

An Audit of Licensing and Enforcement at the Optometry Board

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

The Optometry Board (Agency) established adequate processes to ensure that it grants licenses to qualified and eligible candidates. It also conducted inspections and appropriately categorized and investigated complaints received from the public in accordance with Texas Occupations Code, Chapter 351 (Texas Optometry Act).

However, it did not refer all complaint dispositions to its governing board for review and approval, as required.

- *Audit Objective* | p. 7

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

MEDIUM

ENFORCEMENT AND DISCIPLINARY ACTIONS

The Agency had processes for conducting inspections and investigating complaints. However, the Agency did not refer all complaint dispositions to its governing board for review and approval.

Chapter 1 | p. 3

LOW

LICENSING

The Agency established and maintained adequate processes to ensure that it licensed only qualified and eligible professionals in accordance with the Texas Optometry Act.

Chapter 2 | p. 6

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

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Summary of Management's Response

Auditors made a recommendation at the end of Chapter 1 to address the issue identified during the audit. The Agency agreed with the recommendation.

Ratings Definitions

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

PRIORITY: Issues identified present risks or effects that if not addressed could ***critically affect*** the audited entity's ability to effectively administer the program(s)/function(s) audited. Immediate action is required to address the noted concern(s) and reduce risks to the audited entity.

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

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

LOW: The audit identified strengths that support the audited entity's ability to administer the program(s)/function(s) audited or the issues identified do not present significant risks ***or*** effects that would negatively affect the audited entity's ability to effectively administer the program(s)/function(s) audited.

For more on the methodology for issue ratings, see Report Ratings in Appendix 1.

Chapter 1

Enforcement and Disciplinary Actions

MEDIUM

The Optometry Board (Agency) had adequate processes for conducting inspections and investigating complaints. However, the Agency did not refer all complaint dispositions to its governing board for review and approval.

The Agency's inspection process was designed to identify both patient health-and-safety and administrative violations.

The Agency conducted inspections annually of select licensees in accordance with the Texas Optometry Act (see text box). It had an established performance measure of 63 inspections per fiscal year, and the Agency's inspection records showed that it fulfilled that measure in fiscal year 2025.

The Agency followed its process to review licensee compliance with patient health-and-safety and administrative requirements for all 10 inspections tested.[1] Specifically, the Agency reviewed patient records and performed on-site inspections. This included a governing board member's review of a sample of patient case records for information required by statute and agency staff's completion of a physical inspection checklist.

Texas Optometry Act

The Texas Optometry Act establishes the Agency as the State's licensing body and the regulatory authority for optometry, responsible for safeguarding public health, safety, and vision care standards.

Source: Texas Occupations Code, Chapter 351.

[1] The Agency conducted 106 inspections from March 2025 through April 2026.

The Agency appropriately recorded inspections, categorized complaints received from the public, and assessed penalties.

The Agency accurately recorded inspection checklist details in its inspection system, including optometrist biographical data, clinic information, and inspection notes.

In addition, the Agency:

- Correctly classified complaints received from the public as standard-of-care, non-standard-of-care, or non-jurisdictional.
- Assessed penalties in compliance with statute and properly deposited collected funds.

The Agency did not refer all complaint dispositions to its governing board as required by statute.

The Agency submitted complaints received from the public to its governing board as required. However, it did not consistently comply with statutory requirements to refer to its governing board all complaint dispositions determined by Agency staff under delegated authority.[2]

Specifically, for 28 (90 percent) of the 31 complaints tested, the Agency did not submit the disposition decisions made by staff to the governing board for approval. A disposition can include dismissal; sending a letter of noncompliance; formal reprimand; entering into an agreed settlement; assessment of penalties; and suspension, probation, or revocation of a license.

Not obtaining review and approval from its governing board for all complaints and violations reduces the transparency of the Agency's oversight of licensee compliance.

[2] Texas Occupations Code, Section 351.2036, authorizes the Agency to delegate certain complaint disposition authority to staff, while requiring that each disposition decision be submitted to the governing board for approval.

Recommendation

The Agency should submit all staff-determined complaint dispositions to its governing board as required by the Texas Occupations Code.

Management's Response

> The Board agrees that the Texas Optometry Act §351.2036 requires dispositions by board staff "must be approved by the board at a public meeting." However, the Board notes that §351.205 states the Board be "advised of a complaint that is dismissed." Staff had been complying with §351.205 regarding notifying the Board of dismissals at Board meetings. Starting in July 2026, the Board began approving staff decisions on cases dismissed as either non-jurisdictional or no-violation in compliance with §351.2036.

LOW

Chapter 2
Licensing

The Agency licensed only qualified and eligible professionals.

