



An Audit Report on

Offboarding Processes at the Texas Historical Commission

- The Commission did not have effective practices for securing its buildings and sites from separated employees.
- The Commission disabled access to its systems for separated employees and accounted for most of the assets assigned to separated employees.

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

The Texas Historical Commission (Commission) established offboarding processes for separating employees. While most assets assigned to employees were accounted for after separation, the Commission did not consistently follow the processes for offboarding employees, allowing some employees access to building and information systems after they left employment.

• *Audit Objective | p. 11*

This audit was conducted in accordance with Texas Government Code, Sections 321.013 and 321.0132.

HIGH



TERMINATING ACCESS TO PHYSICAL LOCATIONS

The Commission did not have effective processes for tracking access to buildings. Without such practices in place the Commission cannot be sure that buildings are secure.

[Chapter 1 | p. 3](#)

MEDIUM



DISABLING OF SYSTEM ACCESS

The Commission disabled access to its systems for the majority of separated employees and all separated contractors. It should update its processes to ensure that accounts are disabled within the required timeframe and that user access reviews are effective.

[Chapter 2 | p. 7](#)

MEDIUM



RETURN OF STATE ASSETS

While the Commission obtained the majority of assigned state assets from separated individuals, it should follow its processes more consistently to ensure that assets are returned.

[Chapter 3 | p. 9](#)

For more information about this audit, contact Audit Manager Hillary Eckford or State Auditor Lisa Collier at 512-936-9500.

November 2025 | Report No. 26-007

Summary of Management's Response

Auditors made recommendations to address the issues identified during this audit, provided at the end of each chapter in this report. The Commission agreed with the recommendations.

Ratings Definitions

Auditors used professional judgment and rated the audit findings identified in this report. The issue ratings identified for each chapter were determined based on the degree of risk or effect of the findings in relation to the audit objective(s).

PRIORITY: 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(s) and reduce risks to the audited entity.

HIGH: 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(s) and reduce risks to the audited entity.

MEDIUM: 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(s) and reduce risks to a more desirable level.

LOW: 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.

For more on the methodology for issue ratings, see [Report Ratings](#) in Appendix 1.



Chapter 1

HIGH

Terminating Access to Physical Locations

The Texas Historical Commission (Commission) did not have effective practices for securing buildings from separated employees. Specifically, the Commission:

- Did not sufficiently track keys assigned to employees and, therefore, could not verify that all keys were returned upon separation.
- Did not consistently confirm access badges were returned and disabled.
- Did not track who received keypad access codes or establish rules for updating the codes based on separations.

Not effectively tracking physical access granted to employees and not restricting or disabling that access for separating employees limits the Commission's ability to secure its assets and protect Texas' historic resources (see Figure 1).

Figure 1

The Historical Commission controls access to 43 different locations:



Access **badges** used for **5** office buildings in Austin.



Keys used for **24** historic sites.



Door access codes used for **5** historic buildings.



Both keys and door access codes used for **9** historic sites.

Source: The Commission.

The Commission did not effectively track physical access assigned to employees to ensure that it was appropriately restricted after separation.

Keys. The Commission did not follow its processes to track keys assigned to employees and verify that those keys were returned upon separation. Of 9 former employees who would have received keys due to their positions, the Commission could not support that 7 (78 percent) of the employees returned all keys upon separation.

The Commission created a Key Assignment Form for supervisors to document both the assignment and return of keys. However, the Commission did not enforce the use of this form. Rather than consistently documenting key assignments and returns, Commission supervisors instead relied on their own practices. This resulted in incomplete and inconsistent tracking of keys that allow access to many of the Commission's historic sites and buildings.

Access Badges. The Commission could not locate or otherwise account for the access badges for 5 (31 percent) of 16 separated employees and 1 (33 percent) of 3 separated contractors who were assigned access badges. Four of those 6 badges were still active as of July 2025, which was 11 to 19 months after those employees separated. The Commission's process required the return of access badges to be verified using an offboarding checklist, which employees were asked to complete and human resources to verify. In addition, the Commission was to notify the Texas Facilities Commission that the badges should be deactivated. However, the checklist was not completed for 8 (50 percent) of the 16 separated employees tested, including the 5 employees noted above. The Commission asserted that it had notified the Texas Facilities Commission to deactivate the badges but it did not document that notification.

Door Access Codes. The Commission did not have processes to track who had door access codes to buildings and when those access codes should be changed after an employee separation. The policy in place during the audit left changes to door access codes to the discretion of the division director associated with the building and did not provide guidance on updating those codes in response to employee separation.

Without effectively tracking the physical access granted to employees, the Commission cannot be sure that access is fully removed after an employee's separation. This increases the risk of unauthorized access and damage or theft at historical sites. Updating its processes to strengthen the tracking of who has what type of access and documenting the keys and badges that employees return upon separation would help the Commission secure its assets and buildings.

