



A Report on

The Implementation of Sunset Advisory Commission Management Actions

- The State Auditor's Office (SAO) obtained state entities' self-reported implementation status for 85 nonstatutory recommendations (management actions).
- SAO auditors determined the implementation status of 37 selected management actions.

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State entities provided their self-reported implementation status for nonstatutory recommendations (management actions) included in the Sunset Advisory Commission's (Commission's) *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature and related Commission staff reports to each entity. SAO auditors determined the implementation status of selected management actions that some of those entities reported as fully implemented and that the Commission rated as having either a high or medium priority.

Texas Government Code, Section 325.012(d), provides for the State Auditor's Office's examination of the nonstatutory recommendations (management actions) that the Sunset Advisory Commission makes.

IMPLEMENTATION STATUS DETERMINED BY THE STATE AUDITOR'S OFFICE

The SAO determined the implementation status for 37 selected management actions from 9 state entities and made the following determinations:

- 33 (89 percent) of the management actions were fully implemented.
- 4 (11 percent) had an incomplete or ongoing implementation.

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ENTITIES' SELF-REPORTED STATUS

The SAO obtained the self-reported implementation status from 10 state entities for 85 management actions. The entities reported that:

- 64 (75 percent) of the management actions were fully implemented.
- 4 (5 percent) were substantially implemented.
- 17 (20 percent) had an incomplete or ongoing implementation.

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Chapter 1

Implementation Status Determined by the State Auditor’s Office

Figure 1 summarizes the implementation status that the State Auditor’s Office determined for 37 nonstatutory recommendations (management actions) directed to 9 state entities in the Sunset Advisory Commission’s *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature.

Those entities reported that the 37 management actions had been fully implemented as of June 2024. Auditors determined that 33 of those management actions were fully implemented and 4 had an incomplete or ongoing implementation.

Figure 1

Summary of State Auditor’s Office Determination of the Implementation of Sunset Advisory Commission Management Actions

Entity	Total Number of Management Actions	Fully Implemented	Substantially Implemented	Incomplete or Ongoing	Not Implemented
Lavaca-Navidad River Authority	6	5	0	1	0
Public Utility Commission of Texas ^a Electric Reliability Council of Texas Office of Public Utility Counsel	7	7	0	0	0
San Antonio River Authority	3	1	0	2	0
Texas Commission on Environmental Quality	6	6	0	0	0
Texas Commission on Law Enforcement	1	1	0	0	0
Texas Juvenile Justice Department	1	1	0	0	0
Texas State Soil and Water Conservation Board	9	9	0	0	0
Texas Water Development Board	2	2	0	0	0
Upper Guadalupe River Authority	2	1	0	1	0
Total	37	33	0	4	0

^a Public Utility Commission of Texas, Electric Reliability Council of Texas, and Office of Public Utility Counsel are listed as one agency because the Sunset Advisory Commission reported them in one chapter in its *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature.

The State Auditor’s Office requested that the entities provide documentation for the selected management actions that the entities had self-reported as fully implemented as of June 2024. Some entities updated implementation status after receiving the draft of this report for review in August 2024.

Implementation Status Definitions



Fully Implemented: Successful development and use of a process, system, or policy to implement a recommendation.



Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a recommendation.



Incomplete or Ongoing: Ongoing development of a process, system, or policy to address a recommendation.



Not Implemented: Lack of a formal process, system, or policy to address a recommendation.











For instances in which auditors determined that a management action was not fully implemented, comments in Figure 2 explain the reasoning for that determination. For those management actions with no comment, auditors determined that the management action had been fully implemented.







The management actions in Figure 2 do not represent all management actions for each entity. The self-reported implementation statuses for all 85 management actions are included in [Figure 4](#) in Chapter 2.







Figure 2








State Auditor’s Office Determination of the Implementation Status of Selected Sunset Advisory Commission Management Actions






Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
Lavaca-Navidad River Authority (LNRA)		
Direct LNRA to establish policies requiring conflicted members of its grant review committee, staff, and the board to recuse themselves from the grant award process.	 Fully Implemented	
Direct LNRA to establish and document in writing the goals, terms, and conditions for partnership grants.	 Fully Implemented	
Direct LNRA to establish policies and procedures for formally monitoring grant awardees.	 Fully Implemented	

Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
Direct LNRA to develop policies to consider the past performance of grantees before awarding future grants.	 Fully Implemented	
Direct LNRA to create and publish policies and procedures governing the service grant and publicly post information about the grant.	 Fully Implemented	
Direct LNRA to develop and implement a reserve fund balance policy.	 Incomplete/Ongoing	LNRA developed and implemented a reserve fund policy; however, the policy did not include information about when to return excess revenue to customers. ^b
Public Utility Commission of Texas (PUC), Electric Reliability Council of Texas (ERCOT), and Office of Public Utility Counsel (OPUC)		
Direct ERCOT to re-evaluate its performance measures, with input from PUC.	 Fully Implemented	
Direct PUC, in coordination with ERCOT, to approve assumptions used in electric industry reports.	 Fully Implemented	
Direct the commission to develop policies regarding separating commissioner roles and responsibilities.	 Fully Implemented	
Direct PUC and ERCOT to create a guidance document to better coordinate public communications.	 Fully Implemented	
Direct PUC to update its policy guiding the agency’s rule review process to ensure identified deficiencies in the rules are addressed.	 Fully Implemented	
Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should require signed conflict of interest statements from experts.	 Fully Implemented	
Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should document expert witness performance and use information regarding expert witness performance, particularly when considering future contract awards.	 Fully Implemented	

Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
San Antonio River Authority (SARA)		
Direct SARA to publish more digestible information about its tax revenue spending and rate setting process on its website.	 Incomplete/Ongoing	SARA updated its website; however, the website did not address two topics that were included in the recommendation: <ul style="list-style-type: none"> • How SARA allocates revenue across activities and reserve accounts. • How spending ties to SARA’s goals and objectives in a given fiscal year and over time. ^b
Direct SARA to develop a policy governing the support its staff can provide to nonprofits.	 Fully Implemented	
Direct SARA to improve its contracting processes to ensure sufficient consistency and transparency.	 Incomplete/Ongoing	SARA implemented all areas of the recommendation in its contracting process except for: <ul style="list-style-type: none"> • Including contract closeout processes in its standard operating procedures. • Researching a potential vendor’s public financial statements in the vendor performance review. • Developing Historically Underutilized Business (HUB) goals and a HUB plan. ^b
Texas Commission on Environmental Quality (TCEQ)		
Direct TCEQ to adopt a policy guiding its rule review process to ensure that identified deficiencies in the rules are addressed.	 Fully Implemented	
Direct TCEQ to develop and implement clear guidance to evaluate affirmative defense requests for air emissions. TCEQ is also directed to establish a centralized committee of agency staff authorized to review and approve all applications for an affirmative defense related to unauthorized air pollution emissions.	 Fully Implemented	
Direct TCEQ to modify its approach to nuisance complaints to make better use of the agency’s investigative resources.	 Fully Implemented	

Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
Direct TCEQ to publish a report on its website on the status of its water availability models (WAMs) as they are updated, including the development and structure of WAMs, information on ongoing WAM updates, prioritization for other WAM dataset updates, and estimated cost for the prioritized updates. As part of this recommendation, TCEQ should post this report on its website.	 Fully Implemented	
Direct TCEQ commissioners to take formal action on OPIC’s rulemaking recommendations.	 Fully Implemented	
Direct TCEQ to prepare and deliver a report by September 1, 2023, to the Legislature on its efforts to enhance public participation and language access as part of its November 3, 2020, Informal Resolution Agreement with the Environmental Protection Agency.	 Fully Implemented	
Texas Commission on Law Enforcement (TCOLE)		
Direct TCOLE to work with Department of Public Safety to subscribe to rap backs on fingerprint-based criminal background checks for all licensure applicants and licensees.	 Fully Implemented	
Texas Juvenile Justice Department (TJJD)		
Direct TJJD to complete statutorily required regionalization duties that remain unfinished or underdeveloped.	 Fully Implemented	
Texas State Soil and Water Conservation Board (TSSWCB)		
Direct TSSWCB to establish and update its policies for administering the dam structural repair program by January 1, 2023. The agency should report back to the Sunset Commission on the implementation status of the policies, whether fully implemented or not, by January 1, 2023.	 Fully Implemented	

Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
<p>Direct TSSWCB to maintain a centralized master file system for dam structural repair grants. The agency should implement the centralized master file system by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct the TSSWCB board to approve all grants and contracts over \$1 million. The agency should implement this by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct TSSWCB to proactively inform dam sponsors and co-sponsors about dam structural repair funding availability. The agency should implement this by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct TSSWCB to develop a board member recusal policy, including a written explanation for the recusal.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct TSSWCB to improve its district director training, including providing a training manual the directors would have to attest to receiving and reviewing annually.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct TSSWCB to adopt a policy guiding its rule review process.</p>	<p style="text-align: center;"> Fully Implemented</p>	
<p>Direct TSSWCB to recertify its records retention schedule and develop a records retention policy.</p>	<p style="text-align: center;"> Fully Implemented</p>	

Management Action	State Auditor’s Office Determination of the Implementation Status	State Auditor’s Office Comments ^a
Direct TSSWCB to include, within their current annual report, its funding activities related to dam safety grants and outreach, nonpoint source pollution grants, and activities and programs related to on-the-ground conservation. The annual report should include, either in the main body or an appendix, a list of total applications and funding applied for by program area, the number of grants awarded and the funding amount, and a list of grant recipients (as allowable under confidentiality requirements in Texas Agriculture Code, Section 201.006).	 Fully Implemented	
Texas Water Development Board (TWDB)		
Direct TWDB to develop a plan to prioritize improving its project review process to eliminate inefficiencies and inconsistencies.	 Fully Implemented	
Direct TWDB to adopt a rule review plan.	 Fully Implemented	
Upper Guadalupe River Authority (UGRA)		
Direct UGRA to improve its contracting processes to ensure sufficient consistency and transparency.	 Incomplete/Ongoing	UGRA implemented all areas of the recommendation in its contracting process except for contractor performance monitoring policies. UGRA asserted that it has already revised its Contractor Performance Form, which is part of its procurement process. Also, UGRA noted that it will revise the procurement policy in its annual administrative policies (documented in November 2024) to implement contractor performance monitoring policies.
Direct UGRA’s board to develop and adopt a reserve fund balance policy.	 Fully Implemented	

Management Action	State Auditor's Office Determination of the Implementation Status	State Auditor's Office Comments ^a
<p>^a Auditors reviewed the Sunset Advisory Commission's <i>Final Results of Sunset Reviews 2022-23</i> report to the 88th Legislature, the Sunset Advisory Commission's entity-specific staff reports, and supporting documentation provided by the entities to determine the implementation status of selected management actions for the 9 state entities included in this table. The Sunset Advisory Commission's reports include further details related to the management actions, such as the intent of the management actions and additional actions for implementation of each recommendation. Auditors also consulted with Sunset Advisory Commission staff in making determinations on the implementation status for some management actions. Sunset Advisory Commission reports are available online at 2022-2023 Review Cycle Texas Sunset Advisory Commission.</p> <p>^b After being informed of the auditors' determination of implementation status, the Lavaca-Navidad River Authority and the San Antonio River Authority provided additional information and asserted that they had addressed the outstanding areas.</p>		

Chapter 2

Entities’ Self-reported Status

Figure 3 summarizes the implementation status that entities self-reported for 85 nonstatutory recommendations (management actions) directed to 10 state entities in the Sunset Advisory Commission’s *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature (Final Report) and related Sunset Advisory Commission’s staff reports to each entity as of August 2024.

Figure 3

Summary of Entities’ Self-reported Status of Implementation of Sunset Advisory Commission Management Actions

Entity	Total Number of Management Actions	Fully Implemented	Substantially Implemented	Incomplete or Ongoing	Not Implemented
Lavaca-Navidad River Authority	6	6	0	0	0
Public Utility Commission of Texas ^a					
Electric Reliability Council of Texas	20	13	0	7	0
Office of Public Utility Counsel					
San Antonio River Authority	7	4	0	3	0
Texas Commission on Environmental Quality	14	11	0	3	0
Texas Commission on Law Enforcement	2	2	0	0	0
Texas Economic Development and Tourism Office ^b					
Office of State-Federal Relations	4	0	3	1	0
Texas Juvenile Justice Department ^c					
Office of the Independent Ombudsman	14	11	1	2	0
Texas State Soil and Water Conservation Board	9	9	0	0	0
Texas Water Development Board	7	6	0	1	0
Upper Guadalupe River Authority	2	2	0	0	0
Total	85	64	4	17	0

These individual entities are listed as one entity because the Sunset Advisory Commission reported them in one chapter in its *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature:





^a Public Utility Commission of Texas, Electric Reliability Council of Texas, and Office of Public Utility Counsel.

^b Texas Economic Development and Tourism Office and the Office of State-Federal Relations.

^c Texas Juvenile Justice Department and Office of the Independent Ombudsman.

Figure 4 presents information on all of the entities’ self-reported status of the implementation of management actions in the Commission’s Final Report and staff reports. The State Auditor’s Office requested that the entities report the status of implementation of these management actions as of June 2024. Some entities updated implementation status and associated comments after receiving the draft of this report for review in August 2024.





Implementation Status Definitions




-  **Fully Implemented:** Successful development and use of a process, system, or policy to implement a recommendation.
-  **Substantially Implemented:** Successful development but inconsistent use of a process, system, or policy to implement a recommendation.
-  **Incomplete or Ongoing:** Ongoing development of a process, system, or policy to address a recommendation.
-  **Not Implemented:** Lack of a formal process, system, or policy to address a recommendation.





