Legislative Requirement:

An Efficiency Audit of the Texas Education Agency

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

October 26, 2026

Members of the Legislative Audit Committee:

The State Auditor's Office contracted with Baker Tilly US, LLP (Baker Tilly) to conduct an efficiency audit of the Texas Education Agency (Agency), as required by Texas Government Code, Section 327.002. Texas Government Code, Section 327.003, allows the State Auditor's Office to contract with an external auditor to conduct these audits.

Baker Tilly identified inefficiencies in grants management and operations and administration. Specifically:

- **Grants Management**
  - The Agency has not established agency-wide minimum requirements for monitoring state-funded grants, resulting in inconsistent monitoring, increased administrative effort, and limited ability to leverage common practices and to target monitoring resources.
  - The Agency's grant administration processes rely on multiple systems and manual workarounds, increasing administrative effort and limiting visibility into process performance.

The identified grant management inefficiencies are consistent with the State Auditor's Office's August 2026 report, *An Audit of the Texas Education Agency* (SAO Report No. 26-034). That audit determined the Agency monitored state-funded grants, but the level of monitoring was inconsistent across grant programs.

- **Operations and Administration**
  - The Agency's complaint and investigation activities rely on fragmented systems and decentralized processes, and non-jurisdictional complaints require more staff time for intake, documentation, and legal review than may be needed.
  - The Agency's instructional materials processes were not effectively designed, which resulted in manual effort and contributed to errors that required about $4.8 million in correction and disposal costs through August 31, 2026.
  - Data limitations prevent the Agency from reliably measuring and evaluating hiring timelines.
  - Agency-wide technology portfolio management processes are still maturing, limiting the Agency's ability to efficiently manage its software environment and identify opportunities to consolidate or retire technologies.

For more information about this audit, contact Assistant State Auditor Becky Beachy or State Auditor Lisa Collier at 512-936-9500.

Report No. **27-016**

Baker Tilly did not identify any duplication, overlap, or conflict with other state agencies or misalignment between the Agency's rules in the Texas Administrative Code and its statutory authority and mission.

The Agency provided an implementation plan, which is presented in Appendix A in the attached report. Overall, the Agency agreed to implement Baker Tilly's recommendations.

Sincerely,

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

cc: The Honorable Greg Abbott, Governor
Mr. Mike Morath, Commissioner of Education

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), 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.

bakertilly

FINAL REPORT

Texas State Auditor's Office

Texas Education Agency Efficiency Audit

October 2026

Baker Tilly US, LLP
901 S MoPac Expressway, Suite 100
Austin, TX 78746



Table of Contents

1. Executive Summary **1**

A. Introduction 1

B. Summary of Inefficiencies 1

2. Background **3**

3. Inefficiencies and Recommendations **4**

A. Grants Management 4

B. Operations and Administration 8

4. Objectives, Scope, and Methodology **18**

A. Objectives 18

B. Scope 18

C. Methodology 18

D. Statement of Compliance with GAGAS 19

Appendix A – Management Responses **20**

1. Executive Summary

A. Introduction

The objective of this audit was to determine whether the Texas Education Agency (TEA) administers selected state resources in an efficient manner according to best practices and applicable requirements. Based on the risk-based procedures performed, the audit identified opportunities for TEA to improve the efficient administration of state resources in areas related to grants, complaints and investigations, instructional materials, hiring processes, and technology governance. Inefficiencies and recommendations are summarized below, grouped into two focus areas: (1) Grants Management and (2) Operations and Administration. They are also detailed in further depth in Section 3. Management responses are included in Appendix A.

Auditors did not identify any duplication, overlap, or conflict with other state agencies or misalignment between the TEA rules in the Texas Administrative Code and its statutory authority and mission.

B. Summary of Inefficiencies

Seven inefficiencies across two focus areas

	Grants Management
1	**State Grant Monitoring:** TEA has not established agency-wide minimum requirements for monitoring state-funded grants, resulting in inconsistent monitoring, increased administrative effort, and limited ability to leverage common practices and target monitoring resources.
2	**Grants Systems:** Grant administration processes rely on multiple systems and manual workarounds, increasing administrative effort and limiting visibility into process performance.
	Operations and Administration
3	**Complaint Management:** Complaint and investigation activities rely on fragmented systems and decentralized processes, increasing administrative effort and limiting agency-wide visibility.
4	**Non-Jurisdictional Complaints:** When determining whether a complaint is within its jurisdiction, TEA uses the same process regardless of the complexity of the determination. This increases staff effort required to process complaints.

5	**Instructional Materials:** Instructional materials processes were not initially designed for the volume, complexity, and iterative nature of the work, resulting in manual effort and contributing to errors that required approximately $4.8 million in correction and disposal costs through August 31, 2026.
6	**Hiring Processes:** Staff reported that TEA's hiring process can be slow, and available data indicates hiring may have exceeded current timing expectations. However, data limitations prevent TEA from reliably measuring hiring timelines or identifying where and why delays occur.
7	**Technology Governance:** Agency-wide technology portfolio management processes are still maturing, limiting its ability to efficiently manage its software environment and identify opportunities to consolidate or retire technologies.

2. Background

The Texas Education Agency (TEA) oversees primary and secondary public education in Texas. Led by the Commissioner of Education, TEA works in partnership with the State Board of Education (SBOE) and the State Board for Educator Certification to support public education programs and activities statewide. The agency's vision is to prepare every child for success in college, a career, or the military.

The agency is organized into 10 functional areas ranging from strategic, operational, legal, oversight, and administrative functions. These areas are referred to by the agency as offices and each is overseen by a Deputy Commissioner. TEA supports more than 350,000 teachers and helps deliver education to over five million students throughout Texas. The agency is primarily responsible for:

- Administering federal and state funding to public schools
- Administering the statewide assessment program and accountability system
- Supporting the SBOE in developing statewide curriculum and managing instructional materials
- Administering a data collection system on public school information
- Performing the administrative functions of the State Board for Educator Certification

As of the second quarter of fiscal year (FY) 2026, the agency had 1,241 filled full-time equivalent (FTE) positions, with a total Legislative Budget Board approved cap of 1,462 FTEs. Funding for TEA comes from various sources and totaled $48.5 billion in FY2026. The largest share of the agency's funding came from the state's General Fund, which accounted for 50% of the budget. Other funding made up 35%, while federal funds accounted for the remaining 15%.

3. Inefficiencies and Recommendations

A. Grants Management

State Grant Monitoring

1	Inefficiency	TEA has not established agency-wide minimum requirements for monitoring state-funded grants, resulting in inconsistent monitoring, increased administrative effort, and limited ability to leverage common practices and target monitoring resources.
	Recommendation	A. TEA should establish minimum monitoring expectations for state-funded grants while allowing flexibility for program-specific risks and objectives. B. TEA should standardize and share monitoring tools, templates, and leading practices across program offices to reduce duplicative effort and leverage effective approaches agency-wide.

Effective grant monitoring provides reasonable assurance that grant funds are used as intended, program objectives are achieved, and public resources are administered efficiently. TEA has established several tools and monitoring activities that support oversight of state-funded grants; however, it has not established agency-wide minimum monitoring requirements. Instead, responsibility for monitoring state-funded grants is largely decentralized among individual program offices.

Fiscal Monitoring

Fiscal monitoring helps determine whether funds are spent in accordance with grant requirements. TEA has several tools that support fiscal monitoring of state-funded grants; however, it has not established agency-wide requirements for the fiscal monitoring activities program offices should perform.

Based on a judgmental sample of state-funded grant programs, there are differences in fiscal monitoring practices across program offices. One program office reported that it did not have an established process to monitor grant expenses to determine whether they aligned with grant requirements. In contrast, another program office had a more consistent process to monitor grant expenses in collaboration with TEA's centralized Grant Administration staff. Without consistent review of expenditures against grant requirements, unallowable expenditures may not be identified in a timely manner, increasing the risk of inappropriate use of state funds and requiring additional administrative effort to resolve issues after the fact. Program offices also independently develop their fiscal monitoring approaches, increasing administrative effort and limiting opportunities to leverage common monitoring practices across programs.

TEA's Expenditure Request (ER) process also demonstrates an inconsistent approach. For both federal and state grants, TEA uses automated triggers to identify reimbursement requests that may present higher risk. For federal grants, unresolved triggers are incorporated into an annual risk assessment process, and grantees with repeated unresolved exceptions may be referred for additional fiscal monitoring. Although state grant reimbursement requests are subject to the same automated triggers, there is no formal process for reviewing, tracking, or responding to reimbursement requests flagged for state grants. As a result, TEA does not consistently use the existing risk information to direct state grant monitoring resources toward higher-risk areas.

Grant Utilization Monitoring

Grant utilization monitoring assesses whether awarded funds are used as expected throughout the grant period. This can help identify barriers to spending before they result in significant unspent balances. TEA provides program offices with quarterly Project Balance Reports (PBRs), which include information about grant expenditures and remaining balances. However, TEA has not established consistent expectations for how program offices should use this information to monitor utilization.

