of CRLT, reporting directly to the CRLT board of directors.
Direct LCRA to update its service agreement with the land trust to include performance goals and a timeline of expectations for the land trust to move towards greater financial independence from LCRA.	Fully Implemented as of March 29, 2019	LCRA and CRLT executed a grant agreement which includes performance goals regarding conservation easement projects, fundraising, public outreach, accreditation and mission compliance. The agreement also contains a process for LCRA to review CRLT performance.
Direct LCRA to document and publish a clear appeals process for on-site sewage facility [OSSF] regulatory decisions.	Fully Implemented as of April 23, 2019	LCRA documented and published a clear appeals process for OSSF regulatory decisions. Notifications of adverse OSSF permitting decisions include the appeals process information and deadlines to proceed.
Direct LCRA to develop and publicize an online option for submitting on-site sewage facility permit applications and payments.	Fully Implemented as of March 7, 2019	Applicants for OSSF permits have the option to submit application materials and payments online by following the appropriate links and instructions on the LCRA OSSF webpage.
Direct LCRA to develop and publicize a clear complaints process for all three water quality regulatory programs.	Fully Implemented as of April 22, 2019	"Contact LCRA" was developed as a centralized way for the public to file complaints online. A policy document establishing procedures for each phase of the regulatory complaint process was developed and posted online. LCRA publicized its role in accepting and responding to complaints by adding prominent links to the complaint portal and posting the complaint procedure document on each water regulatory program webpage.
Direct LCRA to collect, maintain, and report detailed information on complaints	Fully Implemented as of April 22, 2019	The purchase and customization of new customer service software allows LCRA to collect, maintain, and report regulatory program complaint information. A formal internal process was developed for tracking, analyzing, and reporting statistical information on water regulatory program complaints. Reports

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		detailing water regulatory program complaints are provided to management, the LCRA board, and posted online for the public.
Direct LCRA to develop and adopt a conflict-of-interest policy specific to the grant program including disclosure and recusal elements.	Fully Implemented as of April 25, 2019	A conflict-of-interest policy was developed for review committee members and staff, including disclosure and recusal elements. Review committee members sign an annual acknowledgement of the ethical standards of conduct and conflict-of-interest provisions and receive training from LCRA counsel regarding the conflict-of-interest policy. Review committee members' names and affiliations are posted to LCRA's website and CDPP [Community Development Partnership Program] grant application materials include a section for the applicant to disclose relationships with review committee members.
Direct LCRA to update its grant application materials to more clearly disclose scoring criteria to applicants.	Fully Implemented as of April 25, 2019	Detailed CDPP scoring criteria and guide posted online and added to the grant application.
Direct LCRA to update the overall goals for its CDPP grant program to include more specific program priorities and outcome measures to inform future investments.	Fully Implemented as of April 25, 2019	More specific program goals and priorities developed. Benchmarks identified, including for achieving economic development in rural, low-income parts of the service area. Measures established to determine impact and outcomes of grants awarded. Application materials updated to include additional questions related to program goals. Annual reports are provided to the LCRA board.
Direct LCRA to use available technology to improve grant tracking and communication to applicants and grantees.	Fully Implemented as of April 25, 2019	LCRA purchased a new software program to assist with application tracking and communication. Applicants are notified through the communication function of the new software program when they reach each of the benchmarks listed in the recommendation.
Direct LCRA to update its board nepotism policy to fully conform to TCEQ [Texas Commission on Environmental Quality] requirements and state law.	Fully Implemented as of December 11, 2018	The LCRA board adopted amendments to Board Policy 106 - Ethics to include the required nepotism language.
Direct LCRA to improve its Small and Diverse Supplier Program to better comply with the intent of HUB [historically underutilized business] laws.	Fully Implemented as of April 26, 2019	LCRA established a plan to better ensure its Small and Diverse Supplier Program complies with state law and TCEQ requirements, including all elements listed in the recommendation. Management monitors, evaluates, and modifies the program as needed. Reports are generated annually for management and the LCRA board.
Direct LCRA to plan, more proactively implement, and monitor its efforts to increase workforce diversity.	Fully Implemented as of April 11, 2019	LCRA developed a comprehensive plan to diversify its workforce, including goals, objectives, and measurable results. The plan also outlines monitoring and reporting requirements.
Military Department (TMD)		
Direct the adjutant general to improve supervision and support of the department's state employees.	Fully Implemented as of January 2019	Improvements are continual, including a State Supervisor Personnel Management Course, revising the HR Manual as required, and improved coordination with military supervisors.
Direct the department to review and update its administrative rules.	Fully Implemented as of September 6, 2019	
Direct the department to improve planning and implementation of purchasing policy changes, including scheduling policy updates based on risk and ensuring all staff involved in purchasing have information needed to carry out their duties.	Fully Implemented as of March 6, 2019	

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Direct the department to track and report performance of all phases of the purchasing process.	Fully Implemented as of September 1, 2019	
Direct the department to develop a process for programs to share information about timelines and needs to prioritize purchasing workload across the department.	Fully Implemented as of September 1, 2019	
Direct TMD to evaluate State Guard missions and establish strategies to support the program and protect the state's interest.	Fully Implemented as of January 30, 2019	Evaluation and coordination are continual processes.
Direct the department to provide State Guard members with access to the department's ombudsman for voicing general program concerns.	Fully Implemented as of January 30, 2019	Evaluation and coordination are continual processes.
Direct the department to identify specific options for relocating the Sheffield campus no later than January 1, 2019, with a goal to preserve federal funding and other Challenge program benefits for Texas' at-risk youth.	Fully Implemented as of January 30, 2019	National Guard Bureau did not extend funding to continue the Sheffield location. Last class graduated Aug. 2018. Final staff departed Dec. 2018.
Direct the department to close the Texas Challenge program's Sheffield campus in March 2020, regardless of whether relocation is feasible.	Fully Implemented as of December 2018	Sheffield Campus closed prior to March 2020 because federal funding to extend operation of the program site through that period was not provided by the National Guard Bureau.
Direct the department to establish updated goals to target the use of limited state tuition benefits and collect information needed to measure performance.	Fully Implemented as of September 1, 2019	Updated goals/targets were adopted by the 86th Texas Legislature. NOTE: TMD is proposing revisions to the performance measures for FY 2022 - 2023 that have been approved by the LBB [Legislative Budget Board] and Governor's Office for inclusion in the agency's Legislative Appropriations Request.
Direct the department to update informational materials and training to ensure recruiters and potential applicants receive accurate information about state tuition benefits.	Fully Implemented as of January 1, 2020	
Nueces River Authority		
Nueces River Authority (NRA) should take action to prepare for future retirements and workforce changes.	Incomplete/Ongoing	Funding issues have hampered implementation.
Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.	Fully Implemented as of August 14, 2019	
Direct Red River Authority (RRA) and Nueces River Authority (NRA) to develop a policy to ensure all professional services contracts are reviewed every five years. RRA and NRA should also frequently compile vendor lists and best	Fully Implemented as of August 14, 2019	

