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An Audit Report on

**The Department of State Health  
Services' Vital Statistics Section and  
Texas Electronic Vital Events Registrar  
(TxEVER) System**

August 2021  
Report No. 21-030



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# The Department of State Health Services' Vital Statistics Section and Texas Electronic Vital Events Registrar (TxEVER) System

SAO Report No. 21-030  
August 2021

## Overall Conclusion

The Department of State Health Services (Department) implemented certain controls in the Texas Electronic Vital Events Registrar system (TxEVER) to help protect birth and death records. However, the Department should strengthen its internal controls and its monitoring of local registrars to ensure that birth and death records are secure and accurate and access to TxEVER is appropriate. Specifically:

- The Department did not have adequate controls over inventories related to birth and death records, the issuance of birth and death records, access to secure rooms, or password authentication in TxEVER.
- The Department did not have adequate controls over amending birth and death records, updating certain birth records, or timely notifying customers seeking amendments to birth and death records.
- The Department did not review access in TxEVER. The Department also did not ensure that (1) local users with access to TxEVER had the required background check or (2) all users who register births in TxEVER had the required Birth Registrar Certification.
- The Department did not monitor local registrars for calendar years 2019 and 2020. Specifically, the Department did not receive all local registrar self-assessments and did not conduct any required audits of local registrars. The Department stated that its primary focus during 2020 was managing the effects of the COVID-19 pandemic.

### Background Information

The Department, through its Vital Statistics Section (Section), manages the registration of all birth and death events in Texas. The Section:

- Collects, registers, amends, issues, and protects birth and death records for legal and administrative purposes.
- Uses birth and death records data for public health purposes to improve the health and well-being of Texans.
- Monitors validity and reliability of birth and death records to ensure the overall quality of data filed and to enable federal, state, and local governmental entities to make pertinent public health decisions.
- Maintains TxEVER, which is the Texas Electronic Vital Events Registrar system, which went live on January 1, 2019.
- Oversees the 342 local registrars throughout Texas.

Source: The Department.

Table 1 on the next page presents a summary of the findings in this report and the related issue ratings. (See Appendix 2 for more information about the issue rating classifications and descriptions.)

This audit was conducted in accordance with Texas Government Code, Section 321.0132.

For more information regarding this report, please contact Cesar Saldivar, Audit Manager, or Lisa Collier, First Assistant State Auditor, at (512) 936-9500.

Table 1

Summary of Chapters/Subchapters and Related Issue Ratings		
Chapter/ Subchapter	Title	Issue Rating <sup>a</sup>
1	Background Information on the Department's Administration of Birth and Death Records	Not rated
2-A	The Department Did Not Have Adequate Controls to Ensure That Birth and Death Records Are Secure	Priority
2-B	The Department Did Not Have Adequate Controls to Ensure That Birth and Death Records Are Accurate	High
3-A	The Department Did Not Ensure That Access to TxEVER Was Appropriate	Priority
3-B	The Department Implemented Certain Controls in TxEVER to Help Protect Birth and Death Records	Low
4	The Department Did Not Monitor Local Registrars to Help Ensure That Birth and Death Records Are Secure or Accurate	Priority

<sup>a</sup> A chapter/subchapter is rated **Priority** if the issues identified present risks or effects that if not addressed could critically affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern and reduce risks to the audited entity.

A chapter/subchapter is rated **High** if the issues identified present risks or effects that if not addressed could substantially affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Prompt action is essential to address the noted concern and reduce risks to the audited entity.

A chapter/subchapter is rated **Medium** if the issues identified present risks or effects that if not addressed could moderately affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Action is needed to address the noted concern and reduce risks to a more desirable level.

A chapter/subchapter is rated **Low** if the audit identified strengths that support the audited entity's ability to administer the program(s)/function(s) audited or the issues identified do not present significant risks or effects that would negatively affect the audited entity's ability to effectively administer the program(s)/function(s) audited.

Auditors communicated other, less significant issues separately in writing to Department management.

### ***Summary of Management's Response***

At the end of certain chapters in this report, auditors made recommendations to address the issues identified during this audit. The Department agreed with the recommendations in this report.

## ***Audit Objectives and Scope***

The objectives of this audit were to determine whether the Department:

- Administers birth and death records and provides oversight of local registrars in compliance with applicable requirements.
- Implemented information security controls to help ensure that electronic death and birth records in TxEVER are secure.

The scope of this audit covered the Department's activities related to oversight of local registrars and the registration and issuance of birth and death certificates from January 1, 2019, through October 31, 2020. The scope also included activities related to the amendment of birth and death records from January 1, 2019, through November 19, 2020, and general controls over TxEVER.

In addition, the scope included a review of significant internal control components related to the Department's TxEVER system and administration of birth and death certificates. (See Appendix 3 for more information about internal control components.)