The sampled programs used different approaches to monitor and address grant utilization. One program office regularly discussed grant utilization with grantees and documented follow-up regarding unspent funds, while other sampled programs had less formalized or documented approaches. One program primarily identified unspent funds at the end of the grant period rather than through ongoing monitoring.

During FY2025, approximately $6.7 million of the $443.0 million in state-funded grant awards reviewed remained unspent, representing approximately 1.5% of awarded funds. Unspent balances may occur for legitimate programmatic reasons. However, without consistent monitoring expectations, TEA has less ability to identify emerging issues during the grant period, determine where follow-up may be warranted, and apply effective approaches across programs. Program offices may also independently develop approaches for addressing similar utilization issues, increasing administrative effort rather than leveraging common tools and practices.

Programmatic Monitoring

Programmatic monitoring assesses whether grant-funded activities are implemented as intended and progressing toward grant objectives. TEA has not established minimum agency-wide requirements for monitoring state grant implementation and performance. Instead, individual program offices determine the monitoring activities, performance measures, documentation, and follow-up appropriate for their grants.

Sampled grant programs demonstrated differences in programmatic monitoring practices. One program office maintained documented project plans, held recurring implementation meetings with grantees, established performance measures, and documented follow-up on implementation issues. Other sampled programs relied more heavily on informal communication or reporting, with limited documentation of ongoing program implementation or performance monitoring.

These differences reflect TEA's historically decentralized approach to state grant monitoring. TEA has delegated responsibility for state grant monitoring to individual program offices without establishing an agency-wide framework for minimum monitoring expectations, roles and responsibilities, or documentation and reporting standards. Unlike federal grants, which are subject to federal requirements and have a more formalized monitoring structure at TEA, state-funded grant monitoring has not been subject to comparable agency-wide monitoring requirements.

As a result, program offices independently develop and maintain monitoring approaches, documentation, performance measures, and follow-up processes, increasing administrative effort and limiting opportunities to leverage common tools and effective practices. TEA also has limited agency-wide information to compare monitoring results, identify areas that may warrant additional oversight, and assess whether monitoring resources are directed toward higher-risk grants.

Recommendation

TEA should:

1. Establish minimum monitoring expectations for state-funded grants while allowing flexibility for program-specific risks and objectives.
2. Standardize and share monitoring tools, templates, and leading practices across program offices to reduce duplicative effort and leverage effective approaches agency-wide.

Grants Systems

2	**Inefficiency**	Grant administration processes rely on multiple systems and manual workarounds, increasing administrative effort and limiting visibility into process performance. TEA is implementing OneSystem to address these inefficiencies.
	Recommendation	A. TEA should continue OneSystem implementation to consolidate grant planning, application, administration, and monitoring into a unified platform. B. TEA should establish performance measures across the grant lifecycle to identify bottlenecks, monitor improvements, and evaluate OneSystem's efficiency gains.

Effective grant administration relies on integrated systems and streamlined processes that minimize manual effort and provide management with sufficient information to monitor performance.

TEA uses several systems to manage grants that do not fully connect across the grant lifecycle. As a result, staff rely on manual workarounds, updates between systems, and multiple handoffs that increase staff effort and can extend processing times. In addition, TEA does not centrally track

actual processing times for several key stages of the grant lifecycle, limiting management's ability to identify delays and target improvements.

Staff use eGrants to establish electronic grant applications, receive applications from grantees, route applications through internal review and negotiation, and maintain grant documentation. However, not all grants are administered through eGrants. Staff reported that setting up a new grant application in eGrants takes about six months and requires significant Information Technology resources. As a result, grants with shorter timelines are often administered using PDF applications. Unlike eGrants, which automatically routes and tracks applications through established workflows, PDF applications are tracked through an Access-based tracking log, where staff manually assign applications to staff, route them through review and negotiation, and monitor their status. This creates additional work and relies on experienced staff to keep applications moving through the process.

After a grant is awarded, staff use several systems to manage grant processes. For PDF-based grants, grant processes require additional manual coordination because the PDF applications do not electronically connect with these other grant systems. For instance, when a budget is amended for a PDF-based grant, staff must manually update the revised budget information used for expenditure reporting.

Visibility into processing times is also important. TEA tracks processing times from application receipt through award issuance but does not consistently track how long other key stages take, such as grant development, application review and scoring, and grant closeout. Without this information, management cannot readily identify where delays are occurring or determine which parts of the grant process would benefit most from improvement.

These conditions exist because TEA's grants management environment has evolved over time through multiple systems supporting different stages of the grant lifecycle. Technology limitations, manual workarounds, and the resources needed to configure new applications in eGrants have contributed to the current fragmented process. TEA has recognized these limitations and initiated the OneSystem initiative to consolidate grant planning, application, administration, monitoring, and performance management into a more integrated platform. Project documentation describes OneSystem as a multi-component initiative that is intended to address many of the fragmented processes identified above. However, because OneSystem implementation remains underway, its operational benefits have not yet been realized.

Recommendation

TEA should:

1. Continue OneSystem implementation to consolidate grant planning, application, administration, and monitoring into a unified platform.
2. Establish performance measures across the grant lifecycle to identify bottlenecks, monitor improvements, and evaluate OneSystem's efficiency gains.

B. Operations and Administration

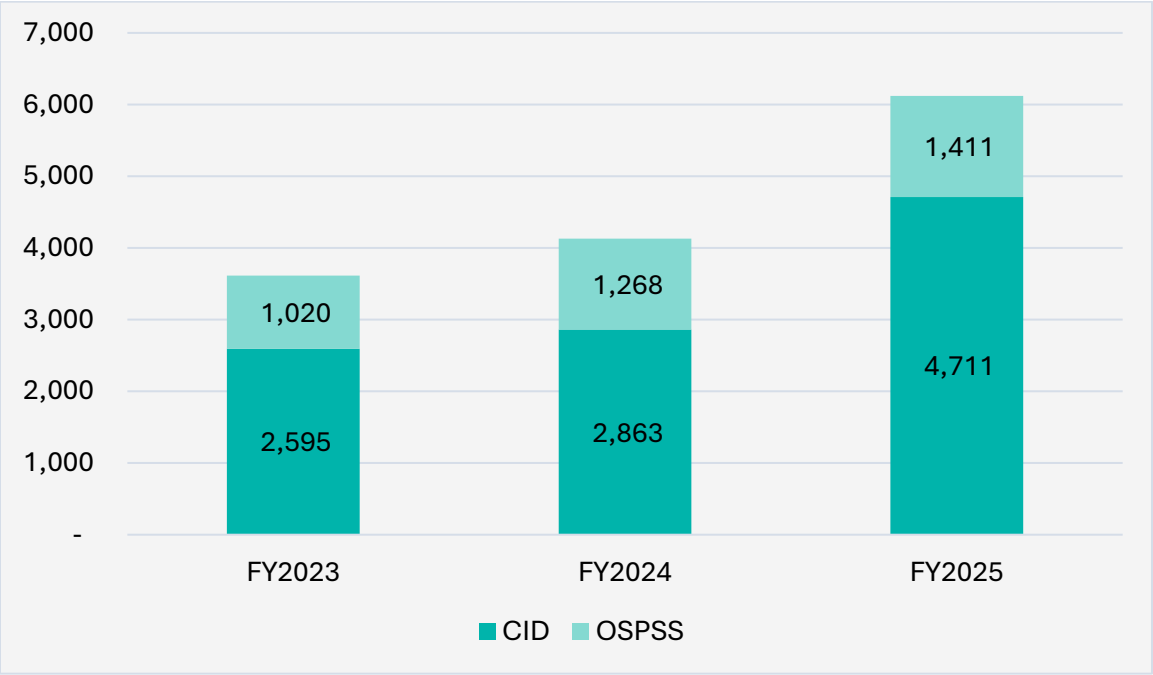
Complaint Management

3	Inefficiency	Complaint and investigation activities rely on fragmented systems and decentralized processes, increasing administrative effort and limiting agency-wide visibility. TEA is implementing a Complaint & Case Management System (CCMS) to address these inefficiencies.
	Recommendation	TEA should continue CCMS implementation as TEA's centralized complaint management platform and establish common agency-wide processes for complaint intake, prioritization, investigation, tracking, and resolution, while allowing for program-specific requirements.

TEA's complaint management responsibilities are divided between two main program areas. The Complaint and Investigation Division (CID) within the Office of Governance manages most complaints and investigations, including those that involve academic programs, education funding, student health and safety, school governance, state assessments and data reporting, and educator-related concerns. Separately, the Office of Special Populations and Student Supports (OSPSS) manages special education complaints, which are subject to separate federal and state requirements.

TEA does not currently have a centralized complaint management system. CID manages complaints using a Microsoft 365-based platform and primarily tracks investigations in Smartsheet, a software platform to manage projects and workflows. OSPSS manages special education complaints through a separate platform called the Correspondence & Dispute Resolution Management System. These limitations have become increasingly important as the number of complaints received by TEA has grown over the last three fiscal years. As the Exhibit 1 chart below shows, total complaints across both programs nearly doubled from a total of 3,615 complaints in FY2023 to 6,122 complaints in FY2025.

