

CIDQ to sit for the examination, prior to filing an application with the Board. Upon filing an application with the Board, an applicant is required to provide a verified statement of the applicant's education, a detailed summary of interior design work experience, and proof of acceptance by CIDQ to sit for the examination.

Adopted §5.35 and §5.37 substitute the term "applicant" for "candidate." Under the revised definitions in §5.5, an applicant is defined in part as a person who has submitted an application to the Board, while a candidate is a person who may not have completed the application process. The term "applicant" has been substituted into amended §§5.35 and 5.37 to correspond with the amended definition in §5.5.

Adopted §5.36 describes the process for certain individuals, including those enrolled in or planning to enroll in interior design educational programs, to request a preliminary determination of eligibility for registration based on the individual's criminal history. The amendment substitutes the term "qualifying interior design educational program" for "accredited program." Under the Board's previously adopted educational standards, an applicant was required to graduate from an accredited interior design program. However, under the CIDQ standards, graduation from an accredited program is not required. As such, the rule has been extended to cover individuals who are enrolled in or planning to enroll in a "qualifying" educational program, which the Board interprets to mean an educational program that meets the CIDQ educational standards for examination qualification.

Adopted §5.51(a) states that an applicant for interior design registration by examination must meet the eligibility and application requirements contained in §5.33(b) and (c). Additionally, §5.51(a) is amended to provide for consistency with corresponding provisions in §5.31 and §5.51 regarding predecessors to the NCIDQ examination. Additionally, a provision under §5.51(b), which authorized an applicant to begin testing after completing six months of full-time work experience, has been repealed. This provision conflicted with recently amended Tex. Occ. Code §1053.155, which states that an application for admission to the examination must be accompanied by evidence that the applicant has satisfied the professional experience requirements for the examination adopted by the Board. Depending upon educational background, CIDQ requires prospective examinees to complete at least 3,520 hours (approximately two years) and up to 7,040 hours of work experience prior to taking the final sections of the examination. As such, an applicant with only six months of professional experience would not meet the "professional experience requirements" of CIDQ to take all sections of the examination, and thus it would be inappropriate for the Board to approve the applicant to do so under Tex. Occ. Code §1053.155. Therefore, §5.51(b) has been repealed, and instead the Board has adopted §5.53(a), which requires an Applicant to schedule and pass all sections of the NCIDQ within the time period required by CIDQ. In addition to bringing the rules into mandatory compliance with Occ. Code §1053.155, this change will simplify the process for applicants and decrease the potential for confusion by eliminating unnecessary differences between Board and CIDQ requirements for examination scheduling and passage.

Adopted §§ 5.51(c) and 5.52 eliminate unnecessary requirements relating to examination administration and scoring. Formerly, §5.51(c) addressed the acceptable location at which the examination could be taken. Similarly, §5.52 included provisions relating to examination administration, addressing the timing of examination administrations and the information required to be given to examinees, and imposed requirements on examinees regarding the identification required of examinees to enter the examination and the tools to bring to the examination. However, as the independent administrator of the examination, CIDQ is responsible for developing and enforcing examination administration procedures, and the adopted amendments recognize this role by repealing §5.51(c) and adopting §5.52, which states that, unless otherwise noted in the Board's rules, the administration and scoring of the NCIDQ examination is governed by the procedures adopted by CIDQ.

Adopted §5.53 amends the Board's rules relating to scheduling examinations by adopting CIDQ's requirements on the matter. Previously, §5.53(a) required an applicant to pass all sections of the examination within five years of passing the first section. If a candidate did not pass all sections within five years, credit for any examination passed more than five years prior would be forfeited, and the section would have to be retaken. Comparatively, under CIDQ's requirements, an examinee is required to pass the first section of the NCIDQ examination (IDFX) within four examination windows of approval (two years), and the other two sections within ten examinations windows (five years). To simplify the Board's rules

and minimize conflicting information for examinees, the Board amended §5.53(a), to require an applicant to schedule and pass all sections of the administration within the time period required by CIDQ. The Board also adapted a grandfathering provision which allows applicants to complete the test within the time period in effect at the time an application was filed.

The Board repealed §5.54, relating to the transfer of passing scores. The process described in previous §5.54, in which examination scores are "transferred" from one state to another, is not consistent with any process used by CIDQ to administer examinations. CIDQ is responsible for maintaining and distributing examination scores to TBAE and other registration boards. Because the "transfer" of scores is not the responsibility of the Board, this rule was inconsistent with practice and unnecessary, and therefore repealed.

Adopted §5.55 substitutes the term "examinee" with "applicant" relating to the consideration of special accommodations for examination administration. Since many individuals pursuing registration in Texas begin testing with CIDQ prior to submitting an application with the Board, it is possible that such an individual would request special testing accommodations through the Board. This amendment allows the Board to address such testing accommodations with CIDQ, as necessary.

Subchapter J, §§ 5.201, 5.202, and 5.203, was repealed. These rules previously identified the amounts and types of educational and professional experience required to qualify for registration. The repeal of these rules was required to implement amended Tex. Occ. Code §1053.155, which eliminated the Board's authority to adopt rules establishing standards for the recognition and approval of interior design educational programs and the amounts and types of professional experience necessary for registration examination eligibility.

Amendment of 22 Tex. Admin. Code §§ 1.5, 1.21, 1.22, 1.41, and 1.123 Effective June 21, 2018.

