



MEMORANDUM

TEXAS GENERAL LAND OFFICE • GEORGE P. BUSH • COMMISSIONER

Date: November 7, 2018

To: George P. Bush, Commissioner
Mark Havens, Chief Clerk

From: Tracey Hall, Chief Auditor

Subject: 2018 Annual Report on the Internal Audit, Quality Assurance and Improvement Program

The following report is presented in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing (Standards)* and with Government Auditing Standards (GAGAS), both of which require internal audit divisions to develop and maintain a Quality Assurance and Improvement Program (QAIP) that includes both internal and external assessments of internal audit.

The objective of the internal and external assessments is to evaluate the internal audit activity's conformance with the definition of internal auditing, the *Standards*, and the IIA Code of Ethics. The revised *Standards* (effective January 1, 2017) require the results of these periodic assessments to be communicated to those charged with governance at least annually.

The Office of Internal Audit, for the Texas General Land Office (GLO) and Veterans Land Board (VLB), maintains an ongoing Quality Assurance and Improvement Program and performs ongoing monitoring of the quality of internal audit activities as well as periodic reviews performed through self-assessment and external quality assessment reviews.

This report and the detailed results that follow are intended to satisfy both sets of *Standards* by demonstrating that an internal assessment was performed, listing all the relevant IIA and GAO requirements, and indicating the evidence of compliance with each requirement. The Office of Internal Audit successfully passed its external quality assessment in September of 2018. The Office of Internal Audit will undergo its next external quality assessment in 2021 (*see Appendix for excerpts from the 2018 External Quality Assurance Review*).

If you have questions or comments about this report, please contact me at (512) 463-6078.

DETAILED RESULTS:

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>IIA AS 1300¹, Quality Assurance and Improvement Program</p>	<p>The Chief Audit Executive (CAE, <i>also referred to as the Chief Auditor</i>) must develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity.</p>	<ul style="list-style-type: none"> ▪ The Internal Audit (IA) Policies and Procedures Manual has been developed and maintained on the IA shared drive. It is updated as needed, at a minimum of at least every three years. The most recent revision was conducted in 2018. ▪ A General Audit Program that consists of detailed procedures for ensuring compliance with the <i>Standards</i>, IA policies and procedures, and applicable legal and regulatory requirements are utilized during every audit engagement. ▪ A Quality Control (QC) Reviewer, an auditor external to the project, is assigned to every audit and performs review of all audit work papers to ensure their integrity, compliance, and satisfaction of the <i>Standards</i> and audit objectives. ▪ The Chief Auditor reviews and approves audit objectives, plans, testing programs, and reports for all audit engagements.
<p>IIA AS 1310, Requirements of the Quality Assurance and Improvement Program</p>	<p>The quality assurance and improvement program must include both internal and external assessments.</p>	<ul style="list-style-type: none"> ▪ A QC Reviewer is assigned to every engagement to perform an internal review of all work papers to ensure adherence to the <i>Standards</i> and applicable legal and regulatory requirements. ▪ The Chief Auditor reviews and approves key audit documents and samples of the QC work performed. ▪ An external Quality Assurance Review (QAR)² is obtained every 3 years and performed by peers of the IA function. The QAR was completed in September of 2018.

¹ The International Professional Practices Framework (IPPF, commonly referred to as the Red Book) is the conceptual framework that organizes authoritative guidance promulgated by The Institute of Internal Auditors (IIA). Conformance with The IIA’s *International Standards for the Professional Practice of Internal Auditing* (Standards) is essential in meeting the responsibilities of internal auditors and the internal audit activity. The structure of the *Standards* is divided between Attribute and Performance Standards. Attribute Standards (AS) address the attributes of organizations and individuals performing internal auditing. The Performance Standards (PS) describes the nature of internal auditing and provides quality criteria against which the performance of the services can be measured. The Attribute and Performance Standards are provided to apply to all internal audit services.