Exhibit 1: Total Complaints Received by TEA (FY2023 through FY2025)



According to TEA staff, the increase in complaints resulted in part from expanded statutory requirements related to parental rights, grievance procedures, and other policy changes enacted during the period reviewed.

Using separate systems increases administrative work and slows complaint processing. Because the systems do not communicate, staff manually route complaints and maintain information across separate tools, limiting TEA's visibility into complaint status, staff workload, and potential delays. Staff reported they receive supporting documentation through email and secure files rather than directly through a case management system. As a result, staff must take additional steps to collect, route, and link documents with the appropriate case. As complaint volumes increase, these tasks reduce the time staff have available to review and resolve complaints.

TEA also does not consistently track investigator caseloads across complaint and investigation teams. Staff reported that caseload tracking varies by team and that current workloads exceed capacity. Staff also reported working beyond normal hours as complaint volumes increase. Without consistent caseload information, management has limited ability to identify capacity constraints, compare workloads, and allocate staff based on demand.

CID and OSPSS also use different approaches to prioritize and investigate cases. While differences may be appropriate based on program requirements and authorities, TEA does not have common agency-wide expectations for prioritization, investigation, or timeliness. Investigation phases and timelines differ by case type and TEA is still developing standardized targets for how quickly cases should be completed. These differences may contribute to inconsistent case handling and

resolution times and limit the agency's ability to monitor performance, identify bottlenecks, and assess trends.

TEA is implementing a new CCMS to centralize complaint management. The CCMS is intended to provide one platform for receiving and tracking cases from intake through closure. The system is expected to give TEA better visibility into case status and staff workload while reducing manual processes. However, implementation remains in progress, and teams continue to use different workflows, prioritization criteria, timeliness measures, and methods for tracking caseloads. While the CCMS is intended to address many of the system limitations identified above, common processes and performance information will also be important for improving agency-wide visibility and managing complaint workloads efficiently.

Recommendation

TEA should continue CCMS implementation as TEA's centralized complaint management platform and establish common agency-wide processes for complaint intake, prioritization, investigation, tracking, and resolution, while allowing for program-specific requirements.

Non-Jurisdictional Complaints

4	Inefficiency	When determining whether a complaint is within its jurisdiction, TEA uses the same process regardless of the complexity of the determination. This increases staff effort required to process complaints.
	Recommendation	TEA should evaluate the intake and processing of non-jurisdictional complaints to determine if documentation and review requirements can be streamlined.

Between FY2023 and FY2025, approximately 64% of complaints received by TEA were determined to be outside the agency's statutory authority. These complaints, referred to as non-jurisdictional complaints, include matters involving higher education institutions, private schools, other State of Texas agencies, and other issues TEA does not have authority to investigate.

Although non-jurisdictional complaints do not proceed to an investigation, TEA staff still spent time receiving, reviewing, documenting, and closing them. As shown in the Exhibit 2 table below, the percentage of non-jurisdictional complaints declined from 73% in FY2023 to 68% in FY2024, and further to 56% in FY2025. Despite this decline, more than half of the complaints closed in each fiscal year were outside of TEA's jurisdiction.

Exhibit 2: Number of Complaints Closed by TEA per Fiscal Year

Fiscal Year (FY)	Jurisdictional	Non-Jurisdictional	Total Complaints in Fiscal Year	Non-Jurisdictional Complaints as a Percentage of All Complaints
FY2023	691	1,899	2,590	73%
FY2024	969	2,034	3,003	68%
FY2025	2,079	2,639	4,718	56%
3-Year Total	**3,739**	**6,572**	**10,311**	**64%**

Efficient administrative processes should align the level of review and documentation with the nature and complexity of the activity being performed. Because jurisdictional review memos are prepared for both jurisdictional and non-jurisdictional complaints, staff prepared more than 10,000 memos between FY2023 and FY2025. The Office of Legal Services also reviewed each of these memos regardless of whether substantive legal analysis was needed. Given the number of complaints processed, applying the same level of documentation and legal review to all jurisdictional determinations regardless of their complexity increases effort associated with complaint processing.

Recommendation

TEA should evaluate the intake and processing of non-jurisdictional complaints to determine if documentation and review requirements can be streamlined.

Instructional Materials

5	Inefficiency	Instructional materials processes were not initially designed for the volume, complexity, and iterative nature of the work, resulting in manual effort and contributing to errors that required approximately $4.8 million in correction and disposal costs through August 31, 2026.
	Recommendation	A. TEA should continue implementing a content management system to centralize document management, version control, workflows, and quality assurance. B. TEA should continue strengthening instructional materials development through quality assurance, vendor oversight, post-project reviews, and periodic evaluation of staffing capacity.

In 2024, House Bill 1605, enacted by the 88th Texas Legislature, directed TEA to develop a set of state-owned instructional materials known as Bluebonnet Learning. As of August 2026, TEA has published English Language Arts and Reading (ELAR) for Kindergarten through Grade 5 and mathematics materials for Kindergarten through Algebra I. Developing these materials involves vendors, multiple rounds of agency and third-party review, and the SBOE's Instructional Materials Review and Approval (IMRA) process, which TEA facilitates.

TEA initially developed its processes for managing instructional materials under a compressed timeline and without systems designed to support the volume and complexity of the work. The development process includes multiple rounds of drafting, agency review, third-party quality assurance, revisions, and final approval before materials are submitted through the SBOE review and approval process. This requires TEA to manage significant amounts of content, feedback, revisions, and approvals across agency staff, vendors, and third-party reviewers.

Despite multiple rounds of review and quality assurance, the initial Bluebonnet Learning materials contained errors that were not identified and corrected before publication. These errors resulted in approximately $4.8 million in costs through August 31, 2026, to correct the materials and dispose of previously printed materials. TEA estimates that total correction and disposal costs will reach approximately $6 million, although its vendor contract for this work allows for up to $8.4 million.

The compressed timeline for developing the initial materials contributed to challenges in managing this process. Following passage of House Bill 1605, TEA had approximately 18 months to develop and publish the initial instructional materials. During that time, the agency amended existing vendor contracts, established new development and review processes, and produced the instructional materials. Agency staff reported that staffing was not sufficient for the initial development effort, requiring TEA to add personnel for quality assurance and contract oversight as the program grew. TEA also lacked a system to effectively track changes across multiple reviewers and document versions, contributing to version-control issues.

Agency staff used SharePoint and ShareFile to manage instructional content, reviewer feedback, and document revisions. Staff reported that these tools required manual routing of reviewer comments and made it difficult to track document versions. Quality assurance activities also required significant manual effort. These challenges increased as the number of projects, reviewers, and revisions grew.

Since the initial rollout, TEA has made several changes to strengthen the development and review process. The agency has increased staffing for instructional materials development, added additional copyediting and third-party review steps, strengthened vendor contracts through service level agreements and performance provisions, established post-publication "lessons learned" discussions, and improved its processes for receiving, tracking, and resolving post-publication feedback.

TEA also has more time to prepare for future instructional materials projects. The initial development timeline was compressed in part because the required SBOE review rubrics had to be developed and approved during the rollout of the new program. For the next review cycle, SBOE has already published the applicable rubrics, giving TEA more time to incorporate the requirements into its development process. This additional time is important because the rubrics guide the development and review of instructional materials.

TEA also plans to implement a content management system to address several of the challenges experienced during the initial development process. The system is intended to provide a single platform for agency staff, vendors, and third-party reviewers to manage instructional content, reviewer feedback, document versions, and project status. TEA expects the system to improve version control, automate some quality assurance activities, and provide better tracking of edits and approvals. However, the system has not been fully implemented as of August 2026.

Recommendation

TEA should:

1. Continue implementing a content management system to centralize document management, version control, workflows, and quality assurance.
2. Continue strengthening instructional materials development through quality assurance, vendor oversight, post-project reviews, and periodic evaluation of staffing capacity.

Hiring Processes

6	Inefficiency	Staff reported that TEA's hiring process can be slow, and available data indicates hiring may have exceeded current timing expectations. However, data limitations prevent TEA from reliably measuring hiring timelines or identifying where and why delays occur.
	Recommendation	A. TEA should evaluate reporting capabilities in the state's updated talent acquisition system and, where feasible, track key recruitment milestones and circumstances affecting hiring timelines. B. TEA should periodically review hiring performance data to identify bottlenecks, assign actions, and evaluate whether those actions improve hiring timelines.

TEA has established hiring procedures that define staff responsibilities, required approvals, and expected timelines for key recruitment activities. TEA's overall expectation is to fill positions within 65 calendar days, measured from when a job is posted to when a candidate accepts an offer.

Despite these standards, staff reported that hiring often takes longer than expected and can be time-consuming for hiring managers. Several factors can extend recruitments, including delays preparing materials for recruitments, limited candidate pools, candidate withdrawals, specialized position requirements, and the addition of vacancies to an existing requisition. Certain specialized positions, such as attorney and information technology positions, are also particularly difficult to fill.