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value practices for cost savings to use when re-evaluating contracts.		
Office of Consumer Credit Commissioner (OCCC)		
Direct OCCC and the Finance Commission to develop an updated complaint process in rule.	Fully Implemented as of August 16, 2019	The OCCC developed 7 Texas Administrative Code Section 82.4 to detail all phases of the agency's complaint investigation and resolution process. The complaint rules have incorporated the best practices identified in the Sunset Staff Report.
Direct the agency to make enforcement orders available online.	Fully Implemented as of October 9, 2018	The OCCC has made its enforcement orders available online. The orders are available at: https://occc.texas.gov/enforcement_actions . The website contains final enforcement orders for actions closed since September 1, 2018 (the beginning of fiscal year 2019). The website is updated on a monthly basis.
Real Estate Commission (TREC) and Appraiser Licensing and Certification Board (TALCB)		
Direct the agency to evaluate and update its key performance measures.	Fully Implemented as of June 1, 2020	TREC and TALCB Executive Committees reviewed measures and directed staff to implement more meaningful performance criteria. TREC and TALCB approved new measures at the February 2019 meetings. These new measures were included in 2021-2025 Strategic Plan submitted on June 1, 2020.
Direct the agency to develop a budget policy that fosters more realistic, straightforward budgeting and fee setting.	Fully Implemented as of February 2019	Budget policies for both TREC and TALCB were updated at the November 2018 meetings and ratified for current cycle at the February TREC/TALCB 2019 meetings. TREC and TALCB also adopted a new budget amendment documentation process to account for transfers from technology and other reserves for expenditures. In addition, the budget polices for both TREC and TALCB have been further ratified as of Aug 2020 and offer further clarification into the straightforward budgeting process of the agency and fosters a more realistic and transparent budgeting approach.
Direct the agency to update its fund balance policy to limit growth.	Fully Implemented as of January 2020	Reserve policies for both TREC and TALCB were updated at the November 2018 and February 2019 meetings, as part of budget policy revisions. Long-term facility planning reserves were discontinued and these funds were repurposed to Strategic & Customer Service Projects. To reduce income to TREC, multiple miscellaneous fees and some fees associated with automated processes were adopted at the November 2019 meeting with a January 1, 2020 proposed effective date. On Aug 10, 2020, the Commission adopted a revised budget policy that eliminates all previously authorized reserves and the agency is only authorized to carry a balance in the operating and contingencies reserves that is equal to 6 months of expenses. Additionally, the Budget and Executive Committees for both TREC and TALCB are tasked with considering and recommending future fee adjustments to limit excess revenue accumulation and to reduce current reserves.
Direct the agency to review and streamline inspector pre-licensing education requirements by January 1, 2020. As part of its review of the requirements, direct the agency to ensure the content aligns with the inspector licensing exam subject matter and evaluate the impact of any streamlining on exam passage rates by January 1, 2021.	Substantially Implemented	TREC proposed rule amendments to the following and a new rule (specified below) to implement this recommendation at the November 2019 TREC meeting: <ul style="list-style-type: none"> • 22 TAC [Texas Administrative Code] 535.209 (Examinations). • 22 TAC 535.212 (Education and Experience Requirements for a License). • 22 TAC 213 (Qualifying Real Estate Inspector Courses). • NEW 22 TAC 535.214 (Education and Experience Requirements for a License). The adoption of these rules was delayed because they had to be reviewed and approved by the Governor's Regulatory Compliance Division. The proposed rules were submitted to that Division in November of 2019. The review and

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		final approval process took approximately 10 months to complete. The rules were finally adopted by TREC at the August 202 meeting. The effective date of these amendments is March 1, 2021 to allow education providers time to comply.
Direct the Real Estate Commission to develop standard rules and procedures for handling each phase of the complaint process by March 15, 2019.	Fully Implemented as of June 2019	Rule amendments were proposed in February 2019 and adopted in May 2019 to outline the complaint process. Additionally, staff developed a complaint overview manual in October 2018, and details of internal complaint processing procedures were added to the TREC website. Both the manual and website are maintained and amended as appropriate to reflect current processes.
Direct the Real Estate Commission and Appraiser Board to establish a process to document and track nonjurisdictional complaints by March 15, 2019.	Fully Implemented as of June 2019	Rules were proposed in February 2019 and adopted in May 2019 to implement this directive. Additionally, TREC and TALCB have adopted a Standard Operating Procedure (SOP), drafted a form letter to issue when non-jurisdictional complaints are made, and implemented a tracking process and spreadsheet.
Direct the Appraiser Board to establish a process to prioritize complaint investigations based on the risk each complaint poses to the public by March 15, 2019.	Fully Implemented as of June 2019	Rules to implement this directive were proposed in February 2019 and adopted in May 2019. Processes have been implemented that include ongoing screening and weekly progress meetings to ensure priority.
Direct the Appraiser Board to develop a plan to improve its investigative process and reduce complaint resolution timeframes by March 15, 2019.	Fully Implemented as of June 2019	Rules to implement this directive were proposed in February 2019 and adopted in May 2019. Staff implemented additional improvements in March, including outsourcing of commercial report reviews and hiring of four new staff. New target time frames are built into the shortened process. As of Summer 2020, TALCB Enforcement had hit the Sunset target of 180 days to process complaints.
Direct the Appraiser Board to implement policies and practices to allow for electronic submission of licensing information, materials, and experience logs whenever possible by March 15, 2019.	Fully Implemented prior to Sunset Review	TALCB already permits electronic document submission. The ITS [Information Technology Services], Licensing, and Enforcement divisions continue to review the process for additional improvements, including adding the ability to electronically submit documents through the Agency's online portal at the time of application.
Direct the Real Estate Commission to submit a proposed plan, timeline, budget, and statement of need for the purchase of property to the Texas Facilities Commission and the Sunset Commission by September 1, 2019.	Fully Implemented as of February 2019	Both TREC and TALCB approved recommendations at their February 2019 meetings to: <ul style="list-style-type: none"> • cease consideration of an alternate facility, • eliminate the reserves and • repurpose the funds for customer service and other strategic projects as approved by each policy making body. The process is in place and a report was sent to the Sunset Commission on September 1, 2019, detailing these actions.
Direct the agency to report annual performance data to the Sunset Commission until January 1, 2023. Annual performance data must include the following: <ul style="list-style-type: none"> • The average time to resolve a complaint • The average time to issue a license • Reserve fund balances • Call hold times broken down by quarter 	Incomplete/Ongoing	Initial report was submitted on January 1, 2020. Data for all measures is available for the entire calendar year with the exception of average time to issue a license. That data is only available for the 3rd and 4th quarter of CY [calendar year] 2019. Agency will continue to submit this data on an annual basis until January 1, 2023.