² The IIA’s *International Professional Practices Framework* (IPPF), U.S Government Accountability Office (GAO) *Generally Accepted Government Auditing Standards* (GAGAS, commonly referred to as the Yellow Book), and the Texas Internal Audit Act require that IA functions obtain external quality assurance reviews to assess compliance with *Standards* and the Act and to appraise the quality of their operations. Government auditing standards require these reviews at least every three years. A periodic external quality assurance review, or peer review, of the IA function is an essential part of a comprehensive quality assurance program. If the QAR is successfully fulfilled (passed) the Chief Auditor may state that the internal audit activity conforms to the *International Standards for the Professional Practice of Internal Auditing* only if the results of the quality assurance and improvement program support this statement (IIA AS 1321).

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>IIA AS 1311, Internal Assessments</p>	<p>Internal assessments must include:</p> <ul style="list-style-type: none"> ▪ Ongoing monitoring of the performance of the IA activity; and ▪ Periodic self-assessment or assessments by other persons within the organization with sufficient knowledge of internal audit practices 	<ul style="list-style-type: none"> ▪ The QC Reviewer for each audit reviews and signs off on every audit working paper. ▪ The Chief Auditor meets with each audit team weekly to discuss the status of the audit and potential issues. ▪ Time and resources for each audit are tracked by audit phase regarding to planning the audit, performing fieldwork, reporting, and quality control and supervisory review. ▪ Auditors communicate to management through a project status report and with the Chief Auditor on an ongoing basis throughout the audits, identifying work performed and potential audit issues. ▪ The Chief Auditor monitors the status of the Annual Internal Audit Plan and notifies the Deputy Land Commissioner/Chief Clerk of any deviations or recommended changes. ▪ IA has developed performance measures that are prepared quarterly and discussed during team meetings. ▪ At the conclusion of every project, auditors complete a post audit analysis to communicate the quality of ongoing performance and any follow-up action needed to ensure appropriate improvements are implemented within the audit process. ▪ The QC Reviewer for each project reviews all working papers to ensure completeness and compliance with the <i>Standards</i>. ▪ The Chief Auditor reviews key documents, including the audit plan, objectives, audit program, summary memo, and draft report. ▪ The Chief Auditor reviews a sample of work for each audit to ensure the quality of the QC review function.
<p>IIA AS 1312, External Assessments</p>	<p>External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The Chief Audit Executive must discuss with the board:</p> <ul style="list-style-type: none"> • The form and frequency of external assessment; and • The qualifications and independence of the external assessor or assessment team, including any potential conflict of interest. 	<ul style="list-style-type: none"> ▪ The Texas Internal Auditing Act (Act) requires internal auditors to comply with the Act as well as IIA and GAO <i>Standards</i>, including the Code of Ethics. IA follows the more restrictive requirement for external peer reviews, which is every three years. ▪ The engagement letter for the QAR, which is signed by the Deputy Land Commissioner/Chief Clerk, addresses the qualifications and independence of the review team members, including any potential conflicts of interest.

Standard No. & Title	Requirement(s)	Evidence of Compliance
<p>IIA AS 1320, Reporting on the Quality Assurance and Improvement Program</p>	<p>The Chief Audit Executive must communicate the results of the quality assurance and improvement program to senior management and the board. Disclosure should include:</p> <ul style="list-style-type: none"> • The scope and frequency of both the internal and external assessments. • The qualifications and independence of the assessor(s) or assessment team, including potential conflicts of interest. • Conclusions of assessors. • Corrective action plans. 	<ul style="list-style-type: none"> ▪ After the External Quality Assurance Review has been performed, the final report is provided to the Commissioner, the reporting authority of the Chief Auditor, and to the Deputy Land Commissioner/Chief Clerk. The 2018 report was communicated to them in September of 2018 (<i>see Appendix for excerpts from the 2018 External Quality Assurance Review</i>). ▪ An external Quality Assurance Review (QAR) is obtained every 3 years and performed by peers of the IA function. The most recent QAR of GLO-IA was completed in September 2018. IA will undergo its next QAR in 2021. ▪ The Chief Auditor prepares an annual report on the results of the Quality Assurance and Improvement Program (QAIP) which is provided to both the Commissioner and to the Deputy Land Commissioner/Chief Clerk.
<p>IIA AS 1321, Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing”</p>	<p>Indicating that the internal audit activity conforms with the <i>International Standards for the Professional Practice of Internal Auditing</i> is appropriate only if supported by the results of the quality assurance and improvement program.</p>	<ul style="list-style-type: none"> ▪ The IA activities conform with the Code of Ethics and the <i>Standards</i>. ▪ The results of the quality assurance and improvement program include the results of both internal and external assessments (<i>see Standard No. IIA AS 1320 above for details</i>).