The adopted rules implement a non-substantive change in terminology for the program previously known in the Board's rules as the "Intern Development Program." This program is administered by the National Council of Architectural Registration Boards (NCARB). It is a standardized program that is accepted by Texas and most other jurisdictions to demonstrate sufficient experience to become registered as an architect. Recently, NCARB renamed this program the "Architectural Experience Program" or "AXP." To ensure that agency rules remain current, §§ 1.5, 1.21, 1.22, 1.41, and 1.123 were amended to replace obsolete references to the "Intern Development Program," with citations to the updated term "Architectural Experience Program." These amendments are non-substantive and do not affect the current or future eligibility of any person who completed the program under the previous name.

AGENCY STRATEGIC PLAN

FISCAL YEARS 2019 TO 2023

BY THE

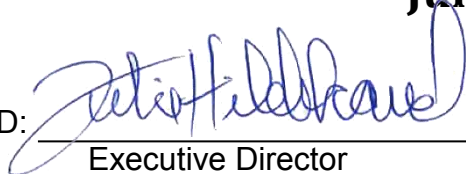


TEXAS BOARD OF ARCHITECTURAL EXAMINERS

Board Member	Dates of Term	Hometown
Debra J. Dockery, AIA – Chair	05/10/11 – 01/31/17	San Antonio
Chad Davis, RLA – Vice-Chair	04/11/13 – 01/31/19	Lubbock
Jennifer Walker, AIA & LEED – Secretary/Treasurer	01/15/16 – 01/31/21	Lampasas
Sonya B. Odell, RID	05/10/11 – 01/31/17	Dallas
Paula Ann Miller	05/10/11 – 01/31/17	The Woodlands
Charles H. Anastos, AIA	04/01/08 – 01/31/19	Corpus Christi
Chase Bearden	05/01/09 – 01/31/21	Austin
Robert Scott Wetmore, AIA	01/15/16 – 01/31/21	Austin
Vacant Public Member Position		

June 8, 2018

SIGNED: _____



Executive Director

APPROVED BY THE FULL BOARD

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TBAE Mission

The mission of the Texas Board of Architectural Examiners (TBAE) is to serve the State of Texas by protecting and preserving the health, safety, and welfare of the Texans who live, work, and play in the built environment through the regulation of the practice of architecture, landscape architecture, and interior design. TBAE's mission is grounded in its enabling statutes, Chapters 1051 – 1053 of the Texas Occupations Code.

TBAE's Strategic Plan ensures that the agency not only carries out its mission, but also is:

1. Accountable to the public who uses and inhabits the built environment, registrants, and all other stakeholders.
2. Efficient by producing maximum results with no waste of collected funds and by identifying any function or provision that is redundant or not cost effective.
3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve.
4. Attentive to providing excellent customer service.
5. Transparent such that agency actions can be understood by any Texan.

About TBAE

A. Agency Overview and Organizational Aspects

TBAE operates under the Self-Directed, Semi-Independent (SDSI) program established by the 77th Texas Legislature. TBAE's participation in SDSI removes the agency from the appropriations process, ensures accountability to stakeholders, and requires the agency to operate as a business. SDSI agencies must adopt their own budgets and establish registration fees to cover all operational costs. Additionally, each agency submits an annual payment (\$510,000 in TBAE's case) to the general revenue fund and pays approximately \$112,000 for the services of other state agencies and other operating costs.

TBAE is overseen by a Board of nine gubernatorial appointees. Four Board members are registered architects, three are public members, one is a registered interior designer, and one is a registered landscape architect. The Chair is selected by the Governor from among the Board members, and typically the group meets four times a year to make or amend rules and decide enforcement cases.

TBAE has a staff of 19.5 full-time equivalent positions and operates with an annual budget of \$3M. TBAE Staff is divided into three broad functional units: Registration, Enforcement, and Administration. Each division is responsible for executing particular operational aspects of the Board's statutory charge and mission. While separation of the units allows staff to fully engage in their respective areas of expertise, close collaboration and cross-training allows the agency as a whole to remain flexible for most any event.

B. Current Year Activities

Through the third quarter of fiscal year 2018, TBAE is operating under a balanced budget, in spite of the requirement to pay for two audits this fiscal year conducted by the State Auditor's Office and the Texas Workforce Commission. As a result, for the fourteenth year in a row, TBAE did not raise registration fees. With such fiscal responsibility, TBAE has a healthy fund balance at approximately 86% of its annual budget.

Looking at registration trends through the third quarter of FY18, TBAE expects to see a 5.1% increase for active architect registrants, a 1.0% increase for active registered interior designers and a 5.3% increase for active landscape architect registrants for FY18. It is also expected that TBAE will see more than 1,209 new registrants from all professions for FY18. These numbers are a marked increase from the registration trends in FY16.

In the enforcement unit, TBAE is on track to open approximately 429 complaints in FY18. This number is a two-fold increase from FY16 and previous years. This increase is due to an increase of cases received from the Texas Department of Licensing and Regulation related to design professionals' accessibility review filings. Through the second quarter of FY18, the enforcement unit has closed 267 cases, with 28 resulting in disciplinary action by TBAE. This pace should keep us on track to avoid a backlog in cases.

TBAE staff worked to implement all relevant legislation from the 85th Session, including the promulgation of rules related to the licensure of Registered Interior Designers. Staff has focused significant amounts of time this fiscal year on its transition to CAPPs for both HR and Payroll and will be prepared for the final transition this summer. Additionally, TBAE successfully completed a Post-Payment Audit by the Comptroller in FY17 and four audits (State Auditor's Office, Texas Workforce Commission, Department of Public Safety and State Office of Risk Management) in FY18 and implemented all recommendations, resulting in improvements to TBAE's operations. Lastly, TBAE assisted the Governor's office and state agencies in responding to the needs of the citizens of Texas effected by Hurricane Harvey.