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# Detailed Results

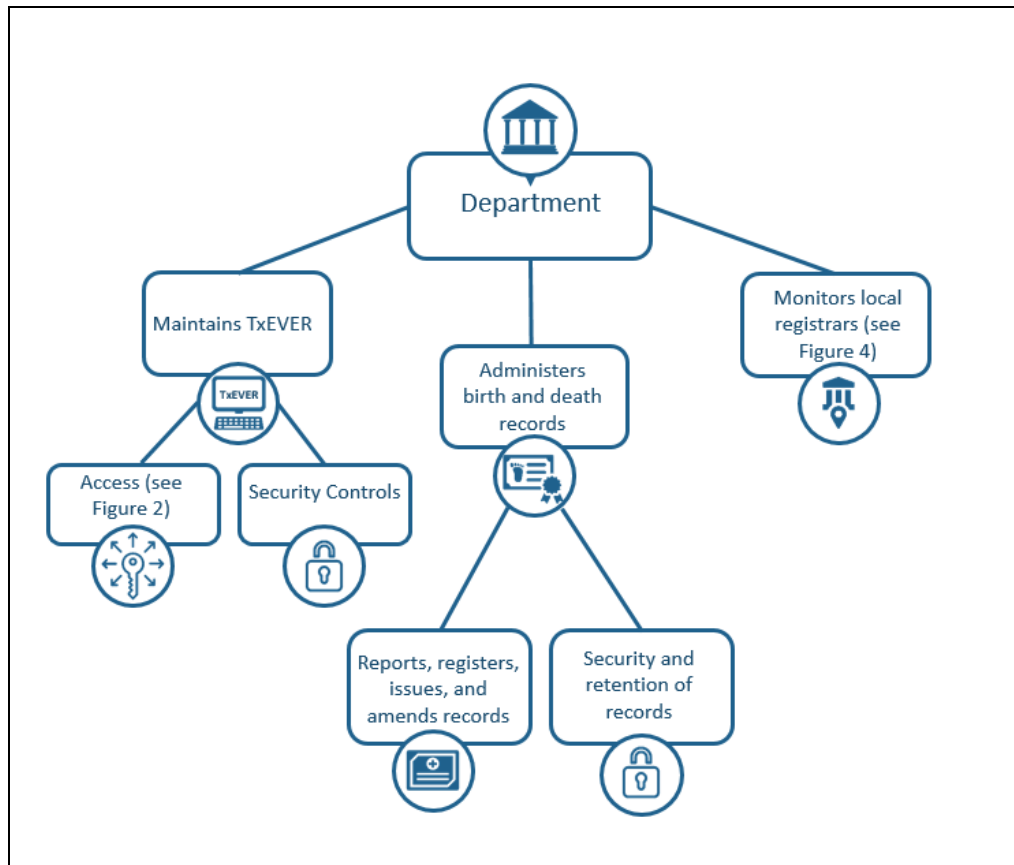
Chapter 1

## Background Information on the Department's Administration of Birth and Death Records

**Department Overview.** The Department of State Health Services (Department), through its Vital Statistics Section, administers birth and death records for the State of Texas. This responsibility also includes maintaining the Texas Electronic Vital Events Registrar system (TxEVER) and monitoring local registrars.

**TxEVER.** TxEVER, which replaced the legacy Texas Electronic Registrar (TER) systems, went live on January 1, 2019. TxEVER supports all vital events operations, including reporting, registration, and amendments of births and deaths.

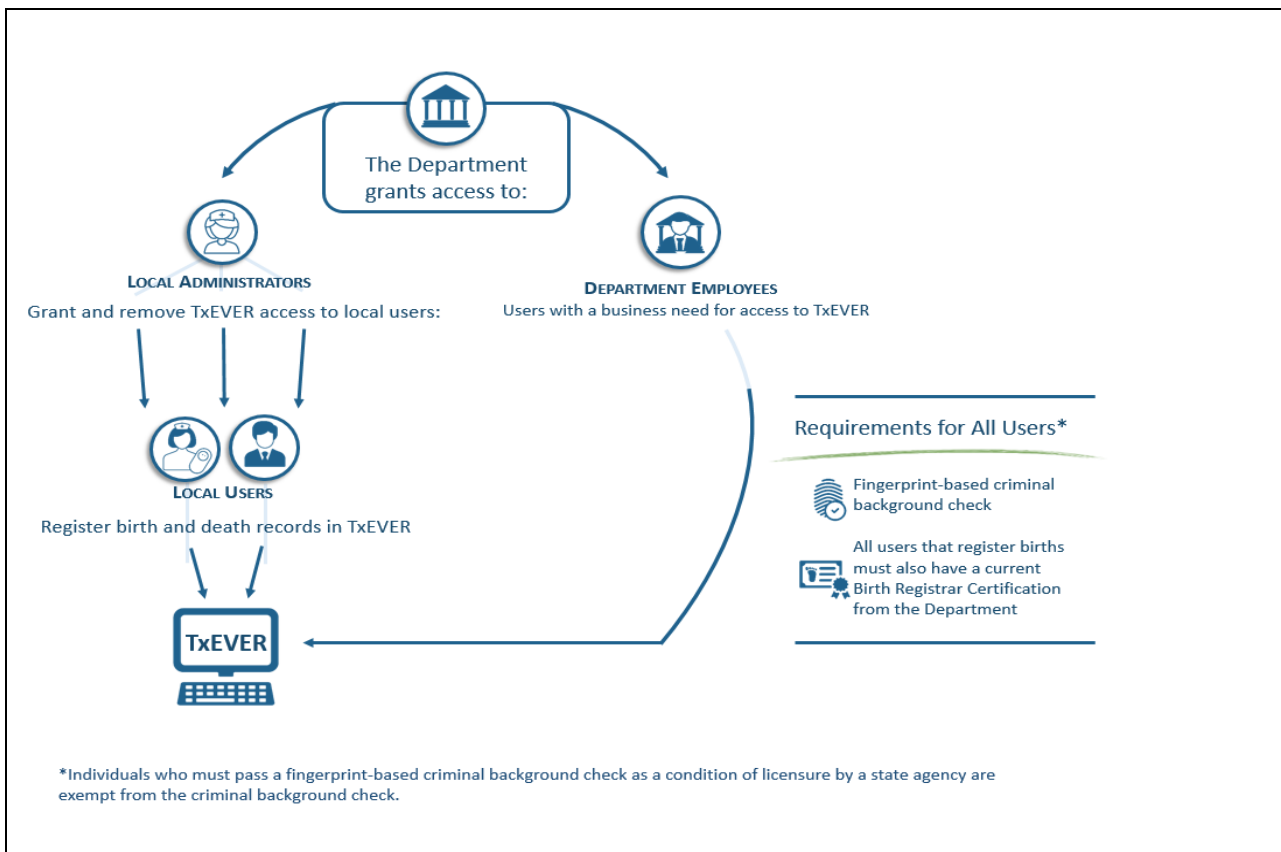
Figure 1



Source: The Department.

**Access to TxEVER.** The Department provides access to TxEVER to Department employees and local registrars through local administrators. Local administrators can then grant and revoke access to TxEVER to individuals that register births and deaths. The local administrator can be a person from a hospital, clinic, funeral home, local registrar’s office, or a birthing center. Texas Health and Safety Code, Section 191.071, requires users to pass a fingerprint-based criminal background check to access TxEVER; however, individuals who must pass a fingerprint-based criminal background check as a condition of licensure by a state agency are exempt from the criminal background check. For example, physicians, nurses, and funeral directors are required by their respective state boards to pass a fingerprint-based criminal background check; therefore, the Department, as authorized by statute, exempts them from obtaining one for access to TxEVER. Users who register births are also required to have a current Birth Registrar Certification from the Department. The certification period is two years from the certification date and requires eight hours of continuing education to renew. The initial certification requires a paternity training acknowledgement, an oath of confidentiality, and a completed application; physicians and midwives must provide current licensing information from their respective licensing bodies.