Standard No. & Title	Requirement(s)	Evidence of Compliance
GAGAS 3.82³, Quality Control and Assurance	<p>Each audit organization performing audits or attestation engagements in accordance with GAGAS must:</p> <ul style="list-style-type: none"> a. Establish and maintain a system of quality control that is designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements, and b. Have an external peer review performed by reviewers independent of the audit organization being reviewed at least once every 3 years. 	<ul style="list-style-type: none"> ▪ The Chief Auditor has established a system of quality control designed to provide reasonable assurance of compliance with the Standards, and legal and regulatory requirements (<i>see Standard No. IIA AS 1300 on a previous page for details</i>). ▪ An external Quality Assurance Review (QAR) is obtained every 3 years and performed by peers of the IA function. The QAR was completed in September of 2018. IA will undergo its next QAR in 2021.

³ The International Professional Practices Framework (IPPF, commonly referred to as the Red Book) is the conceptual framework that organizes authoritative guidance promulgated by The Institute of Internal Auditors (IIA). Conformance with The IIA's *International Standards for the Professional Practice of Internal Auditing* (Standards) is essential in meeting the responsibilities of internal auditors and the internal audit activity. The structure of the *Standards* is divided between Attribute and Performance Standards. Attribute Standards (AS) address the attributes of organizations and individuals performing internal auditing. The Performance Standards (PS) describes the nature of internal auditing and provides quality criteria against which the performance of the services can be measured. The Attribute and Performance Standards are provided to apply to all internal audit services.

Standard No. & Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.83, System of Quality Control</p>	<p>An audit organization’s system of quality control encompasses the audit organization’s leadership, emphasis on performing high quality work, and the organization’s policies and procedures designed to provide reasonable assurance of complying with professional standards and applicable legal and regulatory requirements. The nature, extent, and formality of an audit organization’s quality control system will vary based on the audit organization’s circumstances, such as the audit organization’s size, number of offices and geographic dispersion, knowledge and experience of its personnel, nature and complexity of its audit work, and cost-benefit considerations.</p>	<ul style="list-style-type: none"> ▪ The Chief Auditor has established a system of quality control designed to provide reasonable assurance of compliance with the <i>Standards</i>, and legal and regulatory requirements (<i>See Standard No. IIA AS 1300 for details</i>). ▪ An external Quality Assurance Review (QAR) is obtained every 3 years and performed by peers of the IA function. The QAR was completed in September of 2018. IA will undergo its next QAR in 2021.
<p>GAGAS 3.84, System of Quality Control</p>	<p>Each audit organization should document its quality control policies and procedures and communicate those policies and procedures to its personnel. The audit organization should document compliance with its quality control policies and procedures and maintain such documentation for a period of time sufficient to enable those performing monitoring procedures and peer reviews to evaluate the extent of the audit organization’s compliance with its quality control policies and procedures. The form and content of such documentation are a matter of professional judgment and will vary based on the audit organization’s circumstances.</p>	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual includes sections on: <ul style="list-style-type: none"> ✓ Laws and regulations that IA is required to follow ✓ Internal Auditing <i>Standards</i> (IIA and GAO, including the Code of Ethics) ✓ Working Paper Standards ✓ Standards of Conduct ✓ Independence and Objectivity ✓ Conflict of Interest ✓ Confidentiality ▪ Each year IA completes an assessment of its quality assurance and improvement program (QAIP). The resulting report is provided to Executive Management. ▪ Each IA employee must sign an Independence Form annually, which addresses actual and potential conflicts of interest. ▪ The General Audit Program used for every audit requires each auditor to assess and report on any actual or potential independence issues.