C. External/Internal Assessment Issues and Trends

In conducting an external/internal assessment, the Board collected and analyzed information from several sources including an Industry Environmental Scan, Customer Service Survey, Survey of Employee Engagement, and a Management Strategic Planning Session. The Board conducted a thorough analysis of its past, current, and future position and its expectations for external and internal change. The following current and future major issues may affect the Board's operations and results in meeting the needs of its stakeholders.

- Use of Technology by the Professions
- Mobility of Registrants
- Evolving Role of the Design Professional in Project Management
- Unregistered Practice
- Thriving Registrant Pool/Emerging Professionals
- Positive Construction Forecasts
- Workforce Demographics

TBAE Goals and Action Plans

Licensing Goal: TBAE will administer a licensing program to ensure that only qualified professionals become licensed in Texas.

Specific Action Items to be Achieved Throughout the Strategic Plan Period

1. Ensure the professional qualifications of those practicing the regulated professions by setting appropriate requirements for education, experience, and examination.
2. Increase public and professional awareness of TBAE's mission, activities and services, with specific attention to the prevention of unregistered practice and the timely and appropriate registration of qualified applicants to ensure compliance with the law and protection of the public health, safety, and welfare.
3. Improve relationships with related organizations in order to facilitate consistent regulation of the professions and further the Board's mission and goals.
4. Anticipate and respond to an evolving registrant pool, with specific attention to the following factors:
 - changing demographics of registrants, exam candidates, and future professionals; and
 - reducing barriers to registration and registrant mobility.
5. Review the current use of technology in the regulated professions and by the agency to ensure that state laws, rules, and services are keeping pace with the impacts of technology, and to improve operational efficiency, effectiveness, and customer service.
6. Improve data collection and analysis to allow the Board and agency to better evaluate the successes and challenges of the agency's various services.
7. Continue to monitor and update TBAE rules to ensure alignment and relevancy, and eliminate redundancies and impediments.
8. Enhance organizational effectiveness and improve the quality of customer service in all programs, by reviewing state and national standards with the aim of continuous operational improvement. TBAE will look to maximize administrative leanness, while not sacrificing agency agility and responsiveness.
9. Ensure that leadership succession planning is strong and that cross-component working groups are developed to ensure the continuity of agency effectiveness and efficiency.
10. Protect fiscal soundness through policies, procedures, and preparation for expected revenue and expenditure fluctuations, with a focus on linking revenues to expenditures.
11. Ensure TBAE's ability to meet its mission by identifying various risk indicators and creating proactive efforts to mitigate the most significant risks.

TBAE's Licensing Goal and Action Plan Supports Each Statewide Objective Accountable • Efficient • Effective • Transparent • Customer Service

All of the Statewide Objectives were considered as a roadmap in developing the Action Items listed above. Each Action Item speaks directly to at least one Statewide Objective, and most address more than one Statewide Objective. Taken together, the Action Items pursuant to the Licensing goal make great strides toward bolstering all of the State's Objectives and toward high performance overall.

Enforcement Goal: TBAE will protect the public health, safety, and welfare with an effective, responsive, and consistent enforcement program.

Specific Action Items to Achieved Throughout the Strategic Plan Period

1. Ensure that all complaints and known violations are investigated and appropriate voluntary or disciplinary action is taken against all violators.
2. Investigate and prosecute complaints in a thorough and timely manner.
3. Pursue compliance with disciplinary actions and conditions.
4. Establish regulatory standards of practice for the regulated professions.
5. Increase public and professional awareness of TBAE's mission, activities, and services, to encourage a better understanding of the regulatory requirements, voluntary compliance with the regulatory requirements, and feedback on ways to continuously improve.
6. Improve relationships with related organizations in order to facilitate consistent regulation of the professions and further the Board's mission and goals.
7. Review the current use of technology in the regulated professions and by the agency to ensure that state laws, rules, and services are keeping pace with the impacts of technology, and to improve operational efficiency, effectiveness, and customer service.
8. Improve data collection and analysis to allow the Board and agency to better evaluate the successes and challenges of the agency's various services.
9. Continue to monitor and update TBAE rules to ensure alignment and relevancy, and eliminate redundancies and impediments.
10. Enhance organizational effectiveness and improve the quality of customer service in all programs, by reviewing state and national standards with the aim of continuous operational improvement. TBAE will look to maximize administrative leanness, while not sacrificing agency agility and responsiveness.
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13. Ensure TBAE's ability to meet its mission by identifying various risk indicators and creating proactive efforts to mitigate the most significant risks.

TBAE's Enforcement Goal and Action Plan Supports Each Statewide Objective
Accountable • Efficient • Effective • Transparent • Customer Service

All of the Statewide Objectives were considered as a roadmap in developing the Action Items listed above. Each Action Item speaks directly to at least one Statewide Objective, and most address more than one Statewide Objective. Taken together, the Action Items pursuant to the Enforcement goal make great strides toward bolstering all of the State's Objectives and toward high performance overall.