Historically, TEA has used CAPPS Recruit, the applicant tracking system within the state's Centralized Accounting and Payroll/Personnel System (CAPPS), to manage recruitments. Hiring information from CAPPS Recruit for FY2023 through FY2025 included 705 hiring actions. Of the 705 hiring actions, 700 contained sufficient data to measure the period from when a position was first sourced or posted through the final filled date. Of those, 536 hiring actions, or 77%, took longer than 65-days. Median post-to-fill time was around 91 calendar days in FY2023, around 86 calendar days in FY2024, and around 90 calendar days in FY2025. Across the three-year period, the median was approximately 90 calendar days. For comparison, the 2025 government-sector benchmark from the Society for Human Resource Management (SHRM) reported a median time to fill of 46 calendar days, with 80 calendar days representing the 75th percentile for nonexecutive positions.[1]

However, HR staff reported that CAPPS Recruit data does not reliably measure hiring timelines because of how some recruitments are recorded. For instance, a single recruitment may include multiple vacancies, and the recorded filled date may reflect when the final vacancy was filled rather than when individual vacancies were filled. TEA therefore maintains a separate internal

[1] Society for Human Resource Management, *SHRM Benchmarking Report: Recruiting*, 2025, p. 7. SHRM Benchmarking Report: Recruiting

tracker to monitor recruitment activity. Based on this internal tracker, the median time to fill was 61 calendar days in FY2023, 39.5 calendar days in FY2024, and 35.5 calendar days in FY2025. However, the data is maintained manually and includes incomplete or inconsistent records, such as apparent duplicates and rows with missing dates. As a result, the available information does not support a precise agency-wide time-to-fill measure. While the median of 90 calendar days from CAPPS Recruit may overstate actual hiring time, the available data is not sufficient to determine by how much.

While TEA has established expected timelines for major parts of the hiring process, it has not historically tracked actual time spent at each of those stages. As a result, TEA does not yet have a consistent understanding of why individual hiring actions take longer. This limits TEA's ability to target resources and process changes where they could have the greatest impact on hiring efficiency and evaluate whether recent improvements are addressing the areas that need the most attention.

TEA has made several changes to improve the hiring process. Beginning around FY2023, HR began requiring hiring managers to have key materials, such as job descriptions, screening questions, screening matrices, and salary information, prepared before a position is posted. HR reported that this change reduced time to fill by allowing hiring managers to begin screening and interviewing more quickly after posting. HR also recently assumed additional activities previously performed by hiring managers, including preparing draft screening matrices and performing minimum qualification checks. HR reported these changes have improved visibility into the recruitment process and reduced administrative responsibilities for hiring managers. The declining median hiring times reflected in TEA's internal tracker from FY2023 through FY2025 suggest that these process improvements may have helped reduce hiring timelines, although the data limitations noted above make it difficult to fully assess their impact.

The state recently updated CAPPS Recruit to a new system, which may support improved reporting moving forward. Some of the process changes described above were implemented in conjunction with this transition. However, TEA has not yet determined whether applicant screening, interviews, and other milestones managed by hiring managers can be captured consistently and reliably through the new system.

Recommendation

TEA should:

1. Evaluate reporting capabilities in the new CAPPS Recruit system, and where feasible, track key recruitment milestones and circumstances affecting hiring timelines.
2. Periodically review hiring performance data to identify bottlenecks, assign actions, and evaluate whether those actions improve hiring timelines.

Technology Governance

7	**Inefficiency**	Agency-wide technology portfolio management processes are still maturing, limiting its ability to efficiently manage its software environment and identify opportunities to consolidate or retire technologies.
	Recommendation	TEA should continue finalizing and operationalizing agency-wide technology portfolio management to improve visibility into TEA's software portfolio and support lifecycle, licensing, and consolidation decisions.

Agency-wide technology portfolio management gives an organization a centralized view of its applications and software products. The Texas Department of Information Resources describes this approach as collecting and maintaining information about business applications so state agencies can understand what they own, why they use it, what it costs, and whether it continues to meet business needs.[2] This information supports decisions about which technologies to retain, improve, consolidate, replace, or retire.

Agencies also need effective software license management. Software licenses can be purchased and managed through different contracts, systems, and program areas, making it difficult to understand total costs and actual use. Maintaining a comprehensive software inventory, tracking licenses purchased and used, and regularly comparing usage with purchasing records helps agencies identify unused or duplicative licenses and make informed renewal decisions.

TEA's agency-wide technology portfolio management process is still maturing. TEA has taken important steps by developing a centralized software catalog (referred to as the Agency Software Catalog), outlining a recurring portfolio review process, and completing an initial analysis of its software environment. However, parts of the process remain in draft form. The current catalog and related processes also do not yet provide all the information TEA needs to systematically evaluate application ownership, business purpose, cost, licensing, use, lifecycle status, and opportunities to consolidate or retire technologies.

TEA's Agency Software Catalog brings application and software records from across the agency into one location and includes basic information such as product name, category, vendor, description, license type, and estimated annual renewal fee. It also includes limited information about artificial intelligence and the use of confidential data.

However, important information in the catalog is still incomplete. Namely, the catalog did not consistently identify each product's business purpose. Of the 525 product records included, 131,

[2] Texas Department of Information Resources, *SPECTRIM Application Portfolio Management Assessment: FY2026–2028 Guidance for Texas State Agencies*, version 2.0, 2026. Texas DIR: SPECTRIM Application Portfolio Management Assessment

or about 25%, did not include a business purpose. When a business purpose was included, it was often a basic vendor description rather than a description of TEA's business purpose or use case. This information is important because products with similar functionality may support different business needs. Without a clear understanding of how each product is used, TEA cannot as readily determine whether products overlap or could be consolidated or retired. The catalog also does not consistently identify the business owner or users of each product. Together, information about business purpose, owners, and users would help TEA identify where different offices use separate products for similar purposes and evaluate potential opportunities to standardize or consolidate technologies.

Software license information is also fragmented. TEA reported that licensing information has historically been maintained by different system owners and in different records. TEA is moving toward using its Agency Software Catalog to centralize this information, but the Catalog does not yet include complete information about licenses purchased, assigned, or actively used. TEA reported that it plans to add relevant licensing data to the inventory as its approach matures. However, staffing constraints have slowed progress, and the agency is still defining required data fields, determining who maintains the information, and deciding how records from different systems, owners, and procurement methods will be connected and kept current.

TEA has drafted a process for identifying potential software overlap, duplication, consolidation, and retirement opportunities. The process calls for catalog records to be reviewed and updated monthly on an alphabetical rotation throughout the year. The process also calls for retirement planning and an annual review to identify opportunities to consolidate, replace, or retire technology. Using its draft processes, TEA completed an initial analysis of its software tools in September 2025 that identified potentially overlapping and legacy technologies and opportunities to consolidate certain tools using existing platforms. These activities provide a foundation for ongoing portfolio management; however, the process remains in draft form and has not yet been fully operationalized as of August 2026.

Incomplete software and licensing information limits TEA's ability to manage its software environment efficiently. TEA is also limited in its ability to determine which similar or aging products should receive the most attention, prioritize reviews based on cost or risk, or consistently evaluate whether purchased licenses match actual use. It also lacks complete information to determine whether consolidation, replacement, retirement, or license changes would produce financial or operational benefits.

Recommendation

TEA should continue finalizing and operationalizing agency-wide technology portfolio management to improve visibility into TEA's software portfolio and support lifecycle, licensing, and consolidation decisions.

4. Objectives, Scope, and Methodology

A. Objectives

This audit assessed whether TEA is administering selected state resources in an efficient manner according to best practices and applicable requirements.

B. Scope

The audit was conducted pursuant to Texas Government Code, Chapter 327, which requires periodic efficiency audits of state agencies. [3] The scope included TEA's administration of state resources, including financial, staffing, property, technology, and other resources relevant to the audit objectives. The audit primarily evaluated the agency's operations and processes as they existed beginning in January 2026, when the audit started. Where needed to evaluate trends, performance, or specific activities, audit procedures included analysis of historical information covering periods appropriate to the area evaluated. The scope period for individual audit procedures is described in the relevant inefficiency, where applicable.

C. Methodology

Baker Tilly conducted this audit between January 2026 and August 2026, using a risk-based approach designed to evaluate the efficient administration of state resources across the audit objectives. During planning, we conducted a comprehensive risk assessment to identify the areas presenting the greatest risk and the most significant opportunities to improve the efficient administration of state resources. The highest-risk areas identified through this assessment were selected for detailed audit procedures. Not every area reviewed resulted in a reportable inefficiency. The inefficiencies presented in this report focused on the most significant opportunities to improve the efficient administration of state resources.

To address the audit objectives, Baker Tilly:

- Examined applicable statutes, regulations, agency policies and procedures, organizational documentation, financial information, operational data, and other relevant records
- Interviewed agency leadership and staff to obtain an understanding of governance, business processes, and operations
- Analyzed selected financial, operational, and performance data
- Evaluated agency practices against applicable requirements and recognized leading practices
- Analyzed fiscal, programmatic, and grant utilization monitoring practices for five state-funded grant programs administered by different program offices to understand and compare how monitoring activities were performed in practice. The programs were judgmentally selected for

[3] Texas Legislature, *Texas Government Code, Chapter 327: Efficiency Audits of State Agencies*. Texas Constitution and Statutes

this qualitative assessment, and results were not intended to be projected to all state-funded grant programs.