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.85, System of Quality Control</p>	<p>An audit organization should establish policies and procedures in its system of quality control that collectively address:</p> <ul style="list-style-type: none"> a. Leadership responsibilities for quality within the audit organization, b. Independence, legal, and ethical requirements, c. Initiation, acceptance, and continuance of audits, d. Human resources, e. Audit performance, documentation, and reporting; and f. Monitoring of quality 	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual includes a section on training which specifies that internal auditors should enhance their knowledge, skills, and other competencies through continuing professional development and staying abreast of improvements and developments on internal auditing standards, procedures, and techniques. ▪ Training requirements are addressed on each auditor’s annual performance evaluation. ▪ The General Audit Program used for every audit requires each auditor to assess and report any actual or potential independence issues. ▪ The IA Policies and Procedures Manual section on the IA Quality Assurance and Improvement Program details many of the components that help ensure auditors perform quality work and specifies that the QC Reviewer and the Chief Auditor monitor the quality of their work.
<p>GAGAS 3.86, Leadership Responsibilities for Quality within the Audit Organization</p>	<p>Audit organizations should establish policies and procedures on leadership responsibilities for quality within the audit organization that include the designation of responsibility for quality of audits performed in accordance with GAGAS and communication of policies and procedures relating to quality. Appropriate policies and communications encourage a culture that recognizes that quality is essential in performing GAGAS audits and that leadership of the audit organization is ultimately responsible for the system of quality control.</p>	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual provides detailed information about how to perform and document audit planning, fieldwork, and reporting. ▪ The IA shared drive and TeamMate Team Store contain many forms and templates for internal auditors to use to help ensure engagements are performed in accordance with the <i>Standards</i>, and legal and regulatory requirements.

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.87, Leadership Responsibilities for Quality within the Audit Organization</p>	<p>The audit organization should establish policies and procedures designed to provide it with the reasonable assurance that those assigned operational responsibility for the audit organization’s system of quality control have sufficient and appropriate experience and ability, and the necessary authority, to assume that responsibility.</p>	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual specifies that it is a goal of the Chief Auditor that all members strive to attain an appropriate certification, such as Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Fraud Examiner (CFE) or Certified Government Auditing Professional (CGAP). ▪ All IA personnel have relevant degrees and/or professional certifications.
<p>GAGAS 3.88, Independence, Legal, and Ethical Requirements</p>	<p>Audit organizations should establish policies and procedures on independence, legal, and ethical requirements that are designed to provide reasonable assurance that the audit organization and its personnel maintain independence and comply with applicable legal and ethical requirements. Such policies and procedures assist the audit organization to:</p> <ol style="list-style-type: none"> a. Communicate its independence requirements to its staff, and b. Identify and evaluate circumstances and relationships that create threats to independence and take appropriate action to eliminate those threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, withdraw from the audit where withdrawal is not prohibited by law or regulation. 	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual section on the IA Quality Assurance and Improvement Program details many of the components that help ensure auditors perform quality work and specifies that the QC Reviewer and the Chief Auditor monitor the quality of their work. ▪ All internal auditors are required to complete annual independence statements that include any possible impairment to their independence regarding any auditable program of the agency. ▪ The Chief Auditor considers any potential conflicts of interest in determining audit assignments.