Redundancies and Impediments

Service, Statute, Rule or Regulation (Provide Specific Citation, if applicable)	Describe why the Service, Statute, Rule or Regulation is Resulting in Inefficient or Ineffective Agency Operations	Provide Agency Recommendation for Modification or Elimination	Describe the Estimated Cost Savings or Other Benefit Associated with Recommended Change
Annual \$510,000 SDSI payment, Tex. Gov't Code 472.102(c) Remittance of all administrative penalties to General Revenue, Tex. Gov't Code 472.110(d)	Expenditures, most of which are fixed, are set to outpace revenues in coming years. Absent a reduction in legislatively mandated expenditures, higher registration fees will be required resulting in greater barriers to entering or continuing in the regulated professions.	Respectfully, TBAE suggests a review of the two legislative requirements noted in this section. An evaluation of whether the requirements accomplish the state's goals of reducing barriers and maximizing results may be in order.	If these legislatively mandated expenditures are eliminated, TBAE would expect for the need to increase renewal fees to be significantly delayed, which would reduce impediments to continued or initial registration.

TBAE is facing difficult demographic and financial realities, and likely will need to raise registration fees after fourteen continuous years of not needing to do so. TBAE projects that by FY21, renewal fees may climb by approximately \$7 for an annual registration renewal unless one or more of the fixed costs noted above are decreased. TBAE well understands that increased fees can be a barrier to registration, and is proud to have avoided raising fees for so long. But in light of the required \$510,000 annual SDSI payment to General Revenue and the 2013 requirement to remit all enforcement penalties to General Revenue, the agency has little choice but to consider raising revenue via fee increases.

A continual self-evaluation of all of TBAE's statutes, rules, and services is part of the culture. TBAE will evaluate throughout the strategic planning period with the goal of reducing any barriers to the economic prosperity of Texas and making the agency more effective and efficient in achieving its core mission.

Since FY16, as part of its ongoing self-evaluation to eliminate redundancies and impediments, TBAE has reviewed its rules and has made the following updates to improve the efficiency and effectiveness of the agency's operations.

- TBAE reduced the number of examinations required to satisfy the examination requirement for registration as an architect.
- Pursuant to legislation, TBAE extended the deadline for "grandfathered" Registered Interior Designers to pass all sections of the registration examination from September 1, 2017 to September 1, 2027. Additionally, TBAE increased the number of paths to registration as a Registered Interior Designer.
- TBAE amended its administrative penalty rules to provide clear guidance on the appropriate levels of administrative penalties. This action has increased efficiencies and consistency and was complimented during an audit by the State Auditor's Office.
- Pursuant to legislation, TBAE amended its rules to provide for expedited consideration of applications filed by military service members, veterans, and spouses; an additional two years to complete continuing education requirements; and a waiver of application and examination fees for military service members.
- TBAE repealed obsolete rules and corrected errors within its current rules.

TBAE's Response to Hurricane Harvey

Below is a summary of TBAE's response during the aftermath of Hurricane Harvey.

- TBAE's Executive Director reached out to the Executive Directors of New York, New Jersey, Louisiana and Mississippi to ask for their experiences and advice based on the aftermath of Hurricanes Sandy, Ike, Rita, and Katrina.
- TBAE staff established contact with collateral groups, including professional associations and other registration boards, to coordinate any needs from those entities. Specifically, TBAE assisted the Texas Society of Architects in their initiative to provide trained, volunteer design professionals for safety assessments.
- Pursuant to Section 418.171 of the Government Code, TBAE gave consideration to out-of-state registrations and allowed an individual holding such registration to render aid involving their professional skills during the period of declared emergency.
- TBAE expedited its registration processes for individuals affected by the hurricane and individuals providing services in response to the hurricane.
- TBAE waived the late payment penalty for affected individuals who were not able to renew by their expiration date.
- TBAE waived the requirement for documentation of continuing education credits for affected individuals who were audited.
- TBAE waived the cost of replacement wall certificates for those lost in the hurricane.
- TBAE participated in the Harvey Occupational and Professional Emergency (HOPE) Workgroup created to share best practices, resources and analytics during the state's response to Hurricane Harvey.
- TBAE communicated to its registrants via its regular newsletter the importance of the role registrants would play during the rebuilding phase and the responsibility to design smarter with an emphasis on resiliency and accessibility.
- In the future, during the rebuilding phase, TBAE anticipates that it may see an increase in complaints related to fraud and practice without a registration and will respond accordingly.
- In response to specific requests, TBAE continues to work with affected individuals to ensure that we do not prevent, hinder, or delay necessary action in coping with the disaster and to assist them any way that we can.

TBAE did not experience any significant statutory redundancies or impediments in its response to Hurricane Harvey. However, it believes that concerted efforts between the professional regulation agencies to ensure standardized and appropriate responses would be beneficial to the agencies and their registrants.

Supplemental Schedule A: Budget Structure and Performance Measures

As a self-directed, semi-independent agency, TBAE does not operate under a traditional budget structure within the general appropriations bill. Instead, TBAE is required to adopt a budget annually using generally accepted accounting principles. Therefore, TBAE does not operate under a Goal-Objective-Strategy model and does not submit data to the Automated Budget Evaluation System of Texas (ABEST).

In lieu of reporting to ABEST, TBAE is required to submit an annual report to the Governor, Legislature, and the Legislative Budget Board, which includes trend performance data related to TBAE's goals and other data related to its administrative and fiscal operations. TBAE additionally submits a quarterly report to all parties. TBAE's trend performance data measures related to its goals are listed below.