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<ul style="list-style-type: none"> The number and percentage of abandoned calls, broken down by quarter 		
<p>Direct the agency to provide quarterly call center reports including average call wait times by month and percentage of calls abandoned by month to the Sunset Commission beginning March 1, 2019 until January 1, 2021.</p>	Incomplete/Ongoing	<p>Agency has submitted quarterly reports on March 1, 2019, June 1, 2019, and September 1, 2019 and all of FY 2020 and will continue to do so on a quarterly basis until January 1, 2021.</p>
Red River Authority (RRA)		
<p>Direct RRA to document and regularly update its key duties and procedures.</p>	Fully Implemented as of April 7, 2020	<p>RRA amended Chapter 1.3.22 of Administrative Policy and Procedure Manual by Resolution of the Board of Directors.</p>
<p>Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.</p>	Fully Implemented as of July 18, 2018	<p>RRA has always included an item for public input on its agendas at each Board Meeting. However, RRA expanded its public comment opportunity on each Board Meeting Agenda item, beginning with its July 18, 2018 Board Meeting.</p>
<p>Direct RRA and NRA [Nueces River Authority] to develop a policy to ensure all professional services contracts are reviewed every five years. RRA and NRA should also frequently compile vendor lists and best value practices for cost savings to use when re-evaluating contracts.</p>	Fully Implemented as of August 12, 2020	<p>RRA amended Chapter 2.3.1 of its Administrative Policy and Procedure Manual by Board of Directors Resolution on August 12, 2020.</p>
<p>Direct Red River Authority (RRA) to comply with Texas Commission on Environmental Quality (TCEQ) rules by adopting required administrative policies.</p>	Fully Implemented as of April 7, 2020	<p>a. A policy prohibiting the authority from granting money or other valuable property to individual citizens, associations, or corporations. <i>This was completed with the implementation of amended Policy Chapter 1.0.6 by Resolution adoption by the Board of Directors on April 7, 2020.</i></p> <p>b. A policy to prohibit nepotism. <i>This was completed with the implementation of amended Policy Chapter 1.2.3 by Resolution adoption by the Board of Directors on April 7, 2020.</i></p> <p>c. A policy for pre-qualified professional services vendors for contracts expected to exceed \$25,000. <i>This was completed with the implementation of amended Policy Chapter 2.3.1 by Resolution adoption by the Board of Directors on August 12, 2020.</i></p>
<p>Red River Authority Reporting: Direct RRA to provide written semi-annual reports to the Sunset Commission regarding the implementation of the recommendations adopted by the commission, beginning January 31, 2019. This provision would expire after two years to coincide with Sunset's compliance review.</p>	Fully Implemented as of February 1, 2019	Completed.
<p>Strategic Planning: Direct RRA to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Direct the written plan to be made public record online at the time of its completion and updated regularly when needed.</p>	Fully Implemented as of April 15, 2020	<p>RRA Board of Directors adopted a 5-year Strategic Plan at its meeting on April 15, 2020. The Plan will be updated every 5 years. Additionally, the Plan was posted on RRA's website immediately following the adoption by the Board of Directors.</p>

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Succession Planning: RRA should take action to prepare for future retirements and workforce changes.	Fully Implemented as of April 7, 2020	RRA Amended Chapter 1.2.3 of its Administrative Policy and Procedure Manual by Resolution of the Board of Directors.
School Land Board (SLB) (General Land Office) (GLO)		
Direct SLB to adopt rules to guide its investment policy and strategies and to align its investment policy and strategies with those that apply to SBOE [State Board of Education].	Fully Implemented as of July 23, 2019	The Policy was unanimously approved by the IAC [Investment Advisory Committee] at its June 20, 2019 meeting. The Policy was subsequently presented by the CIO [Chief Investment Officer] to the SLB on July 23, 2019 for consideration and possible action on proposed modifications to the TXGLO [GLO] Permanent School Fund Real Assets Investment Policy Statement, and other matters in connection therewith. Motion carried unanimously.
Direct SLB to adopt rules for the size, membership, and responsibilities of the investment advisory committee [IAC], including a requirement that a majority of the committee members have expertise in the management of a financial institution or other business in which investment decisions are made.	Incomplete/ Ongoing ^f	The investment policy defines the roles and responsibilities regarding the Board, IAC and the Investment Management Division. The board is set to begin discussions regarding the composition of the IAC at the next scheduled meeting on October 20, 2020. The IAC Charter will be updated appropriately once the deliberations are completed.
Direct SLB to publicly report more detailed investment information in the PSF [Permanent School Fund] Comprehensive Annual Financial Report and to provide SBOE a quarterly report that includes returns for the investment benchmark and investments themselves.	Fully Implemented during fiscal year 2019	The investment information provided to SBOE for inclusion in the FY 2019 PSF Comprehensive Audited Annual Financial Report contains gross and net time-weighted returns for 1-, 3-, 5-, and 10-year periods on a portfolio basis and broken down according to portfolio asset allocations. The aggregate portfolio returns are also presented against the portfolio benchmark returns.
Direct SLB to document the division of responsibilities for its investment management staff.	Incomplete/Ongoing	The SLB adopted revisions to the TXGLO [GLO] PSF Investment Policy Statement ("Policy") on July 23, 2019. The Policy includes a description of the roles and responsibilities of the SLB, Investment Advisory Committee, the Investment Management Division, external investment managers and advisors. The TXGLO Investment Management Division ("IMD") is a small division with very specific duties. The CIO does not delegate any major discretionary duties to his staff. Only ministerial or administrative duties are delegated to IMD staff by the CIO. Each IMD staff [member's] specific duties are described in their current agency Job Descriptions.
Direct SLB to review and approve large contracts and to receive briefings from the General Land Office director of contract management at least once a year regarding contracts under \$1 million.	Fully Implemented as of January 20, 2020	Policy presented and approved during 1/21/2020 SLB Meeting.
Direct SLB to develop, adopt, and implement clear contract monitoring policies and include them in the contract manual and training.	Fully Implemented as of January 20, 2020	Policy presented and approved during 1/21/2020 SLB Meeting.
Direct the General Land Office to develop a training policy and provide contract management training for project managers and other staff involved in the contracting process.	Fully Implemented during fiscal year 2020	Implementation for this recommendation is a team effort between the Contract Management Division (CMD), the Office of General Counsel, Financial Management and Human Resources. CMD alone does not have the authority to require Project Management training across the agency. Between the three divisions, a team has been formed to develop an overall plan for Project Management Training. The team last met on January 10, 2020, and decided to implement the following: 1. A list of Project Managers, by division, will be generated and sent to the Program Areas for verification. 2. Project Managers will be required to attend four hours of Project Management specific training per year. This is in