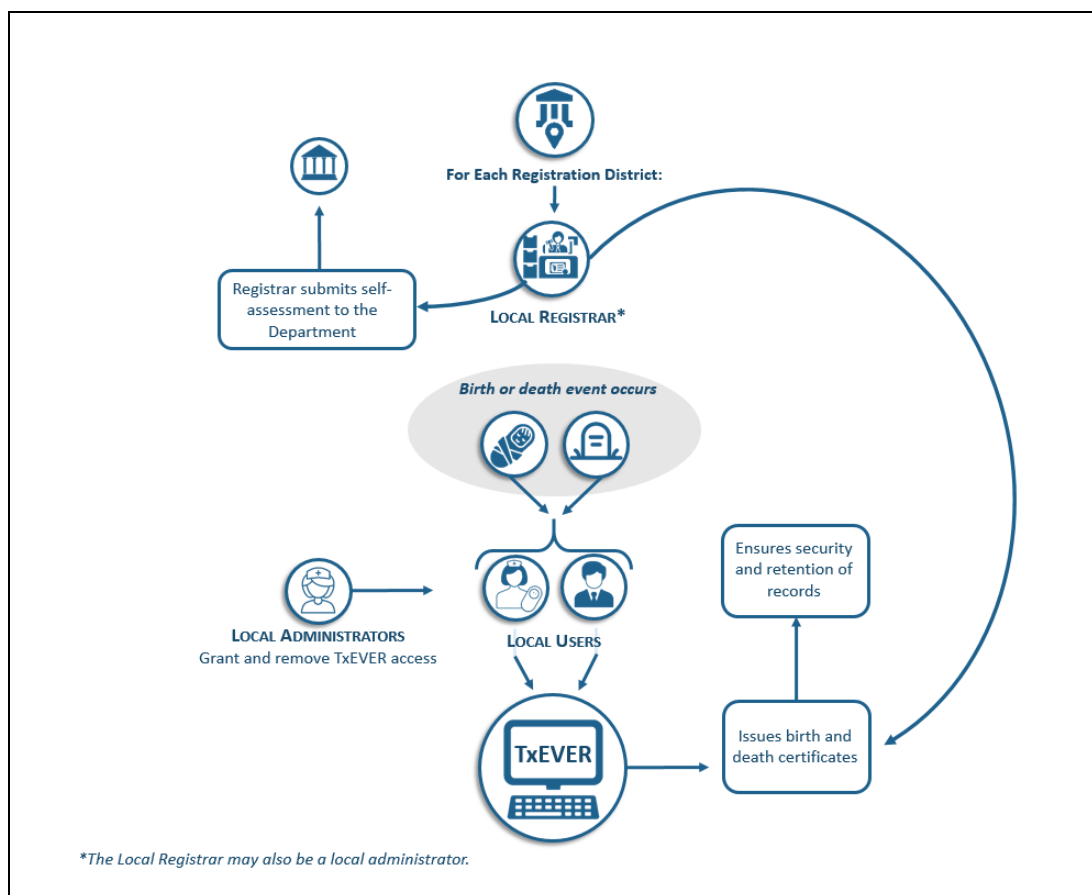
Figure 2



Source: The Department, Texas Health and Safety Code, Section 191.071, and Texas Administrative Code, Title 25, Section 181.52.

**Local Registrars.** The State of Texas has 342 registration districts in which births and deaths are recorded. Each registration district has a local registrar, who can be a justice of the peace, county clerk, or municipal clerk. A local registrar’s core functions are registering birth and death records, issuing birth and death certificates, and keeping records secure. Local registrars, through local administrators, are responsible for monitoring appropriate access to TxEVER. Local registrars are also required to annually provide the Department with a self-assessment questionnaire about their administration of birth and death records.

Figure 3



Source: The Department.

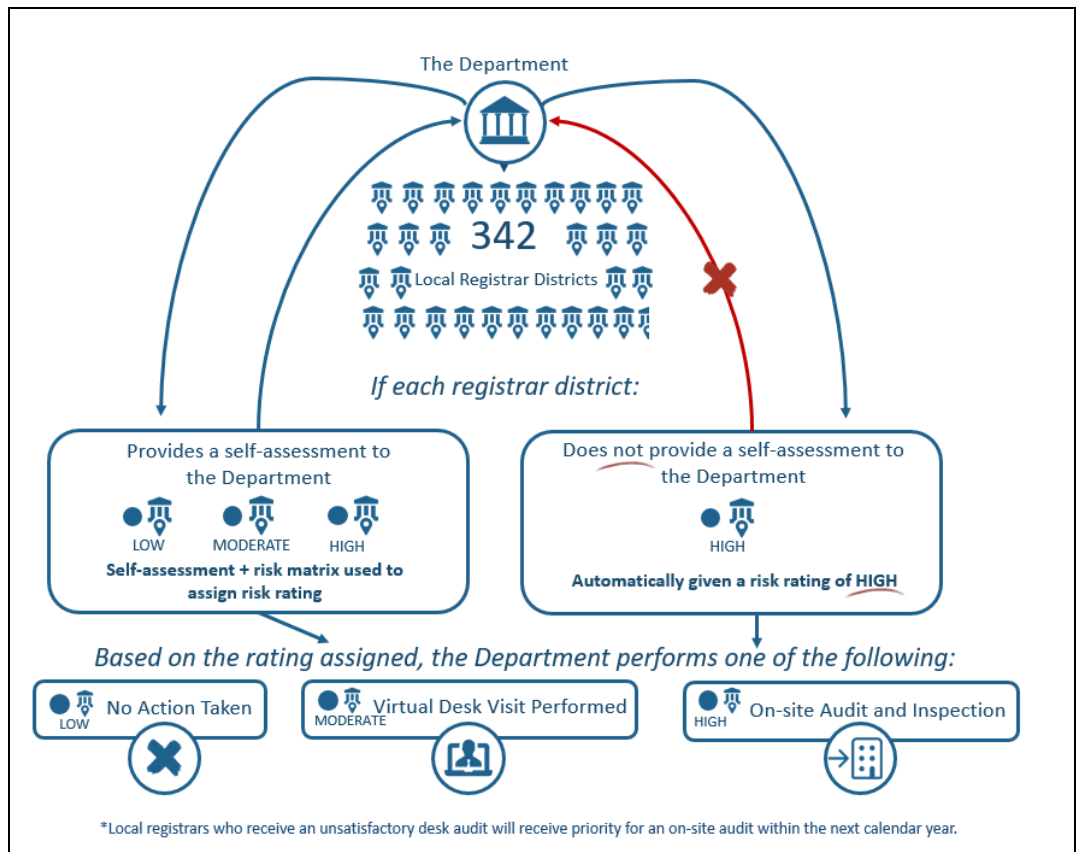


**Department Monitoring of Local Registrars.** The Department has established a risk-based monitoring process for local registrars to ensure that (1) birth and death records are filed timely and accurately, (2) processes and procedures are implemented consistently, and (3) compliance with applicable requirements is maintained.

Specifically, local registrars are required to annually complete and submit to the Department a self-assessment questionnaire about their administration of birth and death records. The self-assessment serves as a monitoring tool for the Department and provides information about record retention, document storage and security, compliance with statutes and other requirements, and user access controls.