Measures Related to the Licensing Goal:

- Number of Registrants by Type and Status
- Average Time to Issue a Registration
- Number of Examination Candidates

Measures Related to the Enforcement Goal:

- Number of Cases Opened by Staff and Public
- Number of Cases Closed by Dismissal and Enforcement Action
- Number of Enforcement Actions by Sanction Type
- Number of Cases Closed through Voluntary Compliance
- Amount of administrative penalties assessed and the rate of collection of assessed administrative penalties
- Number of Cases Opened that Allege HSW and Disposition
- Average Time to Resolve a Complaint

Supplemental Schedule B: Performance Measure Definitions

Measures Related to the Licensing Goal:

Number of license holders or regulated persons broken down by type of license and license status, including inactive status or retired status

- Definition: The number of registered architects, landscape architects, registered interior designers, and businesses each broken down by active, inactive, and retired status.
- Purpose/Importance: The measure helps to determine agency workload.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: Registrants are broken down by profession, and further by status [Active, Inactive, or Emeritus (Retired)]. Business registration count includes all businesses with an Active or Pending status. Counts are made in the first few moments of the next fiscal year and roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative.
- New Measure: No.

Average time to issue a registration

- Definition: The average number of days to issue a registration to an applicant once the application is complete, including payment of the initial registration fee.
- Purpose/Importance: The measure helps to determine efficiency in delivering services to registrants.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: The universe consists of intended registrants whose accounts are populated with "Registration by Exam" or "Reciprocal Registration" fees indicating that all requirements have been met for licensure. Time is calculated as the number of days between the payment of the fee (Payment Date field) and the date of registration (License Certification Date field), and records are reported by fiscal year based on payment date. Roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative.
- New Measure: No.

Number of examination candidates

- Definition: The current number of individuals who have applied for registration by examination, but have not been issued a registration.
- Purpose/Importance: The measure indicates workload and helps to project number of possible eligible registrants, viewed against previous reports with an eye toward trending.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: The agency's database (TBAsE) will automatically run a snapshot report quarterly, in the first hours after the end of each quarter. TBAsE will run a count of all records with an application type of "Exam Candidate" or "Prior Exam" and a registration status of "Open," "Closed," or "Passed." Roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative.
- New Measure: No.

Measures Related to the Enforcement Goal:

Number of complaints received from the public and number of complaints initiated by agency staff

- Definition: The number of enforcement cases opened as a result of a complaint filed by the public (non-staff) and the number opened as a result of a staff-initiated complaint.
- Purpose/Importance: The measure helps to track agency workload and determine allocation of agency resources.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" and "Complaint." Staff complaints will be counted as those with a Source of Complaint field entry of "Evidence returned through internal TBAE ops," "Evidence revealed through associated complaint," "R Identified thru Other Complaint," and "CE audit." All other Source of Complaint types will be counted as Public complaints. Complaints will be counted in the appropriate year based on their open date. Roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative
- New Measure: No.

Number of complaints dismissed and the number of complaints resolved by enforcement action

- Definition: The number of enforcement cases dismissed and the number of enforcement cases resolved with enforcement action.
- Purpose/Importance: The measure helps to track agency workload.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" and "Complaint." Of the universe, those items with content in the "Board Approved Date" field will be counted as "resolved by enforcement action," and those with a blank entry will be counted as dismissed. The date entered in "Board Approved Date" will determine in which fiscal year to report the item. Otherwise, the "Case Closed Date" field will determine the fiscal year of reporting. Additionally, those with a blank "Board Approved Date" and having a disposition type of "Revocation" will be counted as "resolved by enforcement action." Roster data are saved for future review.
Data Limitations: None.
Calculation Type: Non-cumulative
New Measure: No.

Number of enforcement actions by sanction type

- Definition: The number of disciplinary actions taken by TBAE broken down by sanction type.
- Purpose/Importance: The measure helps to track the results of the agency's enforcement activities.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" and "Complaint" and having a Final Disposition of "Agreed Order," "Cease and Desist," "Consent Order," "Notice of Violation," "Order of the Board," "Penalty Notice," "Revocation," "Suspension/Probation," or "Dismissed (C.O.)." Of the universe, those items with a Final Disposition of "Agreed Order," "Cease and Desist," "Consent Order," "Notice of Violation," "Order of the Board," "Penalty Notice," or "Dismissed (C.O.)" and having a penalty assigned will be counted as "Admin Penalty." Those of this same list without having a penalty to pay will be counted as "Cease & Desist." Those having a Final Disposition of "Revocation." and "Suspension/Probation" will be counted under their corresponding Sanction Type. Cases will be counted in the appropriate fiscal year based on "Board Approved Date." Roster data are saved for future review.
- Data Limitations: None.

- Calculation Type: Non-cumulative
- New Measure: No.

Number of enforcement cases closed through voluntary compliance

- Definition: The number of enforcement cases closed by voluntary compliance by the respondent in the case.
- Purpose/Importance: The measure helps to track agency workload and determine the effectiveness of enforcement activities.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" or "Complaint." Items from this universe with an entry in the Final Disposition field of "warning letter" or "informal reprimand" will be counted. Cases will be counted in the appropriate fiscal year based on their closed date. Roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative
- New Measure: No.

Amount of administrative penalties assessed and the rate of collection of assessed administrative penalties

- Definition: The amount of all administrative penalties assessed during the reporting period and the rate of collection of administrative penalties during the reporting period.
- Purpose/Importance: The measure helps to track disciplinary compliance among enforcement respondents.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: The amount (in dollars) of all administrative penalties assessed in a fiscal year is divided by the amount (in dollars) of all administrative penalties collected in the same fiscal year. The date entered in "Board Approved Date" will determine in which fiscal year to report the penalties assessed. If "Board Approved Date" is not entered, the "Case Closed Date" field will determine the fiscal year of reporting. The recorded "Payment Date" will determine in which fiscal year to report the amount collected. The result is expressed as a percentage. Roster data are saved for future review.
- Data Limitations: Penalties collected in one fiscal year may have been assessed in a previous fiscal year.
- Calculation Type: Non-cumulative.
- New Measure: No.