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Management Action	Self-reported Implementation Status	Entity Comments
		<p>addition to the 12 hours of required training the GLO currently requires. 3. CMD, Financial Management, and Procurement will be responsible for each creating one hour of training related to Project Management. The fourth hour will be developed by Human Resources and will be General Project Management training.</p>
Securities Board		
<p>Direct the agency to develop a penalty matrix for both administrative penalties and sanctions recommended for final enforcement actions, and direct the State Securities Board to submit a brief report on the implementation of this recommendation to the Sunset Commission by March 15, 2019.</p>	<p>Fully Implemented as of March 16, 2020</p>	<p>From the Report ⁹ to the State Auditor's Office [and] Sunset Advisory Commission (page 5/12): Agency website content on penalty matrix and complaint process published on agency website.12 Fully Implemented See also Sunset Advisory Commission Recommendation 1.5.12 https://www.ssb.texas.gov/penalty-matrix.</p>
<p>Direct the board to develop and adopt rules describing all phases of its complaint process and to submit a brief status report on the implementation of this recommendation to the Sunset Commission by March 15, 2019.</p>	<p>Fully Implemented as of February 6, 2020</p>	<p>From the Report ⁹ to the State Auditor's Office & Sunset Advisory Commission (page 6/12): New Rule Chapter 102. Complaint Process. Unanimously adopted by Board action at its February 6, 2020, meeting. Fully Implemented, with agency website content on complaint process and penalty matrix posted on agency website.13 House Bill 1535, enacted the 86th Legislative Session, included this addition as an amendment to Section 2-6 of The Securities Act, see Sunset Advisory Commission Statutory Change 2.2 - Complaint Information.14 13 Rule Chapter 102 - https://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac_view=4&ti=7&pt=7&ch=102&rl=Y. Complaint process - https://www.ssb.texas.gov/agency-policy-regarding-complaints. 14 https://www.ssb.texas.gov/texas-securities-act-and-board-rules/texas-securities-act/texas-securities-act-2019#Sec-2-6.</p>
<p>Direct the agency to improve its tracking of complaint and case resolution timeframes and to submit a brief status report on the implementation of this recommendation to the Sunset Commission by March 15, 2019.</p>	<p>Fully Implemented as of March 15, 2019</p>	<p>From the Report ⁹ to the State Auditor's Office & Sunset Advisory Commission (page 6/12): Implementation of Commission Decision 1.6 has been bifurcated between the law enforcement and inspections and compliance programs to ensure the tracking of complaints and staff investigation timeframes for matters relating to those registered with the agency and those who are not registered but otherwise fall under the agency's jurisdiction. - Enforcement and inspection program tracking of complaints and case resolution timeframes were fully implemented as of March 15, 2019 - see generally agency Status Report, March 15, 2019.</p>
<p>Direct the agency to review its risk-based inspection tool at least every four years.</p>	<p>Fully Implemented as of March 15, 2019</p>	<p>From the Report ⁹ to the State Auditor's Office & Sunset Advisory Commission (page 6-7/12): The inspections program fully implemented reviews relating to risk-based inspections as of March 15, 2019 - see generally agency Status Report, March 15, 2019. Risk-based assessments for the inspections program are continuously conducted throughout the year, more frequently than the four-year cycle originally directed. The inspections program documents its prior practice of conducting risk assessments both internally and with state, federal and self-regulatory counterparts to identify emerging threats to Texas investors.</p>