The Department compiles the results of each self-assessment into a risk assessment document to determine whether an audit is required at a local registrar’s location. Local registrars who receive a moderate risk rating will receive a virtual audit, via teleconference, and local registrars who receive a high risk rating will receive an on-site audit. Local registrars who receive a low risk rating do not receive an audit. Local registrars who don’t submit a self-assessment automatically receive a high risk rating and an on-site audit.

Figure 4



Source: The Department.

## ***The Department Did Not Have Adequate Controls to Ensure That Birth and Death Records Are Secure or Accurate***

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Significant weaknesses in the Department’s controls related to the administration of birth and death records affected its ability to ensure that birth and death records are secure or accurate. The Department did not always retain required documentation to ensure that (1) inventories were conducted; (2) certificates were issued to qualified applicants; and (3) certificates were amended appropriately. The Department also did not properly restrict access to secure rooms used in the printing of certificates, update certain birth certificates, or give required notice to customers seeking certificate amendments.

**Chapter 2-A**  
**Rating:**  
**Priority<sup>1</sup>**

Chapter 2-A

### **The Department Did Not Have Adequate Controls to Ensure That Birth and Death Records Are Secure**

The Department should strengthen controls over inventories related to birth and death records, the issuance of birth and death records, and access to secure rooms.

**The Department did not consistently retain supporting documentation to ensure that (1) inventories were conducted and (2) birth and death certificates were issued to qualified applicants.**

**Monthly Inventories.** Department policy requires monthly inventories of security paper and the Central Stacks room. Security paper is specially designed high-quality paper with an engraved intaglio border and background security features on which all certified birth and death records are printed. The Central Stacks room is a secure-access room that houses birth and death records, along with other vital records. In addition, the Department’s retention schedule requires that supporting documentation be retained for three years after each monthly inventory report is complete. However, for all eight monthly inventories selected for testing, the Department did not provide supporting documentation to verify that the required inventories were conducted. Specifically:

- For all four monthly inventories of security paper tested, the Department did not provide the “Security Paper Inventory Report.” This report, which documents the results of the inventory, is emailed to the State Registrar

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<sup>1</sup> The risk related to the issues discussed in Chapter 2-A is rated as Priority because they present risks or effects that if not addressed could critically affect the audited entity’s ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern and reduce risks to the audited entity.

and other staff and filed with a security paper specialist for document retention.

- For all four monthly inventories of the Central Stacks room, which houses birth and death records, the Department did not provide the “Monthly Inventory Final Report.” This report documents that the inventory is complete and lists any newly discovered issues.

Retaining documentation of completed inventories could help ensure that security paper and birth and death records are secure and that any missing items are documented for further Department investigation.

**Issuance of Birth and Death Records.** The Department may issue certified copies of birth and death records to qualified applicants who properly complete the application process (see text box for requirements).

From January 2019 through October 2020, the Department received 186,394 unique birth or death applications via mail, over-the-counter, or as contractual requests from other agencies. These types of requests result in an application received by the Department and should be retained for three years, according to Texas Administrative Code, Title 25, Section 181.28 (25 TAC 181.28).

However, for 12 (48 percent) of the 25 applications tested, the Department did not provide any documentation verifying that the applicant was qualified to receive the certificate.

Also from January 2019 through October 2020, the Department issued 27,242 birth or death certificates for which the required proof of identity was marked as not received. For 17 (43 percent) of the 40 certificate issuances tested, the Department did not provide any documentation to verify that the required proof of identity was received.

Retaining documentation of birth and death certificate issuances could help ensure that these certificates are secure and only released to qualified applicants who present proof of identity.

**Requirements to Request a Certified Copy of a Vital Record**

To request a certified copy of a birth or death certificate, an applicant must:

- Qualify as the person named on the vital record, his or her immediate family member (either by blood, marriage, or adoption), his or her guardian, or his or her legal agent or representative. (Local, state, and federal agencies may also request certificates.)
- Submit a state-approved application that is properly filled out.
- Sign the application in front of a notary and get a notary seal.
- Present proof of identity, such as a driver’s license, federal or state identification card, military identification card, or passport.
- Pay required fees.

Sources: Department policies and 25 TAC 181.28.

The Department did not ensure that access to secure rooms for housing security paper and printing certificates were restricted to appropriate employees based on job duties.

**Restricting Access to Secure Rooms.** The Department has two secure rooms, one for housing the security paper that certificates are printed on and one where the printing occurs. Access is restricted based on job duties; however, the Department did not have a review process in place to verify which employees had access to each room and whether access was appropriate. Specifically:

- Five (56 percent) of 9 Department employees had inappropriate access to the Security Paper room.
- Seven (39 percent) of 18 Department employees had inappropriate access to the Central Print room.

Restricting and reviewing access to secure rooms could help ensure that birth and death records are properly secured and decrease the risk of fraud and misuse.

## **Recommendations**

The Department should develop and implement processes to ensure that:

- Monthly inventories of security paper and the Central Stacks room are documented and conducted according to Department policy.
- Documents related to the issuance of birth and death records are retained in compliance with Department policy.
- Access to secure rooms is appropriately restricted.

## **Management's Response**

### Statement of Agreement/Disagreement

*Management agrees with this recommendation.*

### Action Plan

*Regarding monthly inventories, the Department has initiated additional steps to ensure final reports documenting monthly inventories specified in Department policy will be centrally maintained, in addition to monthly inventory spreadsheets that were already maintained. Documentation for the next monthly inventory will be confirmed by September 30, 2021.*

*Regarding retention of issuance records, the pandemic created challenges for producing records. The records requested are not located on-site and needed to be retrieved from the Texas State Library and Archives. The department assigned several personnel to attempt to locate records; however, limited staffing at the Library and Archives made access to the records challenging. Complicating retrieval was the fact that the method by which DSHS stores these records was not compatible with the format for the SAO request. Because these did not match well, retrieval of certain records was difficult.*

*To support more timely retrieval based on the SAO request, the Department will review existing processes and explore options to develop a better retrieval system. As part of modernizing Vital Statistics, there is an existing IT project in development for a digital mailroom that would scan incoming customer applications. This project may also facilitate timelier retrieval. After considering all business needs, available resources, and options, the Department will have a recommendation for a permanent solution and next steps by August 31, 2022.*

*Regarding secure room access, it is Department policy and practice to authorize access to secure rooms for limited Vital Statistics Section personnel only. Current and former Vital Statistics staff have all undergone fingerprint criminal background checks and are required to surrender access badges upon separation from Vital Statistics, reducing the impact of security issues identified in this audit. However, the department understands the finding and will work to revise policies to clearly document decision-making factors that determine the Vital Statistics personnel that should be authorized to access secure rooms. Additionally, the department will work with the Texas Facilities Commission, who oversees the building and badge access system, to review current access and make necessary modifications to access. Changes will be implemented by November 30, 2021.*

*Responsible Manager(s)*

*Vital Statistics Director of Administration*

*Responsible Party for Providing Status Updates*

*Vital Statistics Section Coordinator*

*Target Implementation Date*

*Target Implementation Dates are included in the responses above, with a final target implementation of August 31, 2022*

## The Department Did Not Have Adequate Controls to Ensure That Birth and Death Records Are Accurate

Chapter 2-B  
Rating:  
High<sup>2</sup>

The Department should strengthen controls to ensure that birth and death certificates are properly amended and accurately updated, and that customers seeking certificate amendments receive required notice.