Auditors did not perform work to determine the implementation status of the management actions except for those identified by footnote a in Figure 4.





Figure 4







Entities’ Self-reported Status of Implementation of Sunset Advisory Commission Management Actions






Management Action	Self-reported Implementation Status	Entity Comments
Lavaca-Navidad River Authority (LNRA)		
Direct LNRA to establish policies requiring conflicted members of its grant review committee, staff, and the board to recuse themselves from the grant award process. ^a	 Fully Implemented	“CDPP Operating Procedures Revised LNRA Board Policy 701 - Economic Development and Community Services, 701.602 CDPP Review Committee.”
Direct LNRA to establish and document in writing the goals, terms, and conditions for partnership grants. ^a	 Fully Implemented	“LNRA Board Policy 701 - Economic Development and Community Services, 701.604 Grant Documentation CDPP Grant Application Revised.”
Direct LNRA to establish policies and procedures for formally monitoring grant awardees. ^a	 Fully Implemented	“LNRA Board Policy 701 - Economic Development and Community Services, 701.606 Project Monitoring.”
Direct LNRA to develop policies to consider the past performance of grantees before awarding future grants. ^a	 Fully Implemented	“CDPP Grant Application Revised CDPP Scoring Sheet Revised.”







Management Action	Self-reported Implementation Status	Entity Comments
Direct LNRA to create and publish policies and procedures governing the service grant and publicly post information about the grant. ^a	 Fully Implemented	“LNRA Board Policy 701 - Economic Development and Community Services Community Services Program (CSP Application LNRA Website (www.lnra.org) www.lnra.org/community/community-development-partnership-program Social Media and Local Newspaper”
Direct LNRA to develop and implement a reserve fund balance policy. ^a	 Fully Implemented	“LNRA Board Policy 402- Budget and Audit, 402.202 Reserve Fund.”
Public Utility Commission of Texas (PUC), Electric Reliability Council of Texas (ERCOT), and Office of Public Utility Counsel (OPUC)		
Authorize PUC to issue directives to ERCOT through written memos and orders adopted by a majority vote of the commission, and require PUC to use rulemakings or contested cases when directives affect fees and operational obligations on a regulated entity. Authorize stakeholders to formally provide input on these directives. Clarify that PUC can only verbally direct ERCOT outside of these methods in an emergency or other urgent situation and require all verbal directives be documented in writing no later than 72 hours after the urgent or emergency situation ends. As a management action, direct the ERCOT chief executive officer to provide an update about any new directive issued by PUC to ERCOT at the first ERCOT board meeting following the directive’s issuance.	 Fully Implemented	


Management Action	Self-reported Implementation Status	Entity Comments
<p>Consolidate the Report on Constraints and Needs with other key information into a new Electric Industry Report. Specifically, this new report will not only include information previously contained in the Report on Constraints and Needs but will summarize key findings from the Long-Term System Assessment Report and Grid Reliability Assessment. The Electric Industry Report will also clearly outline other basic information about the electric grid and market in Texas, such as generation capacity, customer demand, and transmission capacity currently installed on the grid and expected in the future. Require ERCOT, in coordination with PUC, to submit the Electric Industry Report to the Legislature by January 15 of odd-numbered years. The report must be presented in plain language that is readily understandable by a person with limited knowledge of the industry.</p>	<p> Incomplete/Ongoing</p>	<p>“This is part of the efforts for the Biennial Agency report. Staff met with ERCOT and will be collaborating closely to accomplish this task. The PUC Communications team helping to make sure it is in plain language.”</p>
<p>Direct PUC to develop a state reliability standard no later than May 1, 2023.</p>	<p> Incomplete/Ongoing</p>	<p>“PUC will adopt the reliability standard at the 8/29/24 open meeting (agenda item P-54584).”</p>
<p>Direct ERCOT to re-evaluate its performance measures, with input from PUC.^a</p>	<p> Fully Implemented</p>	<p>“On November 15, 2023, the Commission ordered ERCOT to provide quarterly reports on key performance measures related to Commission priorities. Since the PUC order, ERCOT has filed an update on the status of those performance measures.”</p>
<p>Direct PUC, in coordination with ERCOT, to approve assumptions used in electric industry reports.^a</p>	<p> Fully Implemented</p>	<p>“ERCOT and PUC staff continue to meet regularly and communicate about upcoming reports. ERCOT recently requested and received Commission guidance on assumptions used associated with the reliability standard analysis.”</p>

Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct the commission to develop policies regarding separating commissioner roles and responsibilities.^a</p>	<p> Fully Implemented</p>	<p>“PUC staff updated the commissioner training handbook to explain the separate commissioner roles and responsibilities. All PUC Commissioners completed their trainings by 1/23/2024.”</p> <p>“In August 2024, the PUC documented policies that:</p> <ul style="list-style-type: none"> clarify the roles and responsibilities among commissioners, outline how the commission will establish and track priorities, establish a process for information sharing among commissioners including requesting information or assistance from staff, establish a process to submit formal comments to federal agencies, and separate commission policy functions from staff’s day-to-day operations.”
<p>Direct PUC and ERCOT to create a guidance document to better coordinate public communications.^a</p>	<p> Fully Implemented</p>	<p>“In June, ERCOT launched the Texas Advisory and Notification System (TXANS). TXANS allows ERCOT to communicate earlier with the public about grid conditions.</p> <p>ERCOT has created a coordinated communication document. PUC using similar language, currently internal review.”</p>
<p>Direct PUC to provide up-to-date, easily accessible information as part of its current website redesign efforts.</p>	<p> Fully Implemented</p>	<p>“PUC staff created a responsive website for optimized mobile use and updated the website to use heat-mapping to track real-time user experience and make highest traffic functions most accessible. Staff continues to make aesthetic and operational improvements.”</p>
<p>Direct PUC to prepare minutes of commission meetings and provide them on its website.</p>	<p> Incomplete/Ongoing</p>	<p>“Currently, transcripts are available in Central Records upon request. The AdminMonitor archives all the videos of meetings, which are available with or without closed captioning. The template for minutes has been developed and refined, and we will begin the process of posting the minutes to the agency’s website in September, 2024.”</p>