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Direct the agency to accept online submissions of applications and fees. In addition, direct the State Securities Board to develop and present a detailed plan outlining how the agency will complete this recommendation to the Sunset Commission by March 15, 2019.	Substantially Implemented ^h	<p>These adopted rules allow dealer, agent, investment adviser, and investment adviser representatives the option to electronically submit documents being submitted in paper form. Forms, payments, and fees required to be submitted electronically through Central Registration Depository (CRD)/Investment Adviser Registration Depository (IARD) systems will continue to be submitted and maintained through those systems. Before formal implementation through Board action, the electronic form submission item was fully implemented through staff action on March 15, 2019.¹⁶ A notification to applicants was posted to the agency website.¹⁷</p> <p>16 CRD/IARD - https://www.nasaa.org/industry-resources/crd-iard/.</p> <p>17 https://www.ssb.texas.gov/notification-applicants.</p> <p>The online acceptance of the fees component of this management action item is not under implementation at this time. The agency received a cost quote of \$225,001.60 for implementation of electronic fee receipt. Based upon fiscal year 2017 figures, 246,000+ registrants already pay required fees electronically through CRD/IARD systems maintained at no cost to the agency or state. Only 113 applications and fees were submitted directly to the agency (on average over fiscal 2016 - 2018). The agency has advised Governor Abbott's office of its intention to seek further guidance as to this component of the recommendation given cost and limited benefit to the registered population. The third-party vendor responsible for the fee pay framework also indicated the framework is under redevelopment and the new framework would decrease cost. It should be noted the cost component of the online fee acceptance recommendation was not available to staff or the Sunset Advisory Commission at the time of the recommendation.</p>
Direct the agency to remove the notarization requirements on its forms by March 15, 2019.	Fully Implemented as of October 22, 2019	Fully implemented through rule waiver process and formally adopted by Board action on October 22, 2019.
State Office of Risk Management (SORM)		
Direct SORM to develop detailed contract management policies and procedures.	Incomplete/Ongoing	Seeking stakeholder input to ensure policies and procedures in the CM Handbook are workable and fit agency contract management philosophy.
Direct SORM to include detailed, actionable performance measures in contracts.	Fully Implemented ⁱ (Implementation dates varied depending on contract.)	SORM will continue to include detailed, actionable performance measures in all future contracts.
Direct SORM to monitor its contracts more regularly and more closely to ensure proper performance.	Fully Implemented ⁱ (Ongoing monitoring.)	Staff has created a vendor performance evaluation tool for each medical cost containment vendor to collect feedback from business owners. Staff maintains a log to track performance.
Direct SORM to develop and require regular training for staff involved in the contracting process to effectively monitor contracts.	Fully Implemented during Spring 2020	Responsible staff will continue to update training as needed.
Direct SORM to include detailed enforcement measures in contracts and apply enforcement tools consistently across contractors.	Fully Implemented ⁱ (Implementation dates varied depending on contract.)	SORM will continue to include enforcement measures in contracts.

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Direct SORM to maximize opportunities to use OAG's contract procurement and management expertise.	Fully Implemented ⁱ (Implementation dates varied depending on purchase.)	The OAG [Office of the Attorney General] assumes the lead role once SORM prepares a solicitation document. The OAG ensured the exemplar contract in the 2020 RFP [Request for Proposal] for medical cost containment services was submitted for CAT [Contract Advisory Team] review prior to posting the RFP on ESB [Electronic State Business Daily]. SORM and the OAG prepared responses to the CAT recommendations and SORM modified the exemplar contract to incorporate applicable recommendations. The OAG provided similar assistance in 2020 for SORM's RFO [Request for Order] for a risk management information system.
Direct SORM to evaluate and adjust its workers' compensation healthcare network contract to obtain best value for the state, including providing adequate coverage for injured state employees.	Fully Implemented as of January 9, 2020	
Direct SORM to evaluate the agency's medical bill quality assurance strategy and make any needed improvements to maximize cost savings.	Fully Implemented as of January 9, 2020	Office primarily uses fee schedules based on Medicare. Includes "lesser of" language. Negotiates with provider as necessary.
Direct SORM to include additional information in its cost containment reports to better demonstrate the agency's performance, including the impact of telemedicine as a cost containment measure and information on healthcare network utilization by provider type.	Substantially Implemented	
Direct SORM to provide additional information and resources regarding return-to-work [RTW] programs.	Incomplete/Ongoing	RTW services available via 2020 MCCS [Medical Cost Containment Services] ancillary contracts. Process of RTW implemented, need to develop standard forms.
Direct SORM to collect and report lost-time outcomes and return-to-work information as currently required by statute, and do not authorize the agency to consider requesting the Legislature to remove the reporting requirement.	Incomplete/Ongoing	Ability to collect RTW data will be in place after Origami (cloud based RMS [Risk Management Information System] system) implementation.
Direct SORM to use existing data to determine state entity risk levels and needs, and to prioritize resources and requirements by risk.	Substantially Implemented	Risk Matrix developed and agencies assigned risk. Pending final proposal for EC [Executive Council] approval to implement risk-based RMPR [Risk Management Program Review]/OSC [On-site Consultation] schedule.
Direct SORM to develop and use a standard assessment tool to focus on key areas of risk during site visits.	Substantially Implemented	Using A.M. Best assessment tool with tailoring to SORM needs. Further and ongoing refinement expected with risk management guideline review and development for FY21. [Fiscal Year 2021].
Direct SORM to regularly solicit and use customer input to better tailor risk management services and resources.	Substantially Implemented	Prior to site-visit, each client is asked what they need from SORM. Post-visit evaluation requested. Standing and ad hoc advisory councils established, as required.
Direct SORM to develop objective tools to help state entities determine whether to transfer risk through purchasing insurance.	Incomplete/Ongoing	Objective tools under development. Further and ongoing refinement expected with risk management guideline review and development for FY21.

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Management Action	Self-reported Implementation Status	Entity Comments
Direct SORM to provide state entities with easy-to-use materials and templates for continuity planning.	Incomplete/Ongoing	New materials/templates under development. Further and ongoing refinement expected with risk management guideline review and development for FY21.
Direct SORM to strengthen oversight by updating its board regularly on identified problems and improvements.	Fully Implemented as of January 1, 2020	Board meets quarterly & updates provided at each meeting. New agency operations report (AOR) developed. Communications protocols with board chair established for interim updates.
Direct SORM to include the accuracy of the healthcare network provider directory as a performance measure in the healthcare network contract, and to regularly evaluate the accuracy of the provider directory as part of the agency's enhanced contract monitoring.	Fully Implemented as of January 9, 2020	SORM will continue to evaluate accuracy of provider directory as part of its contract monitoring process.
Direct SORM to study the feasibility of contracting with a second healthcare network to expand coverage to areas of the state not covered in the agency's primary healthcare network and include this information in the agency's report to the 87th Legislature.	Substantially Implemented	SORM has reviewed data & drawn conclusions based on the total number of workers' compensation claims in network and [out-of]-network.
Texas Division of Emergency Management(Texas A&M University System)		
Direct DPS [Department of Public Safety] to better coordinate the State of Texas Emergency Assistance Registry [STEAR] and provide greater guidance to local jurisdictions to ensure the safety of vulnerable Texans during natural disasters.	Fully Implemented as of July 1, 2013	The STEAR Program to include registry was fully implemented in 2013 when it transitioned from the legacy Transportation Assistance Registry (TAR). A new and improved registry was developed and implemented in January 2018. A dedicated STEAR Coordinator position was created to oversee and coordinate the program in January 2019. Coordinator hired in March 2019.
Texas Medical Board (TMB)		
For a site visit the Texas Medical Board makes as part of an investigation or inspection, require the Medical Board to establish practices that preclude the use of DEA [Drug Enforcement Administration] personnel, or any peace officer whose primary assignment is drug enforcement, as security personnel.	Fully Implemented as of July 10, 2018	TMB may use white collar investigators for security purposes.
Direct internal staff to create a central location to receive and review complaints made about the Texas Medical Board, and report regularly to the board these complaints and their status.	Substantially Implemented	There is a centralized place on the TMB website for staff to receive complaints against the agency. Each complaint is conveyed to the TMB General Counsel for review and formal response. While these complaints are currently informally reported to the Board president, Board staff is working to make a summary of these complaints and their status available to all board members prior to each board meeting.
Veterans Commission (TVC)		
Direct TVC to survey Texas veterans on a regular basis about their experience with agency programs and overall needs.	Fully Implemented as of January 1, 2019	TVC Communications Department coordinates with all Programs to ensure that all surveys are created, distributed, and tracked in a uniformed process. The new and improved uniformed survey is live, data from these surveys is available for management analyze and improve overall service and efficiency of TVC services. The survey is available on the TVC website and distributed to veterans when they are provided services from TVC Staff.