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.89, Initiation, Acceptance and Continuance of Audits</p>	<p>The audit organization should establish policies and procedures for the initiation, acceptance, and continuance of audits that are designed to provide reasonable assurance that the audit organization will undertake audits only if it can comply with professional standards, legal requirements, and ethical principles and is acting within the legal mandate or authority of the audit organization.</p>	<ul style="list-style-type: none"> ▪ IA ensures current policies and procedures for the initiation, acceptance and continuance of audits are designed to provide reasonable assurance that the IA function will continually conduct only audits in which it can ensure compliance with professional standards, legal requirements, and ethical principles and that it is acting within the legal mandate or authority of the audit organization. ▪ As such, the IA function performs an extensive risk assessment process of the agency programs annually in order to select relevant audits that add value to the agency having been identified by areas of potential risk. IA has developed and maintained an IA Policies and Procedures Manual. All internal auditors have relevant degrees and professional certifications, and every audit requires each auditor to assess and report on any actual or potential independence issues. The Chief Auditor considers any potential conflicts of interest in determining audit assignments. Additionally, a Quality Control (QC) Reviewer, an auditor external to the project, is assigned to every audit and performs review of all audit work papers to ensure their integrity, compliance, and satisfaction to the <i>Standards</i> and audit objectives.
<p>GAGAS 3.90, Human Resources</p>	<p>Audit Organizations should establish policies and procedures for human resources that are designed to provide the audit organization with reasonable assurance that it has personnel with the capabilities and competence to perform its audits in accordance with professional standards and legal and regulatory requirements.</p>	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual specifies that it is the goal of the Chief Auditor that all members strive to attain an appropriate certification, such as Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Fraud Examiner (CFE), or Certified Government Auditing Professional (CGAP). ▪ All IA personnel have relevant degrees and/or professional certifications.
<p>GAGAS 3.91, Audit Performance, Documentation, and Reporting</p>	<p>Audit organizations should establish policies and procedures for audit performance, documentation, and reporting that are designed to provide the audit organization with reasonable assurance that audits are performed, and reports are issued in accordance with professional standards and legal and regulatory requirements.</p>	<ul style="list-style-type: none"> ▪ The IA Policies and Procedures Manual includes requirements for work papers, documentation and reporting. ▪ Audits are reviewed at each stage of the audit, and the audit report is approved by the Chief Auditor prior to release.

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.92, Audit Performance, Documentation, and Reporting</p>	<p>When performing GAGAS audits, audit organizations should have policies and procedures for the safe custody and retention of audit documentation for a time sufficient to satisfy legal, regulatory, and administrative requirements for records retention. Whether audit documentation is in paper, electronic, or other media, the integrity, accessibility, and retrievability of the underlying information could be compromised if the documentation is altered, added to, or deleted without the auditors' knowledge, or if the documentation is lost or damaged. For audit documentation that is retained electronically, the audit organization should establish effective information systems controls concerning accessing and updating the audit documentation.</p>	<ul style="list-style-type: none"> ▪ All work papers are produced electronically in the TeamMate Audit Management System (TeamMate). The software provides an audit trail for every document and access to each audit is restricted. ▪ All other audit documents are maintained either on the restricted network or in locked file cabinets. ▪ IA conducts an annual assessment of its files to ensure compliance with agency records retention requirements.
<p>GAGAS 3.93, Monitoring of Quality</p>	<p>Audit organizations should establish policies and procedures for monitoring of quality in the audit organization. Monitoring of quality is an ongoing, periodic assessment of work completed on audits designed to provide management of the audit organization with reasonable assurance that the policies and procedures related to the system of quality control are suitably designed and operating effectively in practice. The purpose of monitoring compliance with quality control policies and procedures is to provide an evaluation of whether the:</p> <ol style="list-style-type: none"> a. Professional standards and legal and regulatory requirements have been followed, b. Quality control system has been appropriately designed, and c. Quality control policies and procedures are operating effectively and complied with in practice. 	<ul style="list-style-type: none"> ▪ The IA function has policies and procedures that ensure the continued monitoring of quality within the work performed by the IA function. ▪ This analysis (Annual Report on the QAIP) constitutes the annual quality assessment. ▪ An external Quality Assurance Review (QAR) is obtained every 3 years and performed by peers of the IA function. The QAR was completed in September of 2018. IA will undergo its next QAR in 2021.

Standard No. and Title	Requirement(s)	Evidence of Compliance
<p>GAGAS 3.94, Monitoring of Quality</p>	<p>Monitoring procedures will vary based on the audit organization’s facts and circumstances. The audit organization should perform monitoring procedures that enable it to assess compliance with applicable professional standards and quality control policies and procedures for GAGAS audits. Individuals performing monitoring should collectively have sufficient expertise and authority for this role.</p>	<ul style="list-style-type: none"> ▪ The IA function has policies and procedures that ensure the continued monitoring of quality within the work performed by the IA function. ▪ This analysis (Annual QAIP report) constitutes the annual quality assessment. ▪ An external Quality Assurance Review (QAR) is obtained every 3 years and performed by peers of the IA function. The QAR was completed in September of 2018. IA will undergo its next QAR in 2021. ▪ The IA Policies and Procedures Manual specifies that it is the goal of the Chief Auditor that all members strive to attain an appropriate certification, such as Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Fraud Examiner (CFE) and/or Certified Government Auditing Professional (CGAP). ▪ All internal auditors have relevant degrees and professional certifications.
<p>GAGAS 3.95, Monitoring of Quality</p>	<p>The audit organization should analyze and summarize the results of its monitoring process at least annually, with identification of any systemic or repetitive issues needing improvement, along with recommendations for corrective action. The audit organization should communicate to appropriate personnel any deficiencies noted during the monitoring process and make recommendations for appropriate remedial action.</p>	<ul style="list-style-type: none"> ▪ The IA function has policies and procedures that ensure the continued monitoring of quality within the work performed by the IA function. ▪ This analysis (Annual Report on the QAIP) constitutes the annual quality assessment.