The Department did properly update death records with the location of burial or disposition of the body, in compliance with Texas Health and Safety Code, Section 193.001(c).

**The Department did not ensure that birth and death certificates were accurately amended based on requests by qualified applicants.**

**Amendment of Birth and Death Records.** The Department may amend a birth or death certificate to complete or correct a record that is incomplete or proved by evidence to be inaccurate. Amendments may be made upon requests from qualified applicants who properly complete the application process (see text box for requirements). Supporting documentation for birth and death certificates should be retained permanently by the Department as required by its retention schedule.

From January 2019 through November 2020, the Department had 15,357 unique birth certificates with at least one amendment. However, for 7 (23 percent) of 30 birth certificates with an amendment tested, the Department did not provide any documentation verifying that the amendment was accurate and requested by a qualified applicant.

Also from January 2019 through November 2020, the Department had 7,601 unique death certificates with at least one amendment. For 14 (47 percent) of 30 death certificates with an amendment tested, the Department did not provide any documentation verifying that the amendment was accurate and requested by a qualified applicant.

### Requirements to Request Amendment of a Vital Record

To request amendment of a birth or death certificate, an applicant must:

- Qualify as the person named on the vital record, parent(s), his or her guardian, managing conservator, or legal representative. (Funeral directors may also request amendments.)
- Submit a state-approved application that is properly filled out.
- Sign the application in front of a notary and get a notary seal.
- Present proof of identity, such as a driver's license, federal or state identification card, military identification card, or passport.
- Pay required fees.

Source: The Department.

<sup>2</sup> The risk related to the issues discussed in Chapter 2-B is rated as High because they present risks or effects that if not addressed could critically affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern and reduce risks to the audited entity.

Retaining documentation of birth and death certificate amendments could help ensure that birth and death certificates are accurately amended upon requests from qualified applicants.

**The Department did not update all Texas-born persons' birth certificates with their dates of death.**

**Adding the Date of Death to Applicable Birth Records.** Texas Health and Safety Code, Section 191.034, requires the Department to update the birth certificates of all Texas-born persons with their dates of death. The Department did not have a process to match all death records with the applicable birth record. The Department relied on an automated process that only matched some records.

From January 2019 through October 2020, 219,812 deaths occurred to persons born in Texas; 76,385 (35 percent) of those death registrations did not have the corresponding birth certificate updated with the date of death, as required.

Having a process to match and update all birth certificates with the date of death for Texas-born persons could help ensure that birth records are accurate.

**The Department did not consistently provide notice within 30 business days of whether an amendment application was accepted for filing, as required by the Texas Health and Safety Code.**

**Providing Required Notice to Applicants for Amendments.** Texas Health and Safety Code, Section 191.028, requires the Department to notify an applicant within 30 business days whether an amendment to a birth or death certificate has been accepted for filing. For 23,353 (80 percent) of 29,118 amendment applications tested, the Department did not provide notice to customers of the status of the applications within 30 business days.

Notifying applicants requesting an amendment to a birth or death record within the required 30 business days helps ensure that customers will have either an accurate record or a timely opportunity to correct any issues with an application request.

## Recommendations

The Department should develop and implement processes to ensure that:

- Documents related to the amendment of birth and death records are retained in compliance with the Department's retention schedule.
- The date of death is added to the birth certificates of all persons born in Texas.
- Customers are notified of the status of their amendment applications within 30 business days.

## Management's Response

### Statement of Agreement/Disagreement

*Management agrees with this recommendation.*

### Action Plan

*Regarding retention of amendment application records, the pandemic created challenges for producing records. The records requested are not located on-site and needed to be retrieved from the Texas State Library and Archives. The department assigned several personnel to attempt to locate records; however, limited staffing at the Library and Archives made access to the records challenging. Complicating retrieval was the fact that the method by which DSHS stores these records was not compatible with the format for the SAO request. Because these did not match well, retrieval of certain records was difficult.*

*To support more timely retrieval based on the SAO request, the Department will review existing processes and explore options to develop a better retrieval system. As part of modernizing Vital Statistics, there is an existing IT project in development for a digital mailroom that would scan incoming customer applications. This project may also facilitate more timely retrieval. After considering all business needs, available resources, and options, the Department will have a recommendation for a permanent solution and next steps by August 31, 2022.*

*Regarding date of death, the new TxEVER solution was intended to add date of death to the corresponding birth certificate, however, an error in production resulted in this portion of the application failing. This defect was fixed in March 2021 and has now been confirmed as working for records matched in TxEVER. For those records not matched automatically through TxEVER, Vital Statistics has now assigned staff to confirm unmatched records*



*while adjusting this process transferred from HHSC Office of Inspector General (OIG). This manual matching process had been performed by the HHSC OIG, however, this function transferred to Vital Statistics in the fall of 2020. The Department has now taken steps to ensure the date of death is added to the birth certificates of all persons born in Texas who are deceased.*

*Regarding customer notice, the Department had taken steps prior to this audit to address inadequate DSHS staffing that contributed to application backlogs and delayed notification to customers, which were then exacerbated with the statewide implementation of TxEVER in 2019. The 86th Legislature authorized additional staffing to process Vital Statistics applications and improve notification to customers. This audit confirmed the need for that Legislative action.*

*Timely notification to customers improved in 2020; by July 2020, the Department was notifying customers of the status of their amendment applications within 30 business days. The Department reported to the Legislature in August 2020 that this milestone has been met. The revised processes will be documented by August 31, 2021*

*Responsible Manager(s)*

*Vital Statistics Director of Administration*

*Vital Statistics Branch Manager, Reporting and Registration Branch*

*Responsible Party for Providing Status Updates*

*Vital Statistics Section Coordinator*

*Target Implementation Date*

*Target Implementation Dates are included in the responses above, with a final target implementation of August 31, 2022*

## ***The Department Did Not Ensure That Access to TxEVER Was Appropriate, But It Did Implement Certain Controls in TxEVER***

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The Department did not review user access in TxEVER. The Department also did not ensure that: (1) local users with access to TxEVER had the required background check or (2) all users who register births in TxEVER had the required Birth Registrar Certification.