Recommendations

The Commission should:

- Consistently document key assignments and returns.
- Verify the return and deactivation of access badges assigned to separating employees.
- Create processes to document and track who has door access codes and establish criteria for when codes should be changed upon an employee's separation.

Management's Response

THC concurs with this recommendation and is committed to strengthening physical access controls through the implementation of consistent, agency-wide procedures for tracking and removing access following employee separations. To address the audit issues, the agency will develop a comprehensive policy and standard documentation that outline clear roles, responsibilities, and workflows for managing physical access. THC will enforce the use of standardized documentation to record key assignments and returns, revise the offboarding process to ensure that access badges are collected and promptly deactivated, and establish formal protocols for tracking door access codes, including clear criteria for when codes must be updated upon separation. These measures will ensure a robust, auditable process and promote reliable compliance across the agency.

All related documentation will be centralized within the Human Resources, Risk and Safety teams. Responsibilities will be clearly communicated to supervisors, and monitoring measures will be instituted to verify that established procedures are followed consistently. In addition, periodic audits will be conducted to ensure success and compliance with the developed procedures and documentation. These actions will significantly enhance THC's ability to safeguard its facilities, assets, and resources.

Responsible Party: Human Resources

Estimated Completion Date: June 30, 2026

MEDIUM

Chapter 2

Disabling of System Access

The Commission removed access to its systems for its separated staff. However, the Commission did not have effective processes to notify the Information Technology (IT) department of an employee's last day of employment, increasing the risk that separated employees had access after offboarding. Additionally, the Commission should strengthen user access reviews to verify that all separated staff have been removed from its systems.

The Commission disabled system access for separated employees; however, its process did not effectively ensure that access was disabled in the required timeframe.

The Commission deleted system access for 106 (99 percent) of 107 employees and all 13 contractors offboarded between September 1, 2023, and June 30, 2025.

According to the Commission's policies and the Department of Information Resources' *Security Control Standards Catalog*, system access should be terminated at the time of an employee's separation. While the Commission removed the access for the offboarded employees, the Commission notified its IT department, which is responsible for disabling system access, from 1 to 47 days after the last day of employment for 21 (95 percent) of the 22 separated employees tested. If IT is not informed of a separation prior to the last day of employment, there is a risk that the account will remain active after the employee has left the Commission.

For the 1 separated employee who was identified with system access, IT received an offboarding notification; however, access remained active for 357 days after offboarding. IT subsequently removed access as a result of this audit. IT conducted quarterly reviews of accounts that had access to its systems, but the reviewers did not identify that a former employee retained access.

Recommendations

The Commission should:

- Update its process to inform the Information Technology department of separations before the last day of employment to help ensure that access is disabled at the time of separation.
- Improve its quarterly access review process to ensure that access is limited to authorized Commission staff.

Management's Response

THC concurs with this recommendation and will implement enhanced procedures for terminating system access. Specifically, THC will ensure that the Information Technology department receives prompt and advance notification of employee separations, prior to departing employees' final day of work. To achieve this, THC will revise the offboarding process, establish explicit communication protocols for supervisors and Human Resources, and implement comprehensive controls to verify that separation notifications are consistently and proactively provided to Information Technology. These actions will help facilitate timely deactivation of system access and reduce security risks associated with delayed account termination.

Furthermore, THC is committed to strengthening the quarterly user access review process to ensure access remains limited to authorized personnel. This will be accomplished by refining review procedures, enhancing the quality and consistency of supporting documentation, and instituting robust monitoring mechanisms. THC will verify that accounts belonging to separated employees are systematically identified and removed in an expedient manner. These improvements will promote accountability, safeguard sensitive information, and ensure compliance with agency policies and regulatory requirements.

Responsible Party: Information Technology

Estimated Completion Date: June 30, 2026

MEDIUM

Chapter 3

Return of State Assets

The Commission had processes for tracking whether separating employees returned state assets, such as computers and cell phones. The Commission also ensured that the separating employees and separating contractor employees tested returned most of the state assets assigned to them.

The Commission obtained the majority of assigned state assets from separated individuals.

The Commission had developed an offboarding checklist and a Departing Employee Computer Form to help it document the return of state assets from separating employees. While the Commission did not always complete that documentation, it could account for the assigned state assets, including computers and cell phones, for 20 (91 percent) of 22 employees tested who were offboarded from September 2023 through June 2025. In addition, it received the assigned assets from all eight¹ contractor employees who separated during that time.

The Commission could not account for two computers assigned to separated employees.

The Commission asserted that the two employees returned both computers, which were subsequently sent to surplus. It documented the return of one computer on its Departing Employee Computer Form, but it did not have documentation showing that the computer was sent to surplus. The remaining missing computer was not documented.

¹ Of the 13 contractors separated from September 2023 through June 2025, 5 were not assigned assets.