- Evaluated selected programs, processes, and activities to identify opportunities to improve efficiency and the administration of state resources
  - Assessed selected strategic and management processes, including rulemaking, performance management, workforce management, and technology governance
  - Assessed selected operational and administrative processes, including those related to hiring, management span of control, staff augmentation, complaints and investigations, instructional material development, external partnerships, vendor performance, grants management, and charter school authorizations
  - Assessed selected systems and workflow tools supporting these processes. including eGrants, Texas Centralized Accounting and Payroll/Personnel System (TCAPPS), Texas Education Agency Grants Interface (TGIF), and related spreadsheets, tracking sheets, databases, dashboards, and reporting tools

Data Reliability

For complaint data for FY2023 through FY2025, we (1) examined data from TEA's complaint dashboard, including complaint volumes and jurisdictional classifications, and (2) analyzed the data for reasonableness and consistency across the period reviewed. The data was sufficiently reliable for the purposes of this audit.

D. Statement of Compliance with GAGAS

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). 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.

Appendix A – Management Responses

Texas Education Agency Management Response to the Baker Tilly Efficiency Audit

TEA's responses to each finding and recommendation are detailed below, however we believe we also need to include additional information in our published management response not included in the introductory section of the report. TEA believes it is important to include this information because similar information was included in the introductory section of some of the other previously published HB 12 audit reports of other agencies.

First, to put the results in an efficiency context, we believe it is important to understand how much of the agency's total appropriations are spent on administration versus programmatic costs. TEA's administrative appropriations are 0.57% of total appropriations for the 2026-2027 biennium, the lowest percentage identified of any state agency with discernable total administrative costs in the state's current General Appropriations Act. We believe this demonstrates that TEA is highly efficient in its ratio of funds spent on programs versus administration.

We believe it is also important to note areas the audit covered where no identifiable inefficiencies were reported. When comparing the findings to the areas listed in the auditor's methodology section found on the last page of this report, those areas covered in this audit with no findings include 1) rulemaking, 2) performance management, 3) workforce management, 4) management span of control, 5) staff augmentation, 6) external partnerships, 7) vendor performance and 8) charter school authorizations.

1A & 1B: State Grant Monitoring Response & Corrective Action Plan

<table>
<tr><th colspan="2">Recommendation 1A & 1B: State Grant Monitoring</th></tr>
<tr><td>Management Agreement</td><td>Management agrees with the finding and recommendation.</td></tr>
<tr><td>Responsible Party</td><td>Cory Green, Associate Commissioner and Chief Grants Officer & Nick Davis, Managing Director and Assistant Chief Grants Officer</td></tr>
<tr><td>Implementation Timeline</td><td>November 2026 – August 2027</td></tr>
<tr><td>Action Plan</td><td>
<table>
<tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Target Completion Date</th></tr>
<tr><td>1</td><td>Department of Grant Compliance and</td><td>Assistant Chief Grants Officer,</td><td>November 2026</td></tr>
</table>
</td></tr>
</table>

Recommendation 1A & 1B: State Grant Monitoring				
		Administration (GCA) will develop minimum standards for monitoring state-funded grants for program offices to improve programmatic and fiscal monitoring processes, evidence, and documentation. Standards will include documentation requirements and retention, guidance for performance measure definition, periodic reporting requirements, and escalation and follow-up procedures.	Department of Grant Compliance and Administration	
	2	GCA will conduct training for all TEA program grant offices.	Assistant Chief Grants Officer, Department of Grant Compliance and Administration	December 2026
	3	All TEA program grant offices will participate in training.	All Deputy Commissioners	December 2026
	4	Program offices will implement grant monitoring standards according to GCA recommendations and guidance.	Program Offices	January 2027
	5	GCA will develop and implement a high-risk grantee designation status, similar to the existing federal grant determination, for escalating grant noncompliance issues and monitoring additional subgrantees when needed.	Assistant Chief Grants Officer, Department of Grant Compliance and Administration	January 2027

Recommendation 1A & 1B: State Grant Monitoring				
	6	GCA staff will periodically validate grant program office compliance to the established minimum monitoring standards. The grant program selection will be informed by utilizing internal risk indicators.	Assistant Chief Grants Officer, Department of Grant Compliance and Administration	August 2027

2A & 2B: Grants Systems Response & Corrective Action Plan

Recommendation 2A & 2B. Grants Systems				
Management Agreement	Management agrees with the finding and recommendation.			
Responsible Party	Cory Green, Associate Commissioner and Chief Grants Officer & Nick Davis, Managing Director and Assistant Chief Grants Officer			
Implementation Timeline	November 2026 – September 30, 2029			
Action Plan	**Action Step**	**Description of Corrective Action**	**Responsible Party**	**Target Completion Date**
	1	Anticipated contract execution.	Contracts and Purchasing Division (CPD)	November 2026
	2	Discovery and solution design with selected vendor, configuration of business process, grant workflows, monitoring requirements, and technical architecture. Development of OneApp (i.e., Grant Management System).	CPD, Information Technology (IT), and Department of Grant Compliance and Administration (GCA), and Alignment	November 2026 – Spring 2027

Recommendation 2A & 2B. Grants Systems				
			Delivery Unit (ADU)	
	3	Continued development and pilot deployment of OneApp.	IT, GCA, and ADU	Spring 2027 – Summer 2027
	4	Initial rollout of OneApp with selected grant programs.	IT, GCA, and ADU	Fall 2027
	5	GCA will continue to coordinate with the Alignment and Delivery Unit (ADU) to build and implement One System performance routines to monitor and report progress throughout the development and implementation of the One System Project. ADU will support analyzing data and solving problems while building relationships to facilitate the cross-team connections required for successful implementation.	IT, GCA, and ADU	Ongoing from contract execution to end of contract term (September 2029).

3: Complaint Management Response & Corrective Action Plan

Management Implementation Plan: Recommendation 3: Complaint Management	
Management Agreement	Management agrees with the finding and recommendation. TEA has already begun implementing the Complaint and Case Management System (CCMS) as its centralized platform for complaint and investigation activities. As of September 1, 2026, the Jurisdictional Review Unit and Educator Investigation Division operate in CCMS, with additional investigation teams scheduled to transition through summer 2027. During FY 2026, management also pursued automation and other process improvements to address increased complaint volume and constrained staff capacity. CCMS is expected to improve agency-wide visibility and strengthen communication and coordination with local education agencies, while implementation planning continues to account for program-specific requirements and opportunities for further efficiency. Throughout the phased

<table>
<tr><th colspan="2">Management Implementation Plan: Recommendation 3: Complaint Management</th></tr>
<tr><td></td><td>CCMS rollout, management will identify opportunities to streamline complaint workflows and establish common operating procedures.

Management will continue the phased CCMS rollout, evaluate opportunities to automate and streamline complaint processing, and formalize common operating procedures. TEA will also use complaint trends to develop resources, including the Local Grievance Handbook, primarily to help complainants navigate applicable local grievance processes and also to support local education agencies in improving complaint handling and resolving appropriate matters locally before escalation to the agency.</td></tr>
<tr><td>Responsible Party</td><td>Ashley Jernigan, Associate Commissioner, Compliance and Investigations</td></tr>
<tr><td>Implementation Timeline</td><td>August 2026 –September 2027</td></tr>
<tr><td>Action Plan</td><td>TEA will continue phased implementation of CCMS; evaluate system enhancements and other process improvements as CCMS functionality expands; and update operating procedures based on the new system that support consistent complaint and investigation processes while allowing for program-specific needs
<table>
<tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Target Completion Date</th></tr>
<tr><td>1</td><td>Implement. Continue phased onboarding of investigation teams into CCMS and assess automation and workflow improvements as system functionality expands. Completion will be evidenced by team access, staff training, operational workflows and reports, and documented use of CCMS for new matters.
• Office of Inspector General and Child Abuse Reporting and Response</td><td>Primary: Associate Commissioner, Compliance and Investigations

Support: Office of Information Technology; participating program areas in the Office of School Programs and Student Support, Office</td><td>Phased implementation through July 2027; specific completion date to be confirmed through the CCMS implementation schedule</td></tr>
</table></td></tr>
</table>

Management Implementation Plan: Recommendation 3: Complaint Management				
		Team, by December 31, 2026 • Office of Special Populations Investigations, by March 31, 2027 Special Investigations Division and Self-Reported Data Unit by July 31, 2027	of Inspector General, and Office of General Counsel	
	2	**Standardize.** Develop an updated agency operating procedure for complaint intake, prioritization, investigation, tracking, and resolution. The procedure will incorporate the Section 4 risk-based evaluation, support CCMS onboarding and functionality improvements, and document approved program-specific requirements.	Primary: Associate Commissioner, Compliance and Investigations Support: Office of General Counsel and affected program areas	Submit draft for Deputy Commissioner approval by May 31, 2027; implement approved procedure by August 31, 2027; effective September 1, 2027
	3	**Publish.** Finalize and publish the Local Grievance Handbook, informed by complaint trends, primarily to help complainants navigate applicable local grievance processes and also to support local education agencies in improving complaint handling and early resolution.	Primary: Director, Complaints and Inquiries--Jurisdictional Review Unit	January 1, 2027