APPENDIX:

Excerpts of the 2018 External Quality Assurance Review of the Texas General Land Office, Office of Internal Audit

Report on the External Quality Assurance Review of the
Texas General Land Office
Internal Audit Office

September 2018



Performed by
Dale Hernandez
Director of Internal Audit
Texas State Preservation Board

Sandra Menjivar-Suddeath
Director of Internal Audit
Texas Department of Motor Vehicles

Performed in Accordance with the
State Agency Internal Audit Forum
Peer Review Policies and Procedures

Texas General Land Office Internal Audit Office
External Quality Assurance Review – September 2018

Overall Opinion

Based on the information received and evaluated during this external quality assurance review, it is our opinion that the Texas General Land Office Internal Audit Office (Office) receives a rating of **"Pass/Generally Conforms"** and is in compliance with the Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics, the United States Government Accountability Office (GAO) *Government Auditing Standards*, and the Texas Internal Auditing Act (Texas Government Code, Chapter 2102). This opinion, which is the highest of the three possible ratings, means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function.

We found that the Internal Audit Office is independent, objective, and able to render impartial and unbiased judgments on the audit work performed. The staff members are qualified, proficient, and knowledgeable in the areas they audit. Individual audit projects are planned using risk assessment techniques; audit conclusions are supported in the working papers; and findings and recommendations are communicated clearly and concisely.

The Internal Audit Office is well managed internally. In addition, the Office has effective relationships with the Texas Land Commissioner and Chief Clerk and is well respected and supported by management. Surveys and interviews conducted during the quality assurance review indicate that management considers Internal Audit a useful part of the overall agency operations and finds that the audit process and report recommendations add value and help improve the agency's operations.

The Internal Audit Office has reviewed the results of the peer review team's work and has accepted them to be an accurate representation of the Office's operations.

Acknowledgements

We appreciate the courtesy and cooperation extended to us by the Chief Auditor, Internal Audit staff, the Texas Land Commissioner, the Chief Clerk, and the senior managers who participated in the interview process. We would also like to thank each person who completed surveys for the quality assurance review. The feedback from the surveys and the interviews provided valuable information regarding the operations of the Internal Audit Office and its relationship with management.



Dale Hernandez
Director of Internal Audit
Texas State Preservation Board
SAIAF Peer Review Team
Leader



Sandra Menjivar-Suddeath
Director of Internal Audit
Texas Department of Motor Vehicles
SAIAF Peer Review Team Member

9/26/18
Date

9/26/18
Date



Internal Audit Office of the
Texas General Land Office
receives a rating of

“Pass”

In compliance with the Institute of Internal Auditors' International Professional Practices Framework, Government Auditing Standards, and the Texas Internal Auditing Act.

This opinion is based on a quality assessment review conducted by members of the Texas State Agency Internal Audit Forum (SAIAF) and completed September 2018.

The review was based on the methodology developed by the Texas State Agency Internal Audit Forum.

A handwritten signature in black ink, appearing to read "Dale Hernandez", written over a horizontal line.

*Dale Hernandez, CIA, CFE, CGAP, CCSA
Internal Audit Director
Texas State Preservation Board*

A handwritten signature in black ink, appearing to read "Sandra Menjivar-Suddeath", written over a horizontal line.

*Sandra Menjivar-Suddeath, CISA, CIA
Internal Audit Director
Texas Department of Motor Vehicles*