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Direct TVC to create a complaint process, make the complaint process accessible to the public, and track complaint data.	Fully Implemented as of January 1, 2019	TVC Complaint process is in place and is available on the TVC website. Complaints are tracked and recorded from the receipt of the complaint until its resolution. Data from the complaints is used to improve the quality of service to the public.
Direct TVC to temporarily report on claims staffing and outcome data analyses.	Fully Implemented as of January 1, 2019	The first report on staffing outcome and data analysis was completed in 2019 and is on the TVC's website. Data is being collected for the next report, which is due in January 2021.
Direct TVC to strengthen support for claims staff and preserve institutional knowledge.	Fully Implemented as of January 1, 2019	A detailed Standard Operating Procedures (SOP) document for the program is in place. A succession plan was developed which includes the duties and responsibilities of each management position as well as a record of the training for each of the identified positions and their designated successors as well as Strike Force staff duties and responsibilities.
Direct TVC to add information to its website about the claims process, including forms, checklists, basic claims information, and embedded VA [Veterans Affairs] resources.	Fully Implemented as of January 1, 2019	The TVC website now has a claims checklist as well as required forms and information regarding each step of the disability claims process. Detailed information on the overall claim's submission process as well as links to the VA website are on the claims section of the TVC Website.
Direct TVC to allow veterans to schedule appointments for claims counseling, while maintaining the option for walk-in services. Also, direct the agency to use teleconference or other alternative technologies to assist Texas veterans when the veteran does not need to be physically present in the office for assistance.	Fully Implemented as of January 1, 2019	Appointments have been integrated into the Claims Program. Data regarding the amount of appointments made by veterans as well as the number of no-shows is being captured quarterly for analysis. Tele-appointments are currently being done as part of TVC's remote service due to COVID -19 restrictions. Microsoft Bookings software has been added as a tool to allow Veterans to make appointments online through the TVC website.
Direct TVC to extend the length of its grant cycle from one to two years.	Fully Implemented as of January 1, 2019	The TVC Fund for Veterans Assistance has initiated an additional one year extension opportunity for grantees that wish to have a two-year grant as long as they meet 3rd QTR performance and expenditure Benchmarks (per TAC [Texas Administrative Code] §460.2) and have no unresolved program compliance issues identified during the first 3 quarters.
Direct the agency to formalize the roles and training of the commission and the grants advisory committee to improve quality and transparency in the evaluation process.	Fully Implemented as of January 1, 2019	Training for the Staff and Advisory Committee was conducted on October 30, 2019 and January 29, 2020 the training was conducted in an open meeting and was posted on the Texas Register. Training materials and participation rosters have been documented and archived. Additional Training is planned for October 2020. Training for the Commissioners was conducted in November 2019.
Direct TVC to develop and track enhanced grantee performance measures to better evaluate the benefit of its grant funding to veterans.	Fully Implemented as of January 1, 2019	Performance measures are currently in place and evaluated by FVA [Fund for Veterans Assistance] compliance officers to ensure that grantees are meeting the requirements of the grant delivery. New internal performance measures are being implemented to ensure that Veterans are receiving quality service from the grantees. The data collected from the new internal performance measures will be used to create new key measures for consideration by the Commission for the next biennium.
Direct TVC to restructure and streamline the scope and expense of its annual conference.	Fully Implemented as of January 1, 2019	A restructure of the Annual Conference was initiated in 2018 to smaller regional training. An analysis is being conducted to further streamline the process for effectiveness and cost savings for future training events. Due to COVID 19 all training is being conducted online.
Direct TVC to track and analyze detailed training costs to identify potential savings and improvements.	Fully Implemented as of January 1, 2019	The Training and Events Manager has worked with the TVC Finance Team to analyze training costs for additional savings and cost effectiveness. Claims Fall Training costs were analyzed, all travel and training costs have been paid with a total cost of \$73,090.76. This is a significant reduction in cost to the prior year's training. With the increased usage of online training content, there should be a significant downward trend in training cost in FY2021 Training. All