4: Non-Jurisdictional Complaints Response & Corrective Action Plan

Management Implementation Plan: Recommendation 4: Non-Jurisdictional Complaints	
Management Agreement	Management agrees with the finding and recommendation. TEA will conduct a documented, risk-based evaluation of the intake and processing of non-jurisdictional complaints to determine whether documentation and review requirements can be streamlined based on complaint complexity and risk. The evaluation will identify categories suitable for differentiated processing and establish criteria for required documentation, supervisory approval, escalation, and Office of General Counsel review. This approach is intended to reduce staff effort while preserving consistent jurisdictional determinations and appropriate controls. Supporting initiatives include the specialized Jurisdictional Review Unit (JRU) staffing model approved on August 5, 2026, which assigns intake and routing, jurisdictional review and documentation, and parent support and early resolution to dedicated functions, and publication of the Local Grievance Handbook, which is intended primarily to help complainants navigate applicable local processes and also to support local education agencies in improving complaint handling and early resolution. TEA will also analyze complaint trends to develop public guidance and resources that clarify applicable complaint and grievance processes.
Responsible Party	Ashley Jernigan, Associate Commissioner, Compliance and Investigations
Implementation Timeline	September 2026 – February 2028
Action Plan	TEA will complete a documented evaluation of non-jurisdictional complaint categories and current processing requirements, submit recommendations for approval, and implement any approved differentiated procedures. TEA will establish baseline measures for the existing process and compare quarterly post-implementation results to those measures to determine whether the revised procedures improve timeliness and reduce rework without weakening required controls. The evaluation, procedure development, and performance-measure design will be completed using existing resources. The approved staffing model and Local Grievance Handbook will support these actions but will not determine completion of the corrective action.

	Action Step	Description of Corrective Action	Responsible Party	Target Completion Date
	1	**Evaluate.** Complete a documented, risk-based evaluation of non-jurisdictional complaint categories and current processing requirements. The evaluation will identify categories suitable for differentiated processing and recommend criteria for documentation, supervisory approval, escalation, and Office of General Counsel review.	Primary: Associate Commissioner, Compliance and Investigations Support: Office of General Counsel	Submit the evaluation and recommendations to the Deputy Commissioner of Governance by May 31, 2027
	2	**Implement.** Following approval by the Deputy Commissioner of Governance, document and implement differentiated procedures, including eligibility criteria, required records, supervisory approval, escalation points, and legal review requirements. Evidence of completion will include the approved procedure, implementation materials, and documented effective date.	Primary: Associate Commissioner, Compliance and Investigations Approval: Deputy Commissioner of Governance Support: Office of General Counsel	Implement approved procedures by August 31, 2027; effective September 1, 2027
	3	**Monitor.** Establish baseline measures for the existing process, including average time from complaint receipt to documented jurisdictional determination, pending	Primary: Associate Commissioner, Compliance and Investigations	Establish the pre-implementation baseline by January 1, 2027; begin monthly monitoring and quarterly

Management Implementation Plan: Recommendation 4: Non-Jurisdictional Complaints				
		workload by defined aging intervals, and the percentage of determinations returned for correction or additional documentation. After approved procedures take effect, Jurisdictional Review Unit leadership will prepare quarterly reports comparing results with the baseline and document any needed adjustments. Supporting documentation will define each measure, the reporting population, data source, review responsibility, and treatment of routine clarifications. Supervisors will conduct periodic audits of a sample of determinations to ensure quality and consistency in decisions.	Reporting: Jurisdictional Review Unit leadership	reporting after the approved procedures take effect; complete the initial effectiveness assessment by February 28, 2028. The assessment will determine whether timeliness and rework improved, identify any control concerns, and document whether procedures should be revised.
	4	**Provide Access.** Provide public links through TEA's website to each school district's local grievance process. Track page views and downloads of the manual and quarterly review feedback from complainants/ local education agencies for improvements.	Primary: Director, Complaints and Inquiries Support: Jurisdiction Review Unit	December 1, 2027
	5	**Validate.** Review CCMS adoption, required data-field completion, use of the	Primary: Associate Commissioner,	Initial validation within six months after the operating

Management Implementation Plan: Recommendation 4: Non-Jurisdictional Complaints				
		approved operating procedure, management-report availability, documented program-specific exceptions, and the status of duplicative tracking tools.	Compliance and Investigations Reporting: CCMS project leadership and participating program-area leadership	procedure takes effect

5A: Instructional Materials Response & Corrective Action Plan

Management Implementation Plan: Recommendation 5A – Instructional Materials	
Management Agreement	Management agrees with the finding and recommendation. TEA acknowledges that the initial development of Bluebonnet Learning occurred under an accelerated implementation timeline following the enactment of House Bill 1605. The initial instructional materials were developed while the agency simultaneously established new development processes, review structures, quality assurance protocols, and operational supports required to launch a first-of-its-kind state-owned instructional materials program. As noted in the audit, the systems, and processes available during the initial rollout were not originally designed for the volume, complexity, and iterative nature of instructional materials development at this scale. Importantly, prior to the commencement of the audit and independently of the audit recommendations, TEA had already identified the need for a dedicated content management solution and initiated implementation activities to strengthen document management, version control, workflow management, and quality assurance capabilities. TEA documented system requirements, secured funding, executed contracts, and began implementation of a new Content Management System (CMS) as part of the agency's next generation instructional materials development process. As of the audit period, implementation had been underway for approximately one year and included the development of a customized CMS workspace designed to support TEA's instructional materials development lifecycle. The CMS is being configured to support centralized document management, workflow automation, quality assurance checkpoints, feedback tracking, version control, metadata reporting, and audit logging. The system is

Management Implementation Plan: Recommendation 5A – Instructional Materials	
	intended to provide a single environment for managing instructional content, reviewer feedback, approvals, and development workflows while reducing manual processes and improving visibility into content development activities. Specifically, the solution is designed to strengthen version integrity, centralize collaboration, automate workflow routing, provide approval checkpoints, maintain comprehensive version histories, and improve tracking of quality assurance activities. Management believes the actions already underway directly address the recommendation by establishing a scalable content management environment capable of supporting the ongoing development, review, and maintenance of Bluebonnet Learning instructional materials. TEA will continue implementation and refinement of the CMS to support future instructional materials development and further reduce risks associated with version control, workflow management, and quality assurance. The agency further notes that the corrective actions contemplated by this recommendation were identified, funded, contracted, and actively underway prior to the audit's conclusion. As a result, management views the recommendation as consistent with and reinforcing the strategic improvements already in progress rather than requiring the development of a new corrective action approach. It is also important to note that, even after incorporating estimated reprinting costs, Bluebonnet Learning materials remain the most cost-effective option among State Board of Education-approved products. For example, in Grade 2 mathematics, Bluebonnet's annualized per-student cost is approximately 54% lower than the next least expensive approved product and 62% lower than the most expensive approved product. Similarly, in Grade 2 RLA, Bluebonnet's annualized per-student cost is approximately 15% lower than the next least expensive approved product and 48% lower than the most expensive approved product. These comparisons demonstrate that Bluebonnet continues to provide significant value to districts even after accounting for reprinting expenses.
Responsible Party	Nicholas Keith, Association Commissioner, Curriculum & Instruction
Implementation Timeline	September 2026 – Ongoing

Management Implementation Plan: Recommendation 5A – Instructional Materials				
Action Plan	**Action Step**	**Description of Corrective Action**	**Responsible Party**	**Target Completion Date**
	1	Complete system setup, pilot, and training. TEA documented requirements, secured funding, executed contracts, and implemented a customized content management environment for instructional materials development. System setup, pilot activities, and training for TEA staff and vendor personnel were completed before the audit concluded. Training was conducted by the general contract vendor's project management team.	Karla Carrender, Managing Director, Product Strategy and Operations; Department of Curriculum and Instruction	Completed September 2026
	2	Launch the content management system for product development. TEA configured the system to align with its multi-step Design, Develop, Approve, and Deliver process. The system includes centralized document management, version control, workflow automation, review and approval routing, quality assurance checkpoints, feedback tracking, metadata management, reporting, and audit-history capabilities. The completion milestone is the system's launch for use in instructional materials development.	Jennifer Aguirre; Senior Advisor, Strategy and Operations; Department of Curriculum and Instruction	October 2026

Management Implementation Plan: Recommendation 5A – Instructional Materials				
	3	Monitor implementation and continuously improve the content management process. Following launch, TEA will conduct periodic implementation reviews and lessons-learned discussions to assess system use, identify process or workflow improvements, and refine the content management environment as appropriate. TEA will require future Bluebonnet Learning development to occur within a content management system to support consistent document control, workflow management, and quality assurance.	Karla Carrender, Managing Director, Product Strategy and Operations; Department of Curriculum and Instruction	Beginning October 2026 and ongoing