Recommendations

The Commission should:

- Consistently document the return of assets by separating employees.
- Document all state assets sent to surplus.

Management's Response

THC concurs with this recommendation and is committed to reinforcing our asset management and tracking protocols. To that end, THC will implement comprehensive procedures to ensure the consistent and thorough documentation of all state assets returned by separating employees and contractors. Specifically, THC will mandate the use of an offboarding checklist and the Departing Employee Computer Form. Supervisors and Information Technology staff will be required to complete and submit these forms as part of the offboarding process, and a verification step will be introduced to confirm that all assigned assets are properly accounted for and returned at the time of separation.

To further enhance accountability, THC will formalize and standardize the procedures for recording and tracking assets transferred to surplus. This will include the development of clear guidelines for surplus documentation, ensuring that all items designated for surplus are accurately logged, tracked, and reconciled with state requirements. Lastly, THC will institute a quarterly review process to evaluate the effectiveness and efficiency of these asset management controls.

Responsible Parties: Information Technology and Finance and Accounting

Estimated Completion Date: June 30, 2026



Appendix 1

Objective, Scope, and Methodology

Objective

The objective of this audit was to determine whether the Texas Historical Commission (Commission) had processes and related controls for offboarding personnel in accordance with applicable requirements.

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



- Anna Howe, CIA, CFE
(Project Manager)
- Brady Bennett, MBA, CFE, CGAP
(Assistant Project Manager)
- Matthew Fox
- Isaiah Sanchez Orozco
- Josh Tsao
- Robert G. Kiker, CFE, CGAP
(Quality Control Reviewer)
- Hilary Eckford, CIA, CFE
(Audit Manager)

Scope

The scope of this audit includes the Commission's offboarding processes related to (1) terminating access to information technology resources and physical locations and (2) the collection of state-owned property for separated employees/external parties from September 2023 through June 2025.

The scope also included a review of significant internal controls related to offboarding processes at the Commission.

Methodology

We conducted this performance audit from June 2025 through October 2025 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. In addition, during the audit, matters not required to be reported in accordance with *Government Auditing Standards* were communicated to Commission management for consideration.

Addressing the Audit Objective

During the audit, we performed the following:

- Interviewed Commission staff to gain an understanding of employee and contractor offboarding processes, including the internal controls and information that support those processes.
- Identified the relevant criteria:
 - Commission offboarding policies and procedures effective from September 2023 through June 2025.
 - Texas Administrative Code, Title 1, Chapter 202.
 - The Department of Information Resources' *Security Control Standards Catalog*, version 2.1.
- Performed data analysis to determine whether network access termination processes were completed.
- Tested all separated contractors to determine whether the Commission complied with its policies and procedures and applicable regulations for returning state assets, restricting physical access to separated staff, and disabling information technology.
- Tested a nonstatistical random sample of 22 of 107 separated employees to determine whether the Commission complied with the applicable requirements. The method of sampling for separated employees was chosen to ensure that each employee had an equal

chance of being selected. The test results may be projected to the population, but the accuracy of the projection cannot be measured.

Data Reliability and Completeness

To determine data reliability and completeness, auditors (1) observed each extraction of requested data populations, (2) reviewed the data query for the population of separated contractors, and (3) analyzed each of the populations for reasonableness and completeness.

Auditors determined that the following data sets were sufficiently reliable for the purposes of the audit:

- Population of separated Commission employees between September 1, 2023, and June 30, 2025.
- Population of separated contracted employees between September 1, 2023, and June 30, 2025.
- List of Commission system users.

Report Ratings

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.

Appendix 2

Related State Auditor’s Office Reports

Figure 2

Report Number	Report Name	Release Date
25-038	<i>An Audit Report on Offboarding Processes at Selected State Agencies</i>	August 2025



Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable Dan Patrick, Lieutenant Governor, Joint Chair

The Honorable Dustin Burrows, Speaker of the House, Joint Chair

The Honorable Joan Huffman, Senate Finance Committee

The Honorable Robert Nichols, Member, Texas Senate

The Honorable Greg Bonnen, House Appropriations Committee

The Honorable Morgan Meyer, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, Governor

Texas Historical Commission

Members of the Texas Historical Commission

Mr. Joseph Bell, Executive Director



This document is not copyrighted. Readers may make additional copies of this report as needed. In addition, most State Auditor's Office reports may be downloaded from our website: <https://sao.texas.gov>.

In compliance with the Americans with Disabilities Act, this document may also be requested in alternative formats. To do so, contact our report request line at (512) 936-9500 (Voice), (512) 936-9400 (FAX), or 1-800-RELAY-TX (TDD); or visit the Robert E. Johnson Building, 1501 North Congress Avenue, Suite 4.224, Austin, Texas 78701.

The State Auditor's Office is an equal opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, age, or disability in employment or in the provision of services, programs, or activities.

To report waste, fraud, or abuse in state government, visit <https://sao.fraud.texas.gov>.