Number of enforcement cases that allege a threat to public health, safety, or welfare or a violation of professional standards of care and the disposition of those cases

- Definition: The number of enforcement cases that allege a threat to public health, safety, or welfare or a violation of professional standards of care and the disposition of those cases.
- Purpose/Importance: The measure helps to gauge agency workload and effectiveness with regard to more-involved enforcement cases.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" or "Complaint" with a Board Approved Date within the reporting fiscal year and a Violation Status ID of "Violation found by ED" or "Violation found by Board," and excluding all records with specified rule/statute citations in the Violations field indicating that the infraction was a title violation or a continuing education violation. (A bulleted list of specified citations follows below.) The Disposition of the responsive records is reported and categorized based on sanction type similar to the "Number of enforcement actions by sanction type" measure. Roster data are saved for future review. Citations to be excluded are:
 - Did not fulfill mandatory continuing education requirements
 - Reported false information regarding continuing education
 - Use of any form of the word "architect" or "architecture" by an unqualified firm

- Practiced or used of title "architect" or "architecture" while registration was delinquent
- A person other than an architect who advertised using the title architect or architectural designer
- Failed to fulfill mandatory continuing education requirements
- Reported false information regarding Interior Designer's continuing education
- Use of title "interior designer" or term "interior design" while registration was delinquent
- A person other than an interior designer who advertised using the title "interior designer" or offered "interior design" services.
- Did not fulfill mandatory continuing education requirements
- Reported false information regarding landscape architects continuing education
- Unauthorized practice or use of title "landscape architect" while registration was delinquent
- Unauthorized practice or use of title "landscape architect" while registration was delinquent
- A person other than a landscape architect used the title "landscape architect" or offered or performed "landscape architect".
- A person other than an architect practicing architecture or using the regulated title
- Failure to maintain continuing education records
- Failure to complete a minimum of eight (8) CEPE for each annual registration period
- Failure to complete a minimum of eight (8) CEPE for each annual registration period
- Failure to maintain continuing education records
- Practiced or used of title "architect" or "architecture" while registration was delinquent.
- Fail to record Continuing Education activities
- Data Limitations: None.
- Calculation Type: Non-cumulative
- New Measure: No.

Average time to resolve a complaint

- Definition: The average number of days to resolve a complaint.
- Purpose/Importance: The measure helps to determine efficiency in caseload management.
- Source and Collection of Data: TBAE internal database, TBAsE.
- Method of Calculation: From TBAsE, the universe will consist of all enforcement matters with an entry in the Case Type field of "Case" or "Complaint" with a Closed Date within the reporting fiscal year. Time is determined by calculating the number of days between the Open Date and Closed Date for each record. Roster data are saved for future review.
- Data Limitations: None.
- Calculation Type: Non-cumulative
- New Measure: No.

Supplemental Schedule C: Historically Underutilized Business (HUB) Plan

As a self-directed, semi-independent agency, TBAE does not operate under the General Appropriations Act, and therefore, was not required to complete the HUB report required by that Act. However, TBAE makes a good faith effort to utilize HUBs in contracts for construction, services (including professional and consulting services) and commodity procurements. TBAE works to procure products and services for agency users and identify HUBs to ensure they have an equal opportunity to bid on agency contracts and related subcontracts. Additionally, TBAE submits HUB reporting to the Legislative Budget Board, although not specifically required.

Mission of the TBAE HUB Program

The Mission of the TBAE HUB Program is to advocate for the participation of HUBs in the agency's procurement and contracts and remain committed to providing procurement and contracting opportunities for minority, women, and veteran-owned businesses.

Goal of the TBAE HUB Program

The Goal of the TBAE HUB Program is to establish and carry out policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of HUBs. Specifically, the Board will make a good faith effort to utilize HUBs in the Board's procurement and contracts with the following statewide goals in mind:

- 23.7 % for professional services contracts;
- 26.0 % for all other services contracts; and
- 21.1 % for commodities contracts.

TBAE HUB Program Strategies

In an effort to meet the agency's goal, TBAE has established the following strategies:

- compliance with HUB planning and reporting requirements;
- utilization of the Texas Procurement and Support Services' (TPASS) Centralized Master Bidder List and other sources in bidding for delegated services;
- adherence to the HUB purchasing procedures and requirements established by the Comptroller of Public Accounts' Texas Procurement and Support Services Division;
- attendance at HUB Coordinator meetings, HUB small business trainings and HUB agency functions;
- utilization of HUB resellers from the Department of Information Resources' contracts;
- promotion of HUBs in the competitive bid process on all goods and services; and
- encourage contractors to use HUBs as partners and subcontractors.

Report on Customer Service

May 2018



TEXAS Board of
Architectural Examiners
Architects • Landscape Architects • Registered Interior Designers

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REPORT ON CUSTOMER SERVICE

We are pleased to present the following report on customer service to the Governor's Office of Budget and Planning; the Legislative Budget Board; Members of the Texas Board of Architectural Examiners (TBAE); our registrants and candidates for registration; and anyone who lives, works, and plays in the built environment of Texas.