5B: Instructional Materials Response & Corrective Action Plan

Management Implementation Plan: Recommendation 5A – Instructional Materials	
Management Agreement	Management agrees with the finding and recommendation. The initial Bluebonnet Learning materials were developed under an extraordinary and compressed implementation timeline following the enactment of House Bill 1605. During this period, TEA was simultaneously establishing a new statewide instructional materials program, developing, and publishing multiple products, implementing new review and approval processes, and building the staffing and operational infrastructure necessary to support the work. The circumstances surrounding the initial rollout are not representative of the timelines, processes, staffing structure, or quality controls now used for the development of Bluebonnet Learning. TEA identified opportunities to strengthen instructional materials development and began implementing improvements before the audit concluded. These improvements are now substantially embedded in TEA's operations and address each component of the audit recommendation, including quality assurance, vendor oversight, post-project review, and

Management Implementation Plan: Recommendation 5A – Instructional Materials	
	evaluation of staffing capacity. TEA has strengthened quality assurance by adding additional rounds of copyediting, increasing the number of review rounds, extending third-party quality assurance review periods, and establishing formal quality assurance checkpoints throughout the development process. TEA has also developed written quality assurance protocols and checklists to promote consistent review expectations, clarify responsibilities, and support documentation of required review activities. TEA has strengthened vendor oversight by incorporating service-level agreements into contracts, increasing project management oversight, and conducting more frequent progress monitoring. These practices are operational and are intended to establish clearer expectations, identify emerging risks earlier in the development process, and support timely resolution of performance concerns. TEA has also added contract oversight capacity focused on procurement and contract negotiations, including the development of service-level agreements for use across instructional materials contracts. TEA has formalized its approach to organizational learning and continuous improvement through post-project retrospectives, error tracking, and ongoing review of lessons learned. TEA has completed retrospective reviews for the initial Bluebonnet Learning products and uses the resulting information to inform subsequent development processes, quality controls, vendor expectations, and project planning. Finally, TEA continues to evaluate staffing capacity in relation to its instructional materials publishing workload. Since the initial rollout, TEA has added project managers, content leads, and contract oversight staff. Staffing levels are continuing to reach the level needed to support the agency's current and anticipated publishing workload as remaining positions are filled. Management believes these actions directly address the audit recommendation. The recommendation reinforces improvements that TEA had already identified and substantially implemented before the audit concluded. TEA will continue using these established quality assurance, vendor oversight, post-project review, and staffing evaluation practices as the Bluebonnet Learning program and publishing workload evolve. As stated in our response to 5A, it is also important to note that, even after incorporating estimated reprinting costs, Bluebonnet Learning materials remain the most cost-effective option among State Board of Education-approved products. For example, in Grade 2 mathematics, Bluebonnet's annualized per-student cost is approximately 54% lower than the next least

<table>
<tr><th colspan="2">Management Implementation Plan: Recommendation 5A – Instructional Materials</th></tr>
<tr><td></td><td>expensive approved product and 62% lower than the most expensive approved product. Similarly, in Grade 2 RLA, Bluebonnet's annualized per-student cost is approximately 15% lower than the next least expensive approved product and 48% lower than the most expensive approved product. These comparisons demonstrate that Bluebonnet continues to provide significant value to districts even after accounting for reprinting expenses.</td></tr>
<tr><td>Responsible Party</td><td>Nicholas Keith, Association Commissioner, Curriculum & Instruction</td></tr>
<tr><td>Implementation Timeline</td><td>October 2026 – Ongoing</td></tr>
<tr><td>Action Plan</td><td>
<table>
<tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Target Completion Date</th></tr>
<tr><td>1</td><td>Continue implementation of an enhanced quality assurance framework for instructional materials development, including additional copyediting, expanded review cycles, extended third-party quality assurance reviews, formal quality assurance checkpoints, written quality assurance protocols, checklists, error tracking processes, and post-phase retrospective reviews. These practices are being incorporated into the October 2026 instructional materials development kickoff and will continue throughout future development cycles.</td><td>Jennifer Aguirre; Senior Advisor, Strategy and Operations; Department of Curriculum and Instruction</td><td>October 2026 and ongoing</td></tr>
<tr><td>2</td><td>Continue strengthening vendor oversight through the use of service-level</td><td>Karla Carrender, Managing</td><td>Ongoing, with implementation occurring upon</td></tr>
</table>
</td></tr>
</table>

Management Implementation Plan: Recommendation 5A – Instructional Materials				
		agreements (SLAs), expanded project management oversight, contract management practices, procurement oversight, and frequent progress monitoring to improve accountability and early identification of development risks. These practices have been incorporated into instructional materials development contracts and will continue as future contracts are executed and managed.	Director, Product Strategy and Operations; Department of Curriculum and Instruction	execution of applicable contracts
	3	Continue aligning organizational capacity and staffing resources to the agency's instructional materials publishing workload through workforce planning, organizational alignment, hiring of approved positions, and periodic evaluation of staffing needs. This includes continued development of project management, content leadership, and contract oversight capacity to support future publishing efforts.	Jennifer Aguirre; Senior Advisor, Strategy and Operations; Department of Curriculum and Instruction	Ongoing

6A: Hiring Processes Response & Corrective Action Plan

Management Implementation Plan: Recommendation 6A – Hiring Processes	
Management Agreement	Management agrees with the recommendations. However, we believe it is important to note some differences in how the related finding should be framed. More specifically, we believe the finding should read as follows: TEA has established hiring procedures that define staff responsibilities, required process approvals, and key recruitment milestones. State law generally requires a minimum 10 working day posting period (about 15 calendar days). Candidate screening, interviews, reference checks, and selection activities typically occur over approximately 40 calendar days. Following selection, offer review and approval activities average approximately 3 calendar days, while candidates typically require an additional 3 calendar days to review and accept an offer. Time-to-Fill is measured from requisition opening through candidate offer acceptance. The period between candidate offer acceptance and employee start date occurs after the recruitment process is complete and is not included in the Time-to-Fill calculation[4]. Historically, TEA used CAPPS Recruit, the applicant tracking system within the state's Centralized Accounting and Payroll/Personnel System (CAPPS), to manage recruitments. CAPPS Recruit measures hiring duration from the date a requisition is opened through the final filled date recorded in CAPPS Recruit, which corresponds to a new hire's start date. Hiring data from FY2023 through FY2025 included 700 hiring actions, of which 536 (77 percent) exceeded 65 calendar days. Because this measure extends through the employee's start date, it includes the time between offer acceptance and start date and, for requisitions with multiple vacancies, the time required to fill the final vacancy associated with the requisition. This CAPPS Recruit measure is not directly comparable to Society for Human Resource Management (SHRM) Time-to-Fill benchmarks, which define Time-to-Fill as the number of calendar days from requisition opening through candidate offer acceptance. To align with industry benchmarking practices, TEA adopted the SHRM methodology beginning in FY2026. TEA's historical CAPPS Recruit average of approximately 89 calendar days reflects a different recruitment endpoint and should not be interpreted as directly comparable to the SHRM benchmark. HR staff also reported that historical CAPPS Recruit data does not consistently support calculation of Time-to-Fill using the SHRM definition.

[4] Society for Human Resource Management, SHRM Benchmarking Report: Recruiting, 2025, p. 12. SHRM Benchmarking Report: Recruiting

Management Implementation Plan: Recommendation 6A – Hiring Processes	
	Certain requisitions contain multiple vacancies that cannot be separately measured using available data, and the final filled date reflects employee start dates rather than offer acceptance. As a result, TEA maintained a separate internal operational tracker to monitor recruitment activity. Based on the records available in that tracker, the median hiring duration was approximately 61 business days in FY2023, 39.5 business days in FY2024, and 35.5 business days in FY2025. Because the tracker and CAPPS Recruit data were maintained for different purposes and contain varying levels of detail and completeness, reconciliation requires substantial manual review. These limitations should be considered when interpreting historical hiring duration measures. TEA has made several changes to improve the hiring process. Beginning around FY2023, HR began requiring hiring managers to have key recruitment materials, including job descriptions, screening questions, screening matrices, and salary information, prepared before a position is posted. HR reported that this change allowed hiring managers to begin screening and interviewing more quickly after a posting closed. Based on the records available in TEA's internal tracker, median hiring duration decreased from approximately 61 business days in FY2023 to 35.5 business days in FY2025, a 42 percent reduction. While these results were calculated using a separate business-day methodology and historical tracker data, they are consistent with HR's assessment that these process changes contributed to shorter hiring timelines. Management acknowledges that opportunities exist to further improve recruitment reporting and data consistency. Historically, recruitment reporting relied on a combination of applicant tracking system data and manually maintained tracking tools due to limitations in available system reporting. In FY26, Talent Acquisition implemented an enhanced recruitment lifecycle tracking framework that captures additional recruitment milestones and provides greater visibility into hiring timelines than was previously available. Using this enhanced framework, Talent Acquisition tracked 308 hiring actions in FY26 and calculated an average Time-to-Fill of 58.7 days, which was below the 62-day average nonexecutive government-sector benchmark reported by SHRM. This demonstrates the value of enhanced recruitment data and provides a foundation for ongoing performance monitoring and process improvement. While Talent Acquisition manages several recruitment milestones directly, activities such as candidate evaluation, interview coordination, and candidate selection are decentralized and managed by hiring managers as

<table>
<tr><th colspan="2">Management Implementation Plan: Recommendation 6A – Hiring Processes</th></tr>
<tr><td></td><td>part of their operational responsibilities.