The Department did implement certain controls in TxEVER to help protect birth and death records.

**Chapter 3-A**  
**Rating:**  
**Priority<sup>3</sup>**

Chapter 3-A

### **The Department Did Not Ensure That Access to TxEVER Was Appropriate**

The Department should strengthen controls over its periodic review of TxEVER users, its processes for granting access to TxEVER, and its password controls.

#### **The Department did not review user access in TxEVER.**

**Periodic Review.** The Health and Human Services *Information Security Controls* handbook requires the Department to review user accounts for the TxEVER application at least annually to ensure that access is appropriate. The Department did not perform an annual review from January 2019 through October 2020.

Performing annual user access reviews could help ensure that only qualified users have access to TxEVER.

#### **The Department did not ensure that local users with access to TxEVER had passed the required criminal background check.**

Texas Health and Safety Code, Section 191.071, requires users to pass a fingerprint-based criminal background check to access TxEVER, unless the user must pass a fingerprint-based criminal background check as a condition of licensure by a state agency. However, the Department did not verify that local users had the required background check. Auditors identified 17,430 local users of TxEVER who might not have had a criminal background check. Department data from TxEVER did not denote which of the users may be exempt from the background check as a condition of licensure by a state

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<sup>3</sup> The risk related to the issues discussed in Chapter 3-A is rated as Priority because they present risks or results that if not addressed could critically affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern and reduce risks to the audited entity.

agency. See Figure 2 in Chapter 1 for more information on local users and access to TxEVER.

Verifying completion of criminal background checks before granting access to TxEVER could help ensure that only qualified users have access to birth and death records.

**The Department did not ensure that all users who register births in TxEVER had the required Birth Registrar Certification.**

Texas Administrative Code, Title 25, Section 181.52, requires that all birth registrars have a current Birth Registrar Certification (BRC) from the Department to complete any aspect of the birth registration process. (See text box for more information about birth registrars.) Because births are registered in TxEVER, users are required to have a BRC to access TxEVER and register births. However, the Department did not verify that each birth registrar who used TxEVER had the required BRC.

#### **Birth Registrar**

A person responsible for filing a birth certificate is referred to as a birth registrar. This person can be a physician, midwife, person acting as a midwife, hospital administrator, birthing center administrator, or designee of the appropriate administrator.

Sources: Texas Health and Safety Code, Section 192.003, and Texas Administrative Code, Title 25, Section 181.51.

Requiring that all birth registrars in TxEVER have the BRC before access is granted could help ensure that only certified users can register births in TxEVER.

**The Department had certain weaknesses related to password controls.**

**Password Authentication.** Auditors identified certain weaknesses related to password settings and lock-out duration for the TxEVER and authentication servers. To minimize security risks, auditors communicated details about these issues directly to the Department's management in writing.

## **Recommendations**

The Department should develop and implement processes to ensure that:

- Access to TxEVER is reviewed annually.
- All applicable users with access to TxEVER have the statutorily required criminal background check.
- Only certified birth registrars have access to birth records in TxEVER.
- Password controls comply with Department policy.

## Management's Response

### Statement of Agreement/Disagreement

*Management agrees with this recommendation.*

### Action Plan

*Regarding TxEVER annual user review, the Department will update processes related to annual reviews of TxEVER Access. The first such review was to occur in 2021: one year after the TxEVER implementation project was completed. The Department implemented TxEVER in two waves - January and August 2019. Post-Implementation Review of Business Objectives (PIRBO) was conducted in May 2020 with the TxEVER implementation project formally closing out in June 2020. The first review of TxEVER access is currently underway. Subsequent evaluation of this process should be completed by November 30, 2021.*

*After a lengthy implementation process that included the Department, Health and Human Services Commission, the Department of Public Safety and the Federal Bureau of Investigation, the Department began conducting criminal background checks for new and existing (non-employee) users in September 2020. Because of the volume of users in this category, the Department is engaging in a phased approach so as not to overwhelm the background check process. The Department determined which users would be in each phase based upon a risk analysis. This is an ongoing process. The Department will continue to implement the statutorily required criminal background check for all applicable users with access to TxEVER, periodically reporting on this progress to Department executive management.*

*Regarding access by certified birth registrars, the Department requires a learning management system to train birth registrars and track their certification status. Until 2019, the Department had contracted with an external vendor to host the Birth Registrar Certification. While awaiting a new birth registrar training and tracking system, Vital Statistics staff have provided technical support to birth registrars and annual trainings at the Vital Statistics Regional and Annual Conferences.*

*A replacement learning management system was identified in 2021. The Department is now working toward implementation of this new Birth Registrar Certification to ensure only certified birth registrars have access to birth records in TxEVER. This new Birth Registrar Certification system is expected to be available by December 31, 2022.*

*The Department will, with Health and Human Services Information Technology (HHSC IT) review password settings for Vital Statistics applications.*

*HHS IT Public Health Applications corrected authentication server findings during the SAO audit fieldwork. Public Health Applications will enhance monitoring of existing processes in partnership with VSS Program Area, to assure password controls comply with Department policy.*

*Responsible Manager(s)*

*Vital Statistics Director of Administration*

*Director, Public Health Applications, Health and Human Services Information Technology*

*Responsible Party for Providing Status Updates*

*Vital Statistics Section Coordinator*

*Team Lead, IT Business Office Audit Coordination, Health and Human Services Information Technology*

*Target Implementation Date*

*Target Implementation Dates are included in the responses above, with a final target implementation of December 31, 2022*

**Chapter 3-B  
Rating:  
Low<sup>4</sup>**

Chapter 3-B

**The Department Implemented Certain Controls in TxEVER to Help Protect Birth and Death Records**

**Information Security Controls.** The Department implemented information security controls to protect birth and death records in TxEVER. For example, the Department:

- Had policies and procedures that aligned with requirements in Texas Administrative Code, Title 1, Chapter 202, and the Department of Information Resources' *Security Control Standards Catalog*. These policies are approved by management and periodically reviewed and updated.

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<sup>4</sup> The risk related to the issues discussed in Chapter 3-B is rated as Low because the audit identified strengths that support the audited entity's ability to administer the program(s)/function(s) audited or the issues identified do not present significant risks or effects that would negatively affect the audited entity's ability to effectively administer the program(s)/function(s) audited.

- Designed and implemented cybersecurity controls to assess and monitor vulnerability detection and remediation.
- Appropriately restricted administrative access to TxEVER servers and backed up TxEVER servers daily.
- Developed a comprehensive disaster recovery plan with all required elements.
- Formalized its change management process after June 7, 2019. All eight changes tested were properly documented, authorized, and tested.