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		training costs are now tracked and analyzed for additional cost savings and improvements.
Direct TVC to prioritize online training and other cost-effective tools to facilitate regular collaboration among staff and partners.	Fully Implemented as of January 1, 2019	Online training has been implemented Agency-wide through a Learning Management System. An analysis of the usage and effectiveness is being conducted to further improve the content and increase the usage of online training. COVID 19 has temporarily made all training online, this will further enhance the capabilities and efficiency of TVC online training.
The commission should implement requirements for encouraging purchasing from historically underutilized businesses.	Fully Implemented as of January 1, 2019	Hub Policy and Mentor Policy and Subcontractor Policy are in place on TVC's website. The TVC Website makes available to the public the Agency's hub utilization rate as well as TVC's Commitment to utilize HUB's whenever possible.
Direct the agency to create and provide grant-writing training for veterans county service officers (VCSOs) either through online or in-person training.	Fully Implemented as of November 1, 2019	FVA has offered training to VCSO's for the grant application process. To date, 3 webinars have been attended by over 25 county VCSO's. In addition, FVA staff attends CJCC conferences, and have distributed over 50 training packets to County Leaders to encourage VCSO grant applications.
Veterans Land Board (VLB) (General Land Office)(GLO)		
Direct VLB and GLO staff to work together to develop and require regular training for staff involved in the VLB contracting process to effectively monitor contracts.	Fully Implemented as of August 31, 2020	<p>Contract Management: Implementation for this recommendation is a team effort between the Contract Management Division (CMD), the Office of General Counsel, Financial Management and Human Resources. CMD alone does not have the authority to require Project Management training across the agency. Between the three divisions, a team has been formed to develop an overall plan for Project Management Training. The team last met on January 10, 2020, and decided to implement the following:</p> <ol style="list-style-type: none"> 1. A list of Project Managers, by division, will be generated and sent to the Program Areas for verification. 2. Project Managers will be required to attend four hours of Project Management specific training per year. This is in addition to the 12 hours of required training the GLO currently requires. 3. CMD, Financial Management, and Procurement will be responsible for each creating one hour of training related to Project Management. The fourth hour will be developed by Human Resources and will be General Project Management training. <p>Implementation Date: 8/31/2020</p> <p>Land and Housing: VLB Land and Housing program project manager and program Director will participate in the training developed by the GLO contract management division when it is scheduled by the contract monitoring team. In the meantime, the Program Manager for the VLB Land and Housing program is scheduled to attend Certified Texas Contract Manager training provided by the Comptroller office January 14-15, 2020.</p> <p>Implementation Date: 1/1/2020</p> <p>Texas State Veterans Homes: The Texas State Veterans Homes division maintains two staff members who are CTCM certified and Participate in regular continuing education units.</p> <p>Implementation Date: 01/02/2020</p> <p>Texas State Cemeteries: Texas State Veterans Cemeteries (TSVC) staff will consult with the GLO Contract Management division to assess training needs and identify available training resources for TSVC staff. The TSVC program will utilize identified training resources that are aligned with the responsibilities of assigned project managers to ensure effective contract monitoring and/or oversight. Additionally, TSVC staff will develop formal program-level training policies and/or guidelines to ensure compliance with the stated objectives.</p> <p>Implementation Date: 5/1/2020</p>

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<p>Direct VLB to work with GLO to further develop written policies outlining clear authority over the board's contracting functions, including the roles of project management and other program staff.</p>	<p>Fully Implemented as of September 1, 2020</p>	<p>VLB Policies on the (1) Review and Approval of Major Contracts and (2) Contract Management Monitoring Compliance and Training were considered and approved at the January 23, 2020 Board meeting.</p> <p>Land and Housing: The program has developed written policies for the program area contract monitoring process. These procedures were developed with input from contract management and are effective 10/8/2019.</p> <p>Texas State Veterans Homes [TSVH]: The Deputy Director and Program Administrator are the Project Managers for the TSVH program. Each area of contract deliverables has a staff member to review compliance of the contract, i.e. Operations, Nursing, Financial, Construction Services, and Pharmacy. Each staff member generates a report based on specific checklist/monitoring tools of their findings which are reported to the appropriate authority. The Contract Monitoring tool is the master document that records operational compliance and deliverables.</p> <p>Implementation Date: 1/2/2020</p> <p>Texas State Cemeteries: Texas State Veterans Cemeteries (TSVC) staff will consult with the Contract Management Division and General Counsel (GC) to ensure clearly defined roles and responsibilities of project managers and program staff are in place. The TSVC will coordinate with CMD and GC prior to drafting a policy to ensure the program area effectively addresses the process for communicating significant changes or amendments to the Board.</p> <p>Implementation Date: 9/2020</p>
<p>Direct VLB and GLO to develop a framework for program staff to identify significant contract compliance issues and a clear process for requiring the reporting and documenting these issues for review.</p>	<p>Fully Implemented as of September 1, 2020</p>	<p>Land and Housing: VLB Land and Housing program has developed written policies for the program area contract monitoring process. These procedures include processes for reporting compliance issues.</p> <p>Implementation Date 1/31/2020</p> <p>Texas State Veterans Homes: The Policy & Procedure for the TSVH contract monitoring tool identifies overall non-contract compliance with the contracted operators. The P&P also requires the Deputy to provide repeated non-compliance written notice to VLB Legal and Executive Management depending on the level of non-compliance.</p> <p>Implementation Date 1/31/2020</p> <p>Texas State Cemeteries: Staff will develop clear processes for identifying and reporting compliance issues to appropriate agency staff. TSVC staff will ensure the inclusion of comprehensive procedures to "actively" track and maintain a record of identified compliance issues until resolution. This information will be made immediately available to applicable staff and will be fully accessible to both VLB and GLO contract management staff. TSVC staff will also work with GC to ensure any monitoring and tracking processes implemented are aligned with the stated objectives and intent.</p> <p>Implementation Date: 9/2020</p>
<p>Direct VLB to develop and adopt written policies establishing criteria for all levels of contract review, including board review of contracts over \$1 million. Additionally, direct VLB to receive briefings from the GLO director of contract management at least once a year regarding the status of all contracts under \$1 million.</p>	<p>Fully Implemented as of August 31, 2020</p>	<p>VLB Policies on the (1) Review and Approval of Major Contracts and (2) Contract Management Monitoring Compliance and Training were considered and approved at the January 23, 2020 Board meeting.</p> <p>Land and Housing: VLB Land and Housing program has developed written policies for the program area contract monitoring process. These procedures include processes for reporting compliance issues. The Project Manager shall maintain a contract compliance report to monitor and document any compliance issues for all VLB Land and Housing Contracts in accordance with the contract compliance and resolution processes as outlined in each contractual instrument.</p> <p>Implementation Date: 8/31/2020</p> <p>Texas State Veterans Homes: The Policy & Procedure for the TSVH contract monitoring tool identifies overall noncontract compliance with the contracted</p>