As a result, these activities are not consistently captured through existing reporting mechanisms. TEA will evaluate the reporting capabilities available within the updated CAPPS Recruit system to determine which recruitment milestones and recruitment-related factors can be captured consistently and reliably through existing system functionality and business processes. Management will continue to enhance recruitment lifecycle reporting to support improved visibility into hiring timelines and process performance.</td></tr>
<tr><td>Responsible Party</td><td>Emily Douno, Executive Director Human Resources</td></tr>
<tr><td>Implementation Timeline</td><td>October 2026 – Ongoing</td></tr>
<tr><td>Action Plan</td><td>Talent Acquisition will continue enhancing recruitment lifecycle reporting by evaluating available reporting capabilities within the updated CAPPS Recruit system, refining recruitment performance metrics, and establishing a periodic review process to identify trends, bottlenecks, and opportunities for process improvement.
<table>
<tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Implementation Timeline/Target Completion Date</th></tr>
<tr><td>1</td><td>Evaluate reporting capabilities within the updated CAPPS Recruit system and identify recruitment milestones and factors that can be consistently and reliably reported.</td><td>Human Resources</td><td>11/30/2026</td></tr>
<tr><td>2</td><td>Refine and standardize recruitment lifecycle reporting using available system data and existing Talent Acquisition processes.</td><td>Human Resources</td><td>11/30/2026</td></tr>
</table></td></tr>
</table>

Management Implementation Plan: Recommendation 6A – Hiring Processes				
	3	Establish a monthly review process to evaluate recruitment performance data and identify opportunities for process improvement.	Human Resources	11/30/2026
	4	**Provide Access.** Provide public links through TEA's website to each school district's local grievance process. Track page views and downloads of the manual and quarterly review feedback from complainants/ local education agencies for improvements.	Primary: Director, Complaints and Inquiries Support: Jurisdiction Review Unit	December 1, 2027
	5	**Validate.** Review CCMS adoption, required data-field completion, use of the approved operating procedure, management-report availability, documented program-specific exceptions, and the status of duplicative tracking tools.	Primary: Associate Commissioner, Compliance and Investigations Reporting: CCMS project leadership and participating program-area leadership	Initial validation within six months after the operating procedure takes effect

6B: Hiring Processes Response & Corrective Action Plan

<table>
<tr><th colspan="2">Management Implementation Plan: Recommendation 6A – Hiring Processes</th></tr>
<tr><td>Management Agreement</td><td>Management agrees with the recommendations. However, as outlined in our response in 6.A, we believe it is important to note some differences in how the related finding should be framed.

Talent Acquisition has already begun using recruitment lifecycle data to improve visibility into hiring timelines and support process improvement efforts. In FY26, Talent Acquisition implemented an enhanced recruitment lifecycle tracking framework that captures additional recruitment milestones and provides greater visibility into key phases of the hiring process than was previously available.

As part of this effort, Talent Acquisition is developing a standardized Recruitment Progress and Performance Report for each recruitment, with summary reporting available at the division, office, and agency levels to support performance monitoring, trend analysis, and identification of process improvement opportunities.

Management acknowledges that opportunities exist to further formalize the review and use of recruitment performance data. Talent Acquisition will establish a monthly review process to evaluate available recruitment data, identify trends and potential bottlenecks, assess the effectiveness of process improvements, and support data-informed decision-making.</td></tr>
<tr><td>Responsible Party</td><td>Emily Douno, Executive Director Human Resources</td></tr>
<tr><td>Implementation Timeline</td><td>October 2026 – Ongoing</td></tr>
<tr><td>Action Plan</td><td>Talent Acquisition will establish a periodic recruitment performance review process to evaluate hiring timelines, identify opportunities for improvement, and assess the effectiveness of implemented process changes.

<table><tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Implementation Timeline/Target Completion Date</th></tr><tr><td>1</td><td>Establish standardized Recruitment Progress and Performance Report to support ongoing visibility of</td><td>Human Resources</td><td>11/30/2026</td></tr></table></td></tr>
</table>

Management Implementation Plan: Recommendation 6A – Hiring Processes				
		hiring timelines by agency leadership.		
	2	Implement a monthly review process to evaluate recruitment performance data, identify trends and potential bottlenecks, and determine corrective actions as appropriate.	Human Resources	11/30/2026
	3	Evaluate the effectiveness of process improvement initiatives and update practices as warranted.	Human Resources	11/30/2026
	4	**Provide Access.** Provide public links through TEA's website to each school district's local grievance process. Track page views and downloads of the manual and quarterly review feedback from complainants/ local education agencies for improvements.	Primary: Director, Complaints and Inquiries Support: Jurisdiction Review Unit	December 1, 2027
	5	**Validate.** Review CCMS adoption, required data-field completion, use of the approved operating procedure, management-report availability, documented program-specific exceptions, and the status of duplicative tracking tools.	Primary: Associate Commissioner, Compliance and Investigations Reporting: CCMS project leadership and participating program-area leadership	Initial validation within six months after the operating procedure takes effect

7: Technology Governance Response & Corrective Action Plan

Management Implementation Plan: Recommendation 7. Technology Governance	
Management Agreement	Management agrees with the finding and recommendation. TEA recognizes the importance of mature technology portfolio management processes to improve visibility into technology investments, support sound governance and decision-making, identify overlapping capabilities, and enable informed software lifecycle and retirement decisions. To address this need, TEA is currently consolidating existing software inventory, application inventory, and governance efforts into a centralized Agency Software Catalog that will serve as the authoritative source for software governance, ownership, authorization status, lifecycle management, and technology portfolio review activities. The catalog is being designed to provide a comprehensive view of agency software assets, including approved and restricted software, ownership information, security review status, business purpose, lifecycle data, and applicable governance requirements. A draft version of the Agency Software Catalog is already available and in use to provide visibility into agency software and technology assets. TEA is currently revising and enhancing the catalog's governance model, data structure, ownership requirements, review processes, and reporting capabilities to better support agency operational needs and establish a sustainable long-term technology portfolio management capability. The catalog will support consistent technology governance by establishing standardized ownership assignments, recurring review processes, software classification standards, authorization decisions, lifecycle tracking, and reporting capabilities. The effort is also intended to improve the agency's ability to identify duplicative technologies, unsupported software, retirement candidates, and opportunities for consolidation. Management acknowledges that this capability remains under development and agrees that additional operationalization is necessary. TEA will continue maturing governance processes, inventory accuracy, review procedures, reporting, accountability mechanisms, and software lifecycle management activities to establish a sustainable technology portfolio management program that supports efficient stewardship of agency technology resources.
Responsible Party	Daniel Ramirez, Chief Information Security Officer Fuat Aki, Associate Commissioner, Department of Application Dev & Testing & Technology/Chief Technology Office Julia Schacherl, Executive Director, IT Administration and Compliance

<table>
<tr><th colspan="2">Management Implementation Plan: Recommendation 7. Technology Governance</th></tr>
<tr><td></td><td>TEA Data Owners

Technology Governance Stakeholders</td></tr>
<tr><td>Implementation Timeline</td><td>October 2026 – August 2027</td></tr>
<tr><td>Action Plan</td><td>TEA will continue development and implementation of an agency-wide software governance and portfolio management capability through the establishment of a centralized Agency Software Catalog. The catalog will provide a consolidated view of agency software assets and support software authorization tracking, ownership accountability, lifecycle management, recurring reviews, technology rationalization efforts, and management reporting.
<table>
<tr><th>Action Step</th><th>Description of Corrective Action</th><th>Responsible Party</th><th>Implementation Timeline/Target Completion Date</th></tr>
<tr><td>1</td><td>Finalize the Agency Software Catalog governance model, including catalog scope, data standards, ownership requirements, authorization statuses, lifecycle attributes, review requirements, and decision authority.</td><td>IT Administration, Information Security Office, Business Operations</td><td>November 30, 2026</td></tr>
<tr><td>2</td><td>Enhance and operationalize the existing Agency Software Catalog by implementing standardized governance requirements, ownership accountability, authorization tracking, lifecycle management processes, and reporting capabilities necessary to support agency-wide</td><td>IT Operations</td><td>January 31, 2027</td></tr>
</table>
</td></tr>
</table>

Management Implementation Plan: Recommendation 7. Technology Governance				
		technology portfolio management.		
	3	Validate and normalize existing software inventory records, assign accountable business and technical owners, and reconcile software records obtained from existing agency inventories and governance processes.	IT Operations and designated data owners	March 31, 2027
	4	Implement recurring review and certification processes to validate software ownership, business need, lifecycle status, supportability, and continued authorization for use.	Information Technology, Information Security Office, and designated business owners	May 31, 2027
	5	Develop management reporting to identify software requiring review, software approaching retirement, unsupported technologies, duplicate capabilities, and opportunities for consolidation or replacement.	IT Operations and designated data owners	July 31, 2027
	6	Incorporate portfolio review activities into ongoing governance processes to support technology rationalization, retirement planning, and strategic investment decisions.	Technology Governance Stakeholders	August 31, 2027



Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms. ©2026 Baker Tilly US, LLP