Management Action	Self-reported Implementation Status	Entity Comments
Direct PUC to comprehensively review its water and wastewater rules, processes, and guidance documents to identify and address areas for improvement.	 Incomplete/Ongoing	<p>“Staff is currently focused on implementing statutory changes made in the 87th and 88th Legislative Sessions. Staff is exploring grouping rulemakings and updating forms to expedite water utility transactions, Title 16 Texas Admin Code, Chapter 24. Infrastructure team working on updating forms.</p> <p>Our water efforts are ongoing. In terms of tracking progress, from a rule’s perspective, we have adopted the following rules since 2023, and are continuously analyzing and booting up new water rules. This includes Project No. 56223, review of 24.233 and 24.245, which was published in the Texas Register on May 10, 2024. My team has several other water and sewer rulemakings that it is currently preparing for publication.”</p>
Direct PUC to develop a plan to prioritize improving its case data collection and analysis.	 Incomplete/Ongoing	<p>“Two Full-Time Equivalents have been hired in the information technology division, a business analyst and project manager, to assist in completing this management action. IT has engaged DIR to assist with developing a plan and cost estimate in preparation for including a case management system in next LAR. IT has worked with DIR to attend demonstrations of various products. The PUC is on track to include a request for funding in the upcoming LAR. If funding is approved, the PUC would seek to start this project in FY26.”</p>
Direct PUC’s Legal Division and Office of Policy and Docket Management to develop comprehensive policies and procedures.	 Incomplete/Ongoing	<p>“Legal Division - FTE legal special projects coordinator hired May 2024 in the Legal Division. The PUC Legal Division is working internally to accomplish the directed management action with an estimated draft available in 6-7 months.”</p> <p>“OPDM - In progress.”</p>
Direct PUC to create and maintain a precedent manual, prioritizing rulings related to water and wastewater regulation.	 Incomplete/Ongoing	<p>“An initial draft template for a precedent manual was circulated with key stakeholders and refined. PUC is on track to publish its precedent manual on the agency website in September 2024.”</p>
Direct PUC to update its contract manager guide and handbook.	 Fully Implemented	<p>“PUC staff has completed the updated contract manager guide and handbook, which has been posted to the PUC website here: https://ftp.puc.texas.gov/public/puct-info/agency/about/procurement/PUCT_Contract_Manual.pdf. Additional training was created to go with the new manual.”</p>
Direct PUC to update its policy guiding the agency’s rule review process to ensure identified deficiencies in the rules are addressed. ^a	 Fully Implemented	<p>“PUC staff has redesigned and documented its rule review process to ensure a meaningful review of each rule Chapter. Staff has already completed three rule review proceedings using this new methodology in which it amended or repealed 96 rules including a review of its Chapter 26 (Project # 54589) substantive telecommunications rules.”</p>



Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct ERCOT to include appropriate funding in its budget for qualified economic planning staff to conduct robust economic analyses for transmission planning and other market or planning studies requiring economic analysis.</p>	<p> Fully Implemented</p>	<p>“Based on expected needs at time of budgeting, ERCOT included appropriate funding in its 2024-2025 budget request to conduct robust economic analyses for transmission planning and other market or planning studies requiring economic analysis.</p> <p>The incremental budget request dollars and headcount are in pages 34-50 of the budget request submission filing materials. Systems Operations starts on page 41, Commercial Operations starts on page 44, and System Planning & Weatherization starts on page 46.</p> <p>1) The budget request was submitted on August 25, 2023. It is item 51 in control number 38533.</p> <p>2) The budget was approved by the PUC on November 15, 2023. It is item 68.”</p>
<p>Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should conduct a formal analysis for outsourcing legal expert witnesses.</p>	<p> Fully Implemented</p>	<p>“OPUC fully implemented and completed a formal analysis for outsourcing legal expert witnesses on 3/23/2023.”</p>
<p>Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should publish a request for qualifications at least once and if successful, should continue the practice periodically to expand its pool of potential expert witnesses.</p>	<p> Fully Implemented</p>	<p>“OPUC published a Request for Qualifications (RFQ) on 5/01/2023 to the State's ESBD system. OPUC received no responses to this request.”</p>
<p>Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should require signed conflict of interest statements from experts.^a</p>	<p> Fully Implemented</p>	<p>“OPUC fully implemented on 12/21/2022 and requires legal expert witnesses to sign a conflict of interest statement contained within the contract.”</p>
<p>Direct OPUC to formalize and document certain contracting processes for legal expert witnesses. At a minimum, OPUC should document expert witness performance and use information regarding expert witness performance, particularly when considering future contract awards.^a</p>	<p> Fully Implemented</p>	<p>“OPUC fully implemented on 3/09/2023 and requires documentation of the expert witness performance at the end of the contract.”</p>





Management Action	Self-reported Implementation Status	Entity Comments
San Antonio River Authority (SARA)		
Direct SARA to conduct more comprehensive, inclusive strategic planning.	 Incomplete/Ongoing	"The San Antonio River Authority Board Directors will take action on the new five-year strategic plan on September 18, 2024."
Direct SARA to establish guidelines for evaluating and selecting projects and publish them on its website.	 Incomplete/Ongoing	"The River Authority Project webpage has the project idea to project adoption process posted and also a public comment / question email available for the public to suggest ideas or ask questions about ongoing projects: https://www.sariverauthority.org/services/projects/?fwpproject_status=active The adoption of the five-year strategic plan will inform future project selection."
Direct SARA to publish more digestible information about its tax revenue spending and rate setting process on its website. ^a	 Fully Implemented	"1) New website launched February 1, 2024, which provides digestible information. https://www.sariverauthority.org/about/finance/ 2) Budget process timeline including tax rate setting has been posted to the "Annual Budget" tab on the website: https://www.sariverauthority.org/about/finance/ "
Direct SARA's board to update its fund balance policy.	 Incomplete/Ongoing	"The River Authority appreciates the Sunset Advisory Commission identifying this need to update the fund balance policy. It is slated to be reviewed, updated, and adopted before the end of the second quarter of 2025."
Direct SARA to review its relationships with affiliated nonprofits every five years.	 Fully Implemented	"River Authority has amended agreement with the San Antonio River Foundation on June 15, 2022."
Direct SARA to develop a policy governing the support its staff can provide to nonprofits. ^a	 Fully Implemented	"Policy HR 0050 effective July 1, 2022."

Management Action	Self-reported Implementation Status	Entity Comments
Direct SARA to improve its contracting processes to ensure sufficient consistency and transparency. ^a	 Fully Implemented	“1) The contracting page of our website has been updated as of February 1, 2024: https://www.sariverauthority.org/about/contracting/ 2) Purchased and implemented procurement software B2Gnow® that collects vendor data and tracks utilization and payments to subcontractors. This allows the River Authority to monitor and assess the performance of all subcontractors across all contracts including local and small businesses. 3) Implemented Texas' Vendor Performance Tracking System (VPTS) to our procurement checklist before awarding a business or before adding a new vendor to our database. 4) Completed an independent review of Historically Underutilized Business Program. 5) Internal policies updated. 5A) Updated internal staff policies on the Selection Monitoring and Evaluation of Professional Services (FN0001) on February 21, 2024. 5B) Purchasing Procedures (FN0009) on January 7, 2024. 6) A Standard Operating Procedure was adopted on February 16, 2022 regarding Vendor Debarment and Suspension. 7) A Standard Operating Procedure was adopted on Interlocal Agreements on May 1, 2024.”