Inventory of Customers

Our customers are identified as registered architects, registered interior designers, and registered landscape architects; students and examination candidates of these professions; building officials, plans examiners, and other regulatory officials; clients of design professionals and the general public; as well as non-registered persons working in related professions. Our customer list includes more than 22,000 email addresses. Our registrant base is 19,830 as of the end of Fiscal Year 2017, but changes hour by hour with online account management. This registrant count includes Active, Inactive, and Emeritus statuses and is intended only as a moment-in-time snapshot, not as a performance measure.

Information-Gathering and Survey Instrument

The survey instrument was offered electronically on the Web and promoted via the agency's database of email addresses. The request for survey participation was emailed to each email address in our database, and the agency sent a follow-up reminder for those who had not yet responded. The survey was in the field from January to March, 2018.

The survey was hosted on a third-party survey Web site. Data were collected electronically. Responses to open-ended questions were reviewed on an individual basis and include suggestions for areas of improvement and change for the agency. Those responses contributed significantly to this report, and will inform agency staff greatly throughout the strategic planning process. The questions in the survey are based on statutory requirements and patterned after questions from previous TBAE surveys.

Analysis of the Findings

TBAE staff created eight separate areas of focus for the 2018 survey. Those eight areas are:

1. **Communicating with the agency:** this section provides insight into how registrants and other stakeholders interact with the agency on a personal level.
2. **The TBAE Web site (www.TBAE.state.tx.us):** respondents tell staff what online information they use, and how they use it.
3. **Online account services:** registrants and future registrants tell the agency how they feel about their secure online account usage.
4. **Complaint handling:** respondents tell us how they feel about the way the agency addresses complaints about agency operations.
5. **Printed and electronic media:** useful information about what respondents prefer to read, and how much they read.

6. **General impressions:** valuable overall impressions about how well the agency is performing, and what can be improved.
7. **Agency office and facilities:** impressions of how TBAE office visitors view agency facilities.
8. **Demographics:** data regarding what types of individuals participated in the survey.

1. Communicating with the agency.

Survey responses indicate continued satisfaction among respondents in communicating with TBAE staff. Dissatisfaction remains very low, topping out at only 3.5 percent on one question and coming in as low as 1.6 percent on another. In 2008, 16 percent of respondents reported having heard a presentation by staff. In this year's survey, the number was 23 percent.

2. The TBAE Web site (www.TBAE.state.tx.us).

Satisfaction remains high in each of the five specific questions about the agency's Web site. Again in 2018, Continuing Education information remains the most-sought topic among users of the TBAE Web site.

3. Online account services.

(By way of clarification, this section deals with a customer's experience with our Web site after logging into the "secure" site, as opposed to the public portions of the site intended for general information and use.)

Launched in 2005, TBAE's online account management continues to be a great success for users. After logging into his or her account, a user can pay fees, update contact information, keep track of continuing education credits, and more. 97.4 percent of respondents report having used online account services or intend to use them.

4. Complaint handling.

As in previous surveys going back to 2006, the majority of those surveyed chose "N/A" when asked about satisfaction in terms of the agency's handling of complaints about the agency itself (that is, not complaints about other registrants or professionals). The satisfaction rate remains much higher than that of dissatisfaction, but the high number of "N/A" responses might be, in itself, instructive; one possibility is simply that very few respondents have been interested in complaining about the agency.

5. Printed and electronic media.

Interest in the agency's traditional and online communications remains high, particularly with regard to the agency newsletter, *Licensing News*, and Web site news stories.

As before, newsletter readership remains high, with 85 percent reporting that they read at least half of each issue (two years ago, this number was 76 percent). Disciplinary Actions was the most popular section of each newsletter, followed by stories about legislative events.

6. General impressions.

Asked about overall satisfaction with TBAE and the service received, survey respondents indicate a 96 percent satisfaction rate. This is a new high, up from the 94 percent recorded in 2016.

7. Agency office and facilities.

Responses to this set of questions, promulgated by the Governor's office, tilt very heavily towards "N/A," which accounts for more than 90 percent of answers to each individual question. This indicates that very

few stakeholders have had occasion to visit the agency's Austin facilities, which is understandable since the vast majority of services provided are online, via phone, or via postal service.

8. Demographics.

As one might expect, the distribution of survey respondents maps roughly along with that of the agency's registrants, with others from the survey list (candidates for registration, building officials, etc.) completing the picture.

Customer Service Standards and Customer Satisfaction Measures

(Note: these measures are for the purpose of this survey only and not the same as those reported in SDSI reports.)

1. Percentage of surveyed customer respondents expressing overall satisfaction with services received (N/A responses not included):
95.9%
2. Percentage of surveyed customer respondents identifying ways to improve service delivery:
23.1%*
3. Number of customers solicited for survey: **22,406**
4. Number of customers surveyed (responsive): **1,133**
5. Cost per customer surveyed: **\$0.18/response**
6. Number of customer groups: **12**

*Note: As in previous reports, the number reported here reflects simply the number of responses to Question 21, which solicits suggestions for improvement. Many of those responses are words of encouragement or "N/A," rather than areas of concern.