The Agency established and maintained adequate processes to ensure that it licensed only qualified and eligible professionals in accordance with Texas Occupations Code, Chapter 351. Specifically:

- **New License Applications:** All 60 new license applications tested were accurate, complete, and supported by documentation confirming the applicant met all prerequisites. Specifically, for each application tested, the Agency verified that the applicant:
  - Graduated from an accredited optometry school.
  - Passed the required licensing examinations.
  - Passed a criminal history background check.
  - Maintained a record clear of adverse actions in the National Practitioner Data Bank.[3]
- **License Renewals:** All 60 license renewal applications tested were accurate, complete, and supported by documentation confirming the licensee completed the required continuing education hours.

[3] The National Practitioner Data Bank is an online repository of reports containing information on medical malpractice payments and certain adverse actions related to health care practitioners, providers, and suppliers.

Appendix 1

Objective, Scope, and Methodology

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

- David Cortright, CIA, CISSP (Project Manager)
- Kristen Thurman (Assistant Project Manager)
- Tina Majdinasab
- Josh Tsao, CFE
- Bianca Pineda, CIA, CFE, CGAP, CISA (Quality Control Manager)
- Paul Morris, MPA, CIA, CPA (Audit Manager)

Objective

The objective of this audit was to determine whether the Optometry Board (Agency) conducts licensing and enforcement activities in accordance with applicable requirements.

Scope

The scope of this audit included new and renewed licenses issued, inspections performed, and complaints filed or resolved from September 2024 through May 2026.

The scope also included a review of internal controls that were significant to the Agency's licensing of qualified professionals, inspecting optometry practices, and investigating complaints.

Methodology

We conducted this compliance audit from April 2026 through September 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. In addition, during the audit, matters not required to be reported in accordance with *Government Auditing Standards* were communicated to Agency management for consideration.

Addressing the Audit Objective

During the audit, we performed the following:

- Interviewed and conducted walkthroughs with Agency management and staff to gain an understanding of processes and controls related to complaints and enforcement actions.
- Identified the relevant criteria:
  - Texas Occupations Code, Chapter 351.
  - Texas Administrative Code, Title 22, Chapters 271 through 280.
  - Governing board's policies and procedures.
- Reviewed the Agency's site inspection data by county and licensee location to evaluate the geographical distribution and frequency of inspections and assess whether the Agency's inspection methodology provided reasonable statewide coverage of licensed entities.
- Tested user access to the Agency's licensing, inspection, and complaint system.
- Evaluated whether the Agency conducted optometry license renewal processes and new license application reviews in accordance with applicable requirements and codes by:
  - Testing a nonstatistical random sample of 60 new license applications from a population of 312.

  - Testing a nonstatistical random sample of 60 license renewal applications from a population of 3,886.

- Evaluated whether the Agency processed complaints in accordance with applicable requirements by:
  - Testing a targeted sample of 10 complaint cases from a population of 164 to determine whether jurisdictional determinations were consistent with Agency policy and statutory criteria.
  - Testing a targeted sample of 8 non-standard-of-care complaint cases from the population of 164 to determine whether complaints resulting in disciplinary action were presented to the Agency's governing board.
  - Testing a targeted sample of 13 standard-of-care complaint cases from the population of 164 to determine whether they were processed in accordance with Agency policy and statutory requirements, including required review by the Agency management and the governing board.
- Tested the population of 18 penalty transactions to determine whether they aligned with Agency policy and applicable statutory requirements and were properly documented, recorded, collected, and deposited.
- Tested a nonstatistical random sample of 10 inspection records from a population of 106 to determine whether the Agency accurately transferred optometrist inspection checklist information from hardcopy inspection forms into Versa, and to determine whether the Agency inspection process captured patient standard-of-care and administrative violations.

The random sampling designs were chosen to ensure that the samples would include a cross-section of license applications. The test results may be projected to the populations, but the accuracy of the projection cannot be measured.

The targeted sampling designs were chosen to ensure that the samples would include a cross section of non-jurisdictional, non-standard-of-care, and standard-of-care complaints. In addition, auditors selected additional items based on specific risk factors identified in the populations. The test results are not representative of the populations; therefore, it would not be appropriate to project the test results to the populations.

Data Reliability and Completeness

To determine data reliability and completeness, auditors:

1) Observed the Health Professions Council[4] staff's extraction of requested data populations for new license and license renewal applications, inspections, and complaint cases from Versa.
2) Reviewed the data queries and report parameters.
3) Analyzed the populations for reasonableness and completeness.

Based on that work, auditors determined that the following data sets were sufficiently reliable for purposes of the audit:

- New license and license renewal data.
- Inspections and complaints data.

Report Ratings

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

[4] The Health Professions Council provides database support to the Agency.

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

The Honorable Joan Huffman, Senate Finance Committee

The Honorable Robert Nichols, Member, Texas Senate

The Honorable Greg Bonnen, House Appropriations Committee

The Honorable Morgan Meyer, House Ways and Means Committee

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The Honorable Greg Abbott, Governor

Optometry Board

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Ms. Janice McCoy, Executive Director

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