Texas Commission on Environmental Quality (TCEQ)

Direct TCEQ’s commission to vote in a public meeting on the acceptable level of health-based risk used in the development of toxicity factors for permitting and other regulatory actions.	 Incomplete/Ongoing	“This item is anticipated to be scheduled for Commissioners' Agenda in September 2024.”
Direct TCEQ to develop a guidance document that explains what information the commission needs to evaluate whether a person is potentially affected by a permit application and states that each request is reviewed on a case-by-case basis, considering all the factors in its rule, including — but not limited to — distance.	 Incomplete/Ongoing	“The guidance is still in draft but anticipated to be complete in the next couple of months.”
Direct TCEQ to adopt a policy guiding its rule review process to ensure that identified deficiencies in the rules are addressed. ^a	 Fully Implemented	“ https://www.tceq.texas.gov/downloads/rules/current/quad-review-policy.pdf ”



Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct TCEQ to evaluate its current use of advisory committees to provide more public involvement in rulemaking and other decision-making processes, and continue advisory committees by rule, as appropriate.</p>	<p style="text-align: center;"> Fully Implemented</p>	<p>“This item has been fully implemented. TCEQ completed an evaluation of its use of advisory committees to determine if there’s an opportunity to take additional measures to enhance public involvement. Several committees will implement changes to notify the public of opportunities to participate in advisory committees that may enhance public involvement.</p> <p>The rulemaking regarding continuation of advisory committees by rule was adopted at Commissioners’ Agenda on June 16, 2023.”</p>
<p>Direct TCEQ to review and update the agency’s compliance history rating formula to ensure it accurately reflects a regulated entity’s record of violations, including considerations of site complexity and cumulative violations or multiple violations of the same type. TCEQ should specifically consider major, moderate, and repeat occurrences of the same minor violations when calculating compliance history ratings. Finally, TCEQ should regularly update an entity’s compliance history rating throughout the year as the agency receives additional information that could alter the rating.</p> <p>When updating the agency’s compliance history rating formula, TCEQ should determine whether its current formula adequately allows for comparing the compliance performance of facilities of similar complexity. If TCEQ determines that the current formula does not meaningfully assess compliance performance among complex facilities, the agency should develop a separate compliance history rating formula for facilities that are sufficiently complex to warrant application of a separate formula.</p> <p>Also, direct TCEQ to re-evaluate its compliance history rating formula to ensure a facility’s compliance rating does not improve if the facility reports an unauthorized air pollution emission and seeks an affirmative defense.</p>	<p style="text-align: center;"> Incomplete/Ongoing</p>	<p>“The Compliance History workgroup evaluated the frequency of updating an entities compliance history rating. The work group also continues to evaluate the formula to consider necessary changes. Any revisions to the formula will require rule changes to 30 TAC Chapter 60 Compliance History. This proposal is expected in Fall of 2024. The rulemaking process will include a public comment hearing and written comment period. Rule adoption is expected in the Fall of 2025. Information technology changes may be necessary to implement the final changes to the formula.”</p>






Management Action	Self-reported Implementation Status	Entity Comments
Direct TCEQ to reclassify recordkeeping violations based on the potential risk and severity of the violation.	 Fully Implemented	"This item is now fully implemented. Effective 9/4, investigators are using the revised enforcement initiation criteria."
Direct TCEQ to develop and implement clear guidance to evaluate affirmative defense requests for air emissions. TCEQ is also directed to establish a centralized committee of agency staff authorized to review and approve all applications for an affirmative defense related to unauthorized air pollution emissions. ^a	 Fully Implemented	"Part 1 - Affirmative defense guidance is posted on TCEQ's public website here: https://tceq.texas.gov/downloads/compliance/investigations/assistance/affirmative-defense-questions-guidance_20240601.pdf and https://tceq.texas.gov/downloads/compliance/investigations/assistance/emissions-events-commonly-asked-questions_20240601.pdf ." "Part 2 - Centralized Emissions Event Review Section created in Office of Compliance and Enforcement Critical Infrastructure Division."
Direct TCEQ to modify its approach to nuisance complaints to make better use of the agency's investigative resources. ^a	 Fully Implemented	"New processes and procedures were implemented. The public webpage has been updated to be more user friendly and provide clearer information to the public and can be found here: Who Can Help With Your Environmental Complaint. https://www.tceq.texas.gov/compliance/complaints/jurisdiction The new complaint intake form is here: https://www.surveymonkey.com/r/Environmental_Complaints , available on the Make an Environmental Complaint webpage. https://www.tceq.texas.gov/compliance/complaints/index.html The updated complaint manual on our public webpage here: https://www.tceq.texas.gov/downloads/compliance/complaints/protocols/gi-602.pdf In addition, an Internal ShareNet complaint page was developed to provide information on complaint procedures to employees."
Direct TCEQ to publish a report on its website on the status of its water availability models (WAMs) as they are updated, including the development and structure of WAMs, information on ongoing WAM updates, prioritization for other WAM dataset updates, and estimated cost for the prioritized updates. As part of this recommendation, TCEQ should post this report on its website. ^a	 Fully Implemented	"The report is posted – https://www.tceq.texas.gov/downloads/permitting/water-rights/wams/water-availability-model-status-september-2023.pdf "

Management Action	Self-reported Implementation Status	Entity Comments
Direct Office of Public Interest Counsel (OPIC) to consider developing and using umbrella contracts to procure expert assistance.	 Fully Implemented	"Discussion on pages 7-8 in the report below: https://www.tceq.texas.gov/downloads/agency/decisions/agendas/backup/2023/2023-0808-mis.pdf "
Direct TCEQ commissioners to take formal action on OPIC's rulemaking recommendations. ^a	 Fully Implemented	"The commission has implemented and will continue to implement this recommendation. Initially implemented at agenda held 9/27/23 during which the commissioners considered OPIC's annual report containing a rule change request."
Direct TCEQ, upon receiving public comments that are not under the jurisdiction of the agency, to answer the comment with information on the agency or organization with the relevant jurisdiction.	 Fully Implemented	"This item has been fully implemented. TCEQ has implemented a procedure for its response to comments process that upon receiving comments not under the jurisdiction of the agency, it will provide information on the agency or organization with the relevant jurisdiction."
Direct TCEQ to prepare and deliver a report by September 1, 2023, to the Legislature on its efforts to enhance public participation and language access as part of its November 3, 2020, Informal Resolution Agreement with the EPA. ^a	 Fully Implemented	" https://www.tceq.texas.gov/downloads/remediation/publications/sfr-129-report-to-the-legislature-on-tceq-title-vi-efforts-and-epa-agreement-x.pdf "
Direct TCEQ to consider developing Spanish language versions of its online form through which individuals may submit a complaint.	 Fully Implemented	" https://surveymonkey.com/r/Environmental_Complaints?lang=es_US "
Texas Commission on Law Enforcement (TCOLE)		
Direct TCOLE to work with Department of Public Safety to subscribe to rap backs on fingerprint-based criminal background checks for all licensure applicants and licensees. ^a	 Fully Implemented	"TCOLE is subscribed with the Department of Public Safety to receive rap backs on fingerprint-based criminal background checks for all licensure applicants and licensees."
Direct TCOLE, in consultation with the Health and Human Services Commission and the Department of Public Safety, to report on what the requirements would be for peace officers and 911 dispatchers to access the Continuity of Care Query system.	 Fully Implemented	"TCOLE submitted the provided memo to the members of the Sunset Advisory Committee, the House Committee on Homeland Security and Public Safety, and the Senate Committee on Criminal Justice on May 18, 2023, outlining the procedural and statutory changes that would need to be implemented for peace officers and 911 dispatchers to have access to the Continuity of Care Query (CCQ) system."