Customer Responses to Multiple-Selection Questions

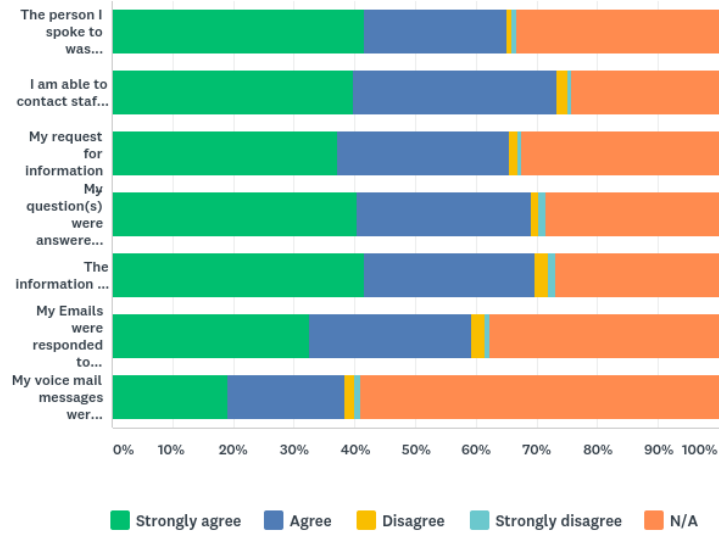
(Commentary is provided for some items, when context might prove helpful. This section begins on the next page.)

► Question 1

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

- The person I spoke to was courteous and professional
- I am able to contact staff when I have a question
- My request for information was routed to the right person
- My question(s) were answered in a timely fashion
- The information I received was clear and accurate
- My Emails were responded to promptly
- My voice mail messages were responded to promptly

Q1 When communicating with TBAE please describe your experiences:



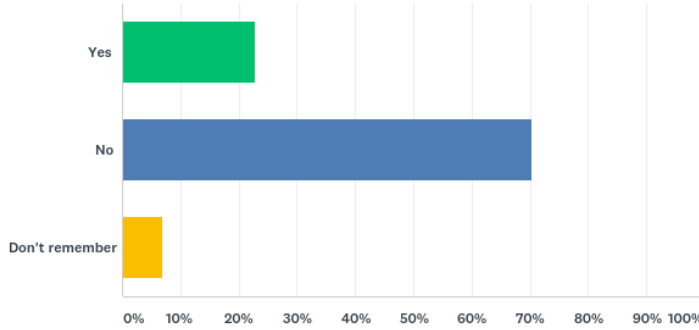
► Question 2: How can we improve our communication with you and other stakeholders?

There were 345 free-text responses to this question. Some common responses were:

- No change/acceptable as-is
- Development of a mobile app/mobile-friendly Web site
- Various issues related to continuing education
- Increased notifications for registration renewal
- Social media presence
- More (and less) communication

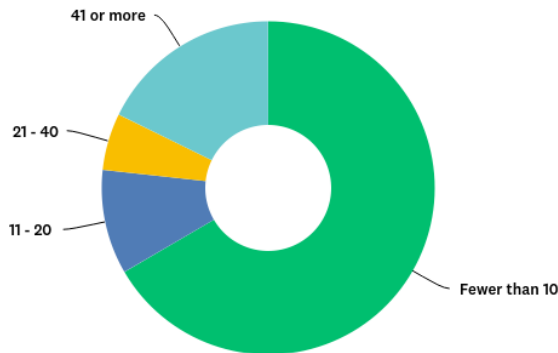
► Question 3

Q3 Have you ever attended a live presentation by a TBAE staff member?



► Question 4

Q4 How many design professionals work for your firm?

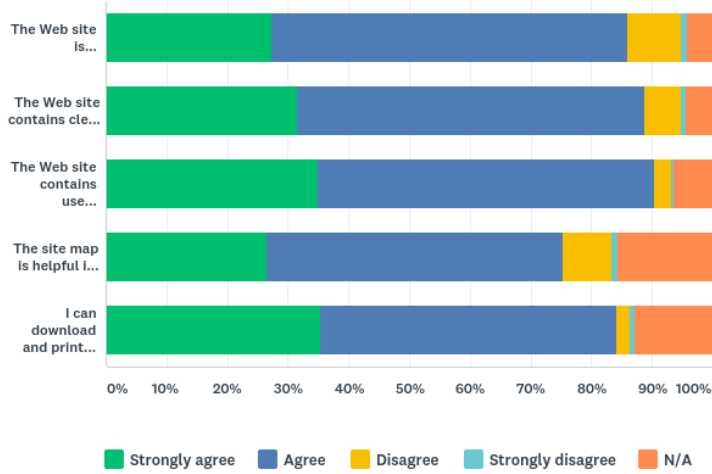


► Question 5

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

- The Web site is well-organized and easy to navigate
- The Web site contains clear, accurate information
- The Web site contains useful contact information
- The site map is helpful in finding information
- I can download and print forms, rules, and other selected material

Q5 Please rate the TBAE Web site, www.TBAE.state.tx.us



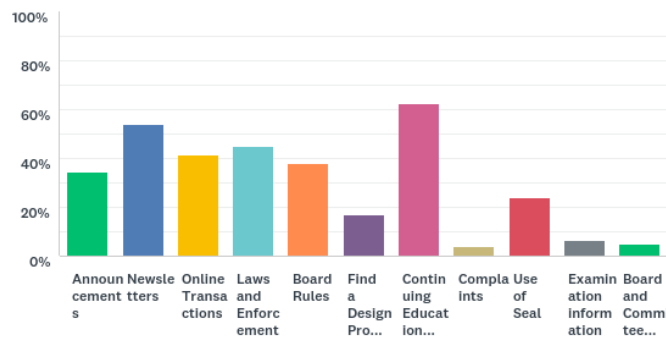
► Question 6: In what ways do you use the TBAE Web site?

There were 567 free-text responses to this question. The most common answers were:

- Renewing a license
- Searching for continuing education information and forms
- Finding updates on regulations (e.g. flowchart, use of seal brochure)
- Checking the registration status of design professionals
- Staff contact information
- Read newsletter

► Question 7

Q7 What information from the Web site do you use the most? (Check all that apply)