**Application Controls for Birth and Death Registration.** The Department has adequate application controls in place over birth and death registration forms in TxEVER. The application controls require (1) double entry of certain data; (2) mandatory entry in certain fields; (3) cross-checks for accuracy of dates; and (4) edit checks for other items such as weeks of gestation, mother's weight, verification of Social Security number, and cause of death. These application controls help provide assurance that birth and death registrations are accurate and complete.

## ***The Department Did Not Monitor Local Registrars to Help Ensure That Birth and Death Records Are Secure or Accurate***

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**Chapter 4  
Rating:  
Priority<sup>5</sup>**

The Department did not monitor local registrars for calendar years 2019 and 2020. The Department stated that its primary focus during 2020 was managing the effects of the COVID-19 pandemic. See Figure 3 in Chapter 1 for more information about local registrars.

The Texas Health and Safety Code requires the Department to provide oversight of local registrars. Department policy calls for oversight of local registrars to be conducted through a risk-based monitoring process.

**The Department did not receive all required self-assessments from local registrars.**

**Local Registrar Self-Assessment.** Texas Health and Safety Code, Section 192.022(g), requires each local registrar to annually submit a self-assessment to the Department. The Department did not receive all local registrar self-assessments. The self-assessment provides a monitoring tool for the Department and provides information about record retention, document storage and security, compliance with statutes and other requirements, and user access controls. See Figure 4 in Chapter 1 for more information about the self-assessment process. Specifically:

- For calendar year 2019, the Department did not receive 123 (36 percent) of 342 self-assessments from local registrars.
- For calendar year 2020, the Department did not receive 76 (22 percent) of 342 self-assessments from local registrars.
- Of those local registrars listed above, 67 did not submit a self-assessment for either 2019 or 2020.

The Department's *Audit of Oversight of Local Registrars* released in June 2017 noted that the local registrar self-assessment was not consistently completed.

Receiving local registrar self-assessments could help ensure that the Department is aware of risks related to birth and death record processing at the local level and help the Department provide appropriate monitoring.

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<sup>5</sup> The risk related to the issues discussed in Chapter 4 is rated as Priority because they present risks or effects that if not addressed could critically affect the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern and reduce risks to the audited entity.

The Department did not conduct any required desk (virtual) or on-site audits for calendar years 2019 and 2020.

**Required Audits of Local Registrars.** The Department is required by its policy to assign risk ratings to local registrars and then conduct desk (virtual) audits for moderate risk local registrars and on-site audits for high risk local registrars. See Figure 4 in Chapter 1 for more information about audits. For calendar years 2019 and 2020, however, the Department did not conduct any required audits of local registrars. The Department stated that its primary focus during 2020 was managing the effects of the COVID-19 pandemic. Specifically:

- For 2019, the Department did not conduct any of the 8 on-site audits or 143 desk audits required by its monitoring policy.
- For 2020, the Department did not conduct any of the 125 on-site audits or 40 desk audits required by its monitoring policy.

The Department's *Audit of Oversight of Local Registrars* released in June 2017 noted that the Department's on-site audit function needed improvement.

Conducting required audits of local registrars could help ensure at the local level that (1) birth and death records are filed timely and accurately, (2) processes and procedures are implemented consistently, and (3) compliance with applicable requirements is maintained.

## **Recommendations**

The Department should develop and implement processes to ensure that:

- All local registrars complete self-assessments.
- All required audits of local registrars are conducted.

## **Management's Response**

### Statement of Agreement/Disagreement

*Management agrees with this recommendation.*

### Action Plan

*The Department will review and consider recommending changes to Texas Administrative Code or other actions to support the statutory requirement for all local registrars to complete self-assessments. By December 31, 2021 the*



*Department will standardize a process for documenting risk ratings of local registrars not submitting a self-assessment.*

*The Vital Statistics Section will conduct required audits of local registrars per Department policy. During 2019, the Department began the process of implementing TxEVER, the current statewide vital events registration system that replaced multiple IT systems. Technical assistance to local registrars during that period focused on training local registrars and other stakeholders to properly use TxEVER. During 2020, all statewide travel was halted because of COVID-19. Many local registrar offices were closed. The Department will resume performing required site visits and audits of local registrars whose offices have re-opened during 2021.*

*Responsible Manager(s)*

*Vital Statistics Branch Manager Reporting and Registration*

*Responsible Party for Providing Status Updates*

*Vital Statistics Section Coordinator*

*Target Implementation Date*

*Target Implementation Dates are included in the responses above, with a final target implementation of December 31, 2021*

# Appendices

Appendix 1

## **Objectives, Scope, and Methodology**

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### **Objectives**

The objectives of this audit were to determine whether the Department of State Health Services (Department):

- Administers birth and death records and provides oversight of local registrars in compliance with applicable requirements.
- Implemented information security controls to help ensure that electronic death and birth records in the Texas Electronic Vital Events Registrar system (TxEVER) are secure.

### **Scope**

The scope of this audit covered the Department's activities related to oversight of local registrars and the registration and issuance of birth and death certificates from January 1, 2019, through October 31, 2020. The scope also included activities related to the amendment of birth and death records from January 1, 2019, through November 19, 2020, and general controls over TxEVER.

In addition, the scope included a review of significant internal control components related to the Department's TxEVER system and administration of birth and death certificates. (See Appendix 3 for more information about internal control components.)

### **Methodology**

The audit methodology included conducting interviews with the Department's management and staff; reviewing statutes, rules, and the Department's policies and procedures; analyzing data related to processes for the registration, issuance, and amendment of vital records; collecting information and evidence on oversight, registration, issuance, and amendment processes; and performing selected tests on the information obtained.

### **Data Reliability and Completeness**

- Auditors obtained data from the Department's TxEVER system related to registration and issuance of birth and death certificates from January 1, 2019, to October 31, 2020, and amendment of birth and death

certificates from January 1, 2019, to November 19, 2020. Auditors (1) performed data analysis, (2) reviewed the query parameters used to extract data, and (3) analyzed general controls over TxEVER. Auditors determined that registration, issuance, and amendment data was sufficiently reliable for the purposes of this audit.

- Auditors assessed the reliability of TxEVER changes that the Department tracked through spreadsheets, IT work tickets, and through Change Approval Board logs. Auditors determined that the population of TxEVER changes was sufficiently reliable for the purposes of this audit.
- Auditors obtained data related to the population of local registrars from the Department's 2019 and 2020 Local Registrar Risk Assessments. Auditors compared the local registrar population to the Department's Local Registrar Master List and determined that the population was sufficiently reliable for the purposes of this audit.