Management Action	Self-reported Implementation Status	Entity Comments
Texas Economic Development and Tourism Office (EDT) and the Office of State-Federal Relations (OSFR)		
EDT should consider adjusting its community tourism assessment procedures to improve their efficiency and expand their impact.	 Substantially Implemented	“Community assessment procedures are being incorporated as part of the Tourism Friendly Community designation program and will have new procedures when that program is fully established.”
EDT should consider increasing accessible research and educational opportunities for communities attempting to boost their tourism economies.	 Substantially Implemented	“Accessible research and educational opportunities are being expanded as part of the Tourism Friendly Community designation program and will have new procedures when that program is fully established.”
EDT should consider creating a Tourism Friendly Community designation to foster additional economic development across Texas.	 Substantially Implemented	“EDT has created and launched the Tourism Friendly Community program and is in the first year of implementation. The program will be fully implemented as communities begin to complete the program.”
OSFR should consider opportunities for improving the distribution process for its weekly update.	 Incomplete/Ongoing	“The Office is exploring ways to improve its distribution process.”
Texas Juvenile Justice Department (TJJD) and the Office of the Independent Ombudsman (OIO)		
Direct TJJD to complete statutorily required regionalization duties that remain unfinished or underdeveloped. ^a	 Fully Implemented	“Requirements included: - Redirect adequate staff to implement the regionalization plan: The agency completed hiring for regional program administrators who represent each individual region in October 2023. See https://www.tjtd.texas.gov/index.php/regionalization#contacts - Analyzing agency data to provide JPDs guidance on outcome measures for regionalization: TJJD regularly shares relevant data with the probation field including monthly commitment and Regional Diversion Alternative (RDA) application data; annual county fact sheets; and annual admission profile data (which was also discussed with the probation field's Regionalization Task Force in Spring 2024). - Reporting on performance of specific programs: The agency reports this information in the Facility Handbook. The handbook is located online here: https://www.tjtd.texas.gov/wp-content/uploads/2024/02/FacilityHandbook_V3.pdf - Evaluate data submission requirements and update Sunset by 3/1/23: Sunset staff received this analysis from the agency by March 1, 2023, during the previous legislative session.”





Management Action	Self-reported Implementation Status	Entity Comments
Direct TJJJ to seek guidance from the State Office of Risk Management to develop strategies for addressing and minimizing employee injuries.	 Fully Implemented	"TJJJ and SORM meet on a regular basis to discuss risk management best practices. Meetings include site visits to specific TJJJ facilities, workers' compensation training provided by SORM to TJJJ's HR and risk management staff; a claims roundtable with various TJJJ teams and leadership; a risk management safety summit at a secure facility; regular continuity council meetings; and policy review assistance."
Direct the board to evaluate and update its own policies and practices to more efficiently and effectively perform its duties.	 Fully Implemented	"The Board Governance and Policy Manual was developed with and approved by the board's Executive and Governance Committee. Relevant rules impacting the contents of the manual were approved by the board at a public meeting on August 9. The manual itself, which reflected previously adopted rule changes and other Sunset-related directives, was approved by the board at a public meeting on August 27. The board will review and approve the manual on a four-year basis (at a minimum) to align with rule review requirements."
Direct TJJJ to adopt a four-year rule review plan and rules that are required by statute.	 Fully Implemented	"This recommendation has been fully implemented. Rules regarding board proceedings were approved by the board at a public meeting on August 9, and the agency updated its internal policy on rulemaking to reflect the rule review process during the summer of 2024."
Direct TJJJ to seek representation by the Office of the Attorney General to pursue a modification of the Parrie Haynes and John C. Wende trusts that would appoint a qualified third-party trustee and an advisory committee to assist the trustee.	 Substantially Implemented	"TJJJ is working directly with OAG to pursue trust modifications. Related petitions have been filed and are following the typical court proceeding process."
Direct TJJJ to comply with statutory requirements by developing rules and procedures regarding certification of military service members, veterans, and military spouses.	 Fully Implemented	"This recommendation has been fully implemented. Relevant rules went into effect on September 1. Before this effective date, the agency hosted a webinar to ensure county partners and other stakeholders understood new requirements and procedures."
Direct TJJJ to develop a formal process to refer nonjurisdictional complaints to the appropriate agency.	 Fully Implemented	"This recommendation is fully implemented. OIG and OGC have updated their procedures and provided sample data."
Direct TJJJ to improve and update its website content.	 Fully Implemented	"This recommendation is fully implemented. The new website launched on July 23, 2024. You can find a link to it here: https://www.tjjd.texas.gov/ "




Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct TJJD’s board to periodically convene state staff and county stakeholders to gather feedback on the implementation of and any needed changes to the Texas Model for Reform in state- and county-level facilities.</p>	 Fully Implemented	<p>“Board members and agency staff collect feedback on the Texas Model (the agency’s foundational approach to culture change, system unification, and juvenile justice service delivery) in a variety of ways, including:</p> <ul style="list-style-type: none"> - Distribution and analysis of the staff survey on an annual basis. An update on the most recent survey results and resulting actions was provided to the board by the agency’s research team in May 2024. - Distribution and analysis of the youth survey twice per year. - Distribution and analysis of the customer service survey on a biennial basis. An update on survey results and resulting actions was provided to the board by the agency’s research team in May 2024 and included in the board-approved strategic plan submitted in June 2024. - During weekly trainings, routine facility visits, site-specific town halls, and discussions with oversight staff (particularly the Monitoring and Inspections Division which conducts camera reviews of facility practices). - During meetings held with probation partners, including director updates at meetings and conferences held for the Advisory Council on Juvenile Services, Presidents’ Council, regional chief groups, and professional associations.”
<p>Direct TJJD to consult with the Office of the Inspector General and Special Prosecution Unit before discharging from custody or releasing under supervision a youth committed to TJJD without a determinate sentence who has completed their minimum length of stay but is:</p> <ol style="list-style-type: none"> a. Alleged by a pending petition to have committed a felony while in TJJD’s custody; or b. Under indictment for a felony that occurred while in TJJD’s custody. 	 Fully Implemented	<p>“TJJD’s Release Review Panel consults with OIG and SPU before making certain release or discharge decisions, including those required by the Sunset management action. On a weekly basis, OGC reaches out to both entities to provide information on upcoming reviews and youth with pending OIG cases. OIG and SPU may then provide updates on the status of any relevant youth cases. Additional communication occurs about specific youths’ cases as court dates are set and/or reset, as well as when release or extension decisions have been finalized following collaboration between the entities.”</p>

Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct TJJJ, in consultation with the Advisory Council on Juvenile Services and the Department of Family and Protective Services, to develop written comments describing the implementation status of HB 932 and HB 1521 passed by the 85th Texas Legislature. The comments should discuss barriers to efficiently share information about youth who are dually involved in the juvenile justice and child welfare systems, as well as recommendations to improve data request and response processes. The agency should provide these written comments to the Sunset Commission and legislative committees with primary jurisdiction over TJJJ by January 6, 2023.</p>	<p> Fully Implemented</p>	<p>“The agency provided the required written comments to the Sunset Commission and relevant legislative committees on January 6, 2023. Additionally, the agency has been working closely with partners at DFPS and HHSC to improve information-sharing practices and identify opportunities for increased collaboration.”</p>
<p>Direct Office of the Independent Ombudsman (OIO) to formalize its policies and procedures for including key site visit findings and trends in its quarterly reports.</p>	<p> Incomplete/Ongoing</p>	<p>“This recommendation will be fully implemented for quarterly reports produced during fiscal year 2025. A new Chief Ombudsman was appointed in March 2024. During the first months of his tenure, he evaluated agency processes and developed a new structure for quarterly reports to ensure these documents provide meaningful trend information that can influence systemwide decision making.”</p>
<p>Direct OIO to create policies and procedures for consistently collecting and tracking findings from its site visits.</p>	<p> Incomplete/Ongoing</p>	<p>“OIO requires a data analyst to fully implement this recommendation. A request for an additional FTE to perform the required data analysis was included the TJJJ/OIO LAR. The LAR is due to the LBB on August 31.”</p>
<p>Direct OIO to develop clear procedures for referring and tracking nonjurisdictional complaints regarding licensed professionals to relevant state agencies for further inquiry.</p>	<p> Fully Implemented</p>	<p>“This recommendation is fully implemented. OIO has updated its procedures.”</p>
Texas State Soil and Water Conservation Board (TSSWCB)		
<p>Direct TSSWCB to establish and update its policies for administering the dam structural repair program by January 1, 2023. The agency should report back to the Sunset Commission on the implementation status of the policies, whether fully implemented or not, by January 1, 2023.^a</p>	<p> Fully Implemented</p>	<p>“The TSSWCB consulted with stakeholders and produced a policies and procedures manual for the Flood Control Structural Repair Program. The manual was adopted by the State Board initially on 1/9/2023, and updated again on September 7, 2023. The manual includes all applicable agency policies, as well as program processes, goals, objectives, funding sources, application process, program deadlines, and ranking criteria. The TSSWCB submitted a formal report to the Sunset Advisory Commission on January 1, 2023.”</p>

Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct TSSWCB to maintain a centralized master file system for dam structural repair grants. The agency should implement the centralized master file system by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023. ^a</p>	<p> Fully Implemented</p>	<p>“The Flood Control Database (FCDB) was identified as a solution to address collecting and analyzing the information provided at different stages of dam projects and be able to provide an overall picture of the Flood Control Program. The FCDB can collect and store technical and financial data for each dam and present this information in a web-accessible and user-friendly manner. It is a long-term solution to organize a complex program with many dynamic parts. The TSSWCB contracted with Texas A&M University – Spatial Sciences Laboratory to develop the application.”</p>
<p>Direct the TSSWCB board to approve all grants and contracts over \$1 million. The agency should implement this by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023. ^a</p>	<p> Fully Implemented</p>	<p>“The TSSWCB had an existing State Board-approved policy on the separation of duties and responsibilities between the State Board and agency staff. The TSSWCB determined this was an applicable policy to modify so that it also directs the Executive Director and agency staff to bring any agency contract larger than \$1 million to the State Board for approval prior to contract execution. This policy amendment was approved by the State Board for their consideration on December 15, 2022.”</p>
<p>Direct TSSWCB to proactively inform dam sponsors and co-sponsors about dam structural repair funding availability. The agency should implement this by January 1, 2023, and report back to the Sunset Commission on the implementation status, whether fully implemented or not, by January 1, 2023. ^a</p>	<p> Fully Implemented</p>	<p>“The TSSWCB made contact with every local sponsor of each eligible dam. A single point of contact was identified for each entity and was added to the TSSWCB's previously existing list-serve mailing group for grant program announcements.”</p>
<p>Direct TSSWCB to develop a board member recusal policy, including a written explanation for the recusal. ^a</p>	<p> Fully Implemented</p>	<p>“The TSSWCB approved a board member recusal policy at their October 24, 2022, meeting.”</p>
<p>Direct TSSWCB to improve its district director training, including providing a training manual the directors would have to attest to receiving and reviewing annually. ^a</p>	<p> Fully Implemented</p>	<p>“The TSSWCB reviewed all existing director training materials and developed an updated manual for Fiscal Year 2024. This manual was used during a large annual workshop for all directors on April 2-3, 2024. The attestation process began on November 7, 2023 and will conclude on August 30, 2024. Each district director is required to review the manual and complete an attestation form stating that they have received and reviewed the document. The attestation form is then submitted to the TSSWCB Headquarters Office.”</p>
<p>Direct TSSWCB to adopt a policy guiding its rule review process. ^a</p>	<p> Fully Implemented</p>	<p>“The TSWCB approved a rule review policy at their October 24, 2022 meeting.”</p>

Management Action	Self-reported Implementation Status	Entity Comments
Direct TSSWCB to recertify its records retention schedule and develop a records retention policy. ^a	 Fully Implemented	“The TSSWCB has received recertification of the records retention schedule twice since the agency's Sunset review.”
Direct TSSWCB to include, within their current annual report, its funding activities related to dam safety grants and outreach, nonpoint source pollution grants, and activities and programs related to on-the-ground conservation. The annual report should include, either in the main body or an appendix, a list of total applications and funding applied for by program area, the number of grants awarded and the funding amount, and a list of grant recipients (as allowable under confidentiality requirements in Texas Agriculture Code, Section 201.006). ^a	 Fully Implemented	“The TSSWCB included an attachment to the 2023 Annual Report titled <i>Funding Activities Related to Dam Safety Grants and Outreach, Nonpoint Source Pollution Grants, and Activities and Programs Related to On-The-Ground Conservation.</i> ”
Texas Water Development Board (TWDB)		
Direct TWDB to develop a plan to prioritize improving its project review process to eliminate inefficiencies and inconsistencies. ^a	 Fully Implemented	“The prioritization plan was developed and submitted by the December 31,2022 date. As part of the report/plan, a timeline for implementation of improvements was also developed. To date the timeline is substantially implemented. Implementation is 70% complete. Remaining tasks are related to User Acceptance Testing and implementation of the new project management tracking system as well as updating procedures and training of the new system.”
Direct TWDB to collect and analyze information about its financial assistance applicants and outreach efforts to better inform and more effectively target agency activities. The information collected and analyzed should include relevant water loss audit data and Texas Commission on Environmental Quality enforcement action data. Additionally, direct TWDB to work with the Legislative Budget Board to report money and projects awarded to rural and economically disadvantaged communities separately and not as a combined number as they currently record to reflect the agency’s efforts in those individual communities more accurately.	 Fully Implemented	“Information collected and utilized for marketing and prospect targeting includes internal data for water loss and external data from the Texas Commission on Environmental Quality (TCEQ). Water loss reporting is addressed when meeting with individual entity prospects seeking financial assistance. The TCEQ’s Unsolved Health-Based Reports and Financial, Managerial, and Technical Assistance referrals are used for mass marketing and cold calling, offering funding program opportunities. Since 2022, In-person Regional Financial Assistant Workshops that target small and rural communities have increased. Efforts to coordinate with advocacy organizations have also increased, including relationships with the Texas Rural Water Association, Association of Rural Communities in Texas, and Texas Rural Funders.”