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		<p>operators. The P&P also requires the Deputy to provide repeated non-compliance written notice to VLB Legal and Executive Management depending on the level of noncompliance.</p> <p>Implementation Date: 1/2/2020</p> <p>Texas State Cemeteries: Texas State Veterans Cemeteries (TSVC) staff will develop clear processes for identifying and reporting compliance issues to appropriate agency staff. TSVC staff will ensure the inclusion of comprehensive procedures to "actively" track and maintain a record of identified compliance issues until resolution. This information will be made immediately available to applicable staff and will be fully accessible to both VLB and GLO contract management staff. TSVC staff will also work with GC to ensure any monitoring and tracking processes implemented are aligned with the stated objectives and intent.</p> <p>Implementation Date: 5/1/2020</p>
<p>Direct VLB to ensure stakeholders have access to board information and the public has an opportunity to appear before the board by May 1, 2019.</p>	<p>Fully Implemented during fiscal year 2020</p>	<p>GLO has updated the VLB's webpage to provide an overview of the VLB's roles and responsibilities. The webpage also notes that Board meetings are held on a quarterly basis that are open to the public. The webpage lists the upcoming meeting date, time, and location and provides for a link to the live webcast of the meetings made available to the public. Additionally, it provides for instructions for where to view Board meeting agendas, which are "posted in the Texas Register and can be accessed via the Texas Secretary of State website". The website states that agendas must be posted seven working days prior to a Board meeting. Public comment will be added to future VLB meetings, in which the public will be given the opportunity to speak if needed.</p>
<p>Direct VLB to track complaint data and make the complaint process accessible to the public by March 15, 2019.</p>	<p>Fully Implemented during fiscal year 2020</p>	<p>The VLB has made available a "Compliments & Complaints" button located on the "Contact VLB" page of the VLB website where the public has an opportunity to file a complaint. The button redirects users to GLO's main website's Compliments/Complaints form, where they have opportunity to file a complaint electronically. Also, on the "Contact VLB" webpage are instructions on submitting anonymous complaints via the agency Fraud hotline. Once a complaint is submitted through GLO's online form it will automatically be input into GLO's master complaint tracker. Received complaints are auto generated into email once the form is submitted. All complaints received through this process to HR on a monthly basis. When a VLB-related complaint is received via the GLO's online compliment/complaints form, an email is sent to the VLB Deputy Director subject of the complaint and request a response within 5 days. After receiving a response from the VLB, complaint information is sent to the LBB within 10 days of receipt.</p>
Windstorm Insurance Association (TWIA)		
<p>Direct TWIA to establish and submit to the commissioner of insurance separate insurance agent commission rates for new applications and automatic renewals, but only after TWIA has implemented Recommendations 2.1, 2.2, 2.3, and 2.5.</p>	<p>Incomplete/Ongoing</p>	<p>TWIA has implemented the four dependent recommendations (2.1, 2.2, 2.3, and 2.5). Staff intends to collect agent feedback and data on the utilization of the new payment methods by policyholders for a reasonable period following implementation to make a report to the Board regarding the efficacy of the four new processes. This data will be necessary for the Board of Directors to make an informed recommendation to the Commissioner regarding separate commission rates for new and renewal business.</p>
<p>Direct TWIA to directly bill customers for premiums for automatic renewal by January 1, 2020.</p>	<p>Fully Implemented as of January 1, 2020</p>	<p>TWIA implemented Recommendation 2.5 on January 1, 2020. The direct bill option applied to policy renewal offer packages mailed on January 1, 2020.</p>
<p>Direct TWIA to track and report more comprehensive information regarding claims handling performance.</p>	<p>Substantially Implemented</p>	<p>TWIA has implemented more comprehensive information to track and report claim handling performance, including claim status, payments, and disputes, and continues to refine this reporting in response to claim generating events.</p>

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Direct TWIA to develop a post-hurricane communication plan with more input from stakeholders.	Substantially Implemented	TWIA is in various stages of completion of several efforts to gather and integrate stakeholder input into our catastrophe response communications plan, including: improving the clarity and readability of claims process communications, creating a policyholder experience group, adding additional offline advertising to reach policyholders in impacted areas, and incorporating feedback from stakeholders regarding our response to hurricanes during the 2020 and prior storm seasons.
Direct TWIA to fully implement a risk-based approach to monitoring insurance adjusters.	Fully Implemented as of May 31, 2019	TWIA developed and implemented a quality assurance process to monitor insurance adjusters which is documented in the Association's Catastrophe Incident Response Plan.
Direct TWIA to make the assumptions used and results of anticipated loss modeling available on its website and in the board materials before consideration of any rate changes or purchases of reinsurance.	Substantially Implemented	TWIA first made the model assumptions and results related to rate analysis available on our website and provided it to the Board of Directors on July 22, 2019, two weeks ahead of the Board's August meeting in which it considered the Association's annual rate filing. Updated information for the Board's 2020 rate filing decision was posted on TWIA's website on July 21, 2020. The assumptions and model results underlying our reinsurance purchase were included in the Board materials posted on the website immediately before the February 2020 Board meeting. The Association will continue to provide this information in Board materials and plans to post it to the website in advance of the annual reinsurance purchase on a going forward basis beginning in 2021.

^a The Texas Board of Professional Engineers and Land Surveyors (TBPELS) originally reported this management action as Fully Implemented. In October 2020, TBPELS provided new responses for this management action, updating the implementation status to Not Implemented.

^b Auditors confirmed only that effective September 1, 2019, the Board of Professional Land Surveying and the Board of Professional Engineers were combined to form the Board of Professional Engineers and Land Surveyors.

^c The Department of Motor Vehicles originally reported this management action as Substantially Implemented. The Department of Motor Vehicles later provided new responses for this management action, updating the implementation status to Fully Implemented.

^d The Department of Public Safety (DPS) originally reported this management action as Substantially Implemented. In December 2020, DPS provided new responses for this management action, updating the implementation status to Fully Implemented.

^e The Finance Commission of Texas originally reported this management action as Substantially Implemented. The Finance Commission later provided responses for this management action, updating the status of this management action to Fully Implemented.

^f The School Land Board (SLB) originally reported this management action as Fully Implemented. After auditors began testing the implementation status of this recommendation, SLB provided new responses for this management action, updating the implementation status of this management action to Incomplete/Ongoing.

^g The Securities Board prepared a *Report to the State Auditor's Office & Sunset Advisory Commission* dated September 21, 2020, to supplement the implementation statuses of management action items and to provide information for the SAO's implementation assessment.

^h The Securities Board originally reported this management action as Fully Implemented/Not Implemented before providing a new response and updating the implementation status to Substantially Implemented.

ⁱ The State Office of Risk Management stated that implementation dates "varied depending on contract" or "varied depending on purchase," or that implementation was "ongoing monitoring." Therefore, a specific implementation date was not entered.