#### **Sampling Methodology**

- Auditors selected a nonstatistical sample of 40 birth or death certificate issuance application requests from a population of 27,242, primarily through random selection. The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.
- Auditors selected a nonstatistical sample of: (1) 25 birth or death certificate issuance application requests from a population of 186,394, (2) 25 stratified authorized corrections to birth or death certificates from a population of 4,740, and (3) 25 stratified birth or death certificate amendment application requests from a population of 367 for testing. This sample was chosen so the samples could be evaluated in the context of the population. The test results may be projected to the population, but the accuracy of the projection cannot be measured.
- Auditors selected nonstatistical samples of 25 birth certificate amendment application requests from a population of 15,357 and 25 death certificate amendment application requests from a population of 7,601, primarily through random selection, for testing. In some cases, auditors selected an additional five amendment application requests for both birth and death certificate testing based on risk. This sampling design was chosen to ensure that the sample would address specific risk factors identified in the population. The test results as reported do not identify which items were randomly selected or selected using professional judgment; therefore, it would not be appropriate to project the test results to the population.

- Auditors selected a nonstatistical sample of 8 TxEVER changes from a population of 26 and 8 monthly inventory reports from a population of 22 monthly reports for testing based on risk. This sample design was chosen to address specific risk factors identified in the population and items were selected because they had a high potential for error. The sample items were generally not representative of the population; therefore, it would not be appropriate to project those test results to the population.

Information collected and reviewed included the following:

- Department policies and procedures.
- Department data from TxEVER related to the registration, issuance, and amendment of birth and death records.
- Supporting documentation for birth and death certificate applications for issuance and amendment requests.
- Risk assessments for local registrars.
- User access data for TxEVER and secure rooms.
- Information technology controls over TxEVER.

Procedures and tests conducted included the following:

- Interviewed the Department's management and staff.
- Analyzed and tested data for registration, issuance, and amendment of birth and death certificates for compliance with applicable statutes, rules, and Department policies.
- Reviewed the Department's monitoring and oversight processes for local registrars.
- Reviewed the Department's inventory processes for birth and death records.
- Tested access to TxEVER and secure rooms that house birth and death records.
- Tested selected general and application controls for TxEVER.
- Tested birth and death certificate issuance and amendment applications to determine if processes followed applicable requirements.

Criteria used included the following:

- Texas Health and Safety Code, Chapters 191, 192, and 193.
- Department of Information Resources' *Security Controls Standards Catalog*, version 1.3.
- Department policies and procedures.
- Texas Administrative Code, Title 25, Chapter 181.
- Texas Administrative Code, Title 1, Chapter 202.

### **Project Information**

Audit fieldwork was conducted from August 2020 through June 2021. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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

- Jerod Heine, MBA (Project Manager)
- Alexander Sumners (Assistant Project Manager)
- Shaun Alvis, JD
- Joe Kozak, CPA, CISA
- Kevin Mack
- Bill Morris, CPA
- Daniel Thu
- Mary Ann Wise, CPA, CFE (Quality Control Reviewer)
- Cesar Saldivar, CFE, CGAP (Audit Manager)

## Issue Rating Classifications and Descriptions

Auditors used professional judgment and rated the audit findings identified in this report. Those issue ratings are summarized in the report chapters/sub-chapters. The issue ratings were determined based on the degree of risk or effect of the findings in relation to the audit objective(s).

In determining the ratings of audit findings, auditors considered factors such as financial impact; potential failure to meet program/function objectives; noncompliance with state statute(s), rules, regulations, and other requirements or criteria; and the inadequacy of the design and/or operating effectiveness of internal controls. In addition, evidence of potential fraud, waste, or abuse; significant control environment issues; and little to no corrective action for issues previously identified could increase the ratings for audit findings. Auditors also identified and considered other factors when appropriate.

Table 2 provides a description of the issue ratings presented in this report.

Table 2

Summary of Issue Ratings	
Issue Rating	Description of Rating
Low	The audit identified strengths that support the audited entity's ability to administer the program(s)/function(s) audited <u>or</u> the issues identified do not present significant risks or effects that would negatively affect the audited entity's ability to effectively administer the program(s)/function(s) audited.
Medium	Issues identified present risks or effects that if not addressed could <u>moderately affect</u> the audited entity's ability to effectively administer the program(s)/function(s) audited. Action is needed to address the noted concern(s) and reduce risks to a more desirable level.
High	Issues identified present risks or effects that if not addressed could <u>substantially affect</u> the audited entity's ability to effectively administer the program(s)/function(s) audited. Prompt action is essential to address the noted concern(s) and reduce risks to the audited entity.
Priority	Issues identified present risks or effects that if not addressed could <u>critically affect</u> the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern(s) and reduce risks to the audited entity.

## Internal Control Components

Internal control is a process used by management to help an entity achieve its objectives. The U.S. Government Accountability Office's *Government Auditing Standards* require auditors to assess internal control when internal control is significant to the audit objectives. The Committee of Sponsoring Organizations of the Treadway Commission (COSO) established a framework for 5 integrated components and 17 principles of internal control, which are listed in Table 3.

Table 3

Internal Control Components and Principles		
Component	Component Description	Principles
Control Environment	The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.	<ul style="list-style-type: none"> <li>▪ The organization demonstrates a commitment to integrity and ethical values.</li> <li>▪ The board of directors demonstrates independence from management and exercises oversight of the development and performance of internal control.</li> <li>▪ Management establishes, with board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.</li> <li>▪ The organization demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives.</li> <li>▪ The organization holds individuals accountable for their internal control responsibilities in the pursuit of objectives.</li> </ul>
Risk Assessment	Risk assessment is the entity's identification and analysis of risks relevant to achievement of its objectives, forming a basis for determining how the risks should be managed.	<ul style="list-style-type: none"> <li>▪ The organization specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.</li> <li>▪ The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.</li> <li>▪ The organization considers the potential for fraud in assessing risks to the achievement of objectives.</li> <li>▪ The organization identifies and assesses changes that could significantly impact the system of internal control.</li> </ul>
Control Activities	Control activities are the policies and procedures that help ensure that management's directives are carried out.	<ul style="list-style-type: none"> <li>▪ The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.</li> <li>▪ The organization selects and develops general control activities over technology to support the achievement of objectives.</li> <li>▪ The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.</li> </ul>

Internal Control Components and Principles		
Component	Component Description	Principles
Information and Communication	Information and communication are the identification, capture, and exchange of information in a form and time frame that enable people to carry out their responsibilities.	<ul style="list-style-type: none"> <li>▪ The organization obtains or generates and uses relevant, quality information to support the functioning of internal control.</li> <li>▪ The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.</li> <li>▪ The organization communicates with external parties regarding matters affecting the functioning of internal control.</li> </ul>
Monitoring Activities	Monitoring is a process that assesses the quality of internal control performance over time.	<ul style="list-style-type: none"> <li>▪ The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.</li> <li>▪ The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.</li> </ul>

Source: Internal Control - Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, May 2013.



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