Management Action	Self-reported Implementation Status	Entity Comments
<p>Direct TWDB to develop a coordinated outreach plan to more efficiently promote agency programs, improve operations, and ensure its outreach efforts meet entities’ needs and expectations.</p> <p>Additionally, direct TWDB to use funds from the Rural Water Assistance Fund to contract with qualified outside entities to work with rural communities upon request of those communities to provide the needed expertise, services, and guidance to complete the application process when applying for TWDB funds.</p>	<p> Fully Implemented</p>	<p>“In March 2023, a financial assistance program outreach plan with goals, objectives, and reporting metrics was implemented. In addition, an agency-wide Outreach Committee, which includes representatives from all offices and divisions, was formed in October 2023. The Committee strives to lead efforts to promote agency programs, improve operations, and ensure its outreach efforts efficiently meet the needs and expectations of entities and citizens. As part of this effort, an agencywide outreach calendar was created; it is now regularly used by all outreach-related staff and by the agency's Board members.</p> <p>The Water Utilities Technical Assistance Program (WUTAP) was approved by the Board in April 2024. The WUTAP provides technical assistance via pre-selected contractors to communities who have not been awarded TWDB funding prepare for submitting applications and project information forms. Prioritization was given to small and rural entities.”</p>
<p>Direct TWDB to update its policy regarding the separation of duties of board members from those of staff.</p>	<p> Fully Implemented</p>	
<p>Direct TWDB to adopt a rule review plan.^a</p>	<p> Fully Implemented</p>	
<p>Direct TWDB to work with the Legislative Budget Board to update the agency’s General Appropriations Act performance measures to include elements of the project review process, including, but not limited to: percentage of completed application reviews initiated within a set number of days since receipt, average length of time for bid document review, average time to process financial assistance applications, and percentage of outlay reports processed within a set number of days.</p> <p>Also, as part of this recommendation, TWDB would update the Sunset Commission on the results of its request by January 31, 2023.</p>	<p> Fully Implemented</p>	<p>“See General Appropriations Act 2024-2025, page 756 under 1. C.”</p>

Management Action	Self-reported Implementation Status	Entity Comments
Direct TWDB to consult with the Office of the State Climatologist at Texas A&M University in the preparation of regional and state water plans to receive information and projections to identify regions of the state that are likely to experience severe drought or excessive rainfall.	 Incomplete/Ongoing	“Ongoing consultation with the State Climatologist is anticipated during each 5-year planning cycle. Timing for getting through the full process during a 5-year planning cycle, and then documenting how it should look going forward, is in large part dependent upon availability of the State Climatologist.”
Upper Guadalupe River Authority (UGRA)		
Direct UGRA to improve its contracting processes to ensure sufficient consistency and transparency. ^a	 Fully Implemented	“The procedure for contractor selection is outlined in the Procurement Policy which was approved by the UGRA Board in November 2023. The policy outlines contractor selection, contractor evaluation, purchasing, conflicts of interest, and other procedures to improve consistency. Forms to document the process have been developed as appropriate and are in use.”
Direct UGRA’s board to develop and adopt a reserve fund balance policy. ^a	 Fully Implemented	“The Fund Balance Policy was approved by the UGRA Board in March 2023 and assigned fund balances were adopted with the FY24 budget in September 2023. The fund balances are reported to the board in the financial report at each board meeting. The Fund Balance Policy was incorporated into the UGRA Administrative Policies document in November 2023 through board action.”

^a The SAO performed work to determine the implementation status of this management action; [see Chapter 1](#).



Appendix 1

Objective, Scope, and Methodology

Objective

The objective of this project was to report on the implementation status of the management actions included in the Sunset Advisory Commission's *Final Results of Sunset Reviews 2022-23* report to the 88th Legislature. The Commission provided a list of 85 selected management actions to the State Auditor's Office for this report.

Texas Government Code, Section 325.012(d), provides for the State Auditor's Office's examination of the nonstatutory recommendations (management actions) that the Sunset Advisory Commission (Commission) makes.

Scope

The scope of this project included 10 entities to which the Commission directed management actions in its reports to the 88th Legislature and the Commission's staff reports to the entities. For the purpose of this project, auditors requested the implementation status of the management actions from each entity.

The following members of the State Auditor's staff conducted this project:



- Jennifer Lehman, MBA, CIA, CISA, CFE, CGAP (Project Manager)
- Charles Guymon
- Kamil Helou
- Gabrielle Magadia, MAcy, CFE
- Makoia Shibuya
- Heather Stearns
- Ann E. Karnes, CPA (Quality Control Reviewer)
- Courtney Ambres-Wade, CIA, CFE, CGAP (Audit Manager)

Methodology

The project methodology consisted of analyzing Commission reports and priority ratings and reviewing selected management actions that the entities self-reported as fully implemented. For the selected management actions, auditors reviewed the recommendations that the Commission included in its report to the 88th Legislature, related Commission staff reports to each entity, and the supporting documentation for evidence of an entity's implementation of the management actions.

While the entities self-reported the information in this report, the State Auditor's Office did not independently verify all of that information. This project was not an audit, and the information in this report was not subject to all of the tests and confirmations that would be performed in an audit. However, the information in this report was subject to certain quality control procedures to help ensure accuracy.



Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable Dan Patrick, Lieutenant Governor, Joint Chair

The Honorable Dade Phelan, Speaker of the House, Joint Chair

The Honorable Joan Huffman, Senate Finance Committee

The Honorable Robert Nichols, Member, Texas Senate

The Honorable Greg Bonnen, House Appropriations Committee

The Honorable Morgan Meyer, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, Governor

Boards, Commissions, and Executive Management of the Following Entities

Electric Reliability Council of Texas

Lavaca-Navidad River Authority

Office of Public Utility Counsel

Office of State-Federal Relations

Office of the Independent Ombudsman (Texas Juvenile Justice Department)

Public Utility Commission of Texas

San Antonio River Authority

Sunset Advisory Commission

Texas Commission on Environmental Quality

Texas Commission on Law Enforcement

Texas Economic Development and Tourism Office

Texas Juvenile Justice Department

Texas State Soil and Water Conservation Board

Texas Water Development Board

Upper Guadalupe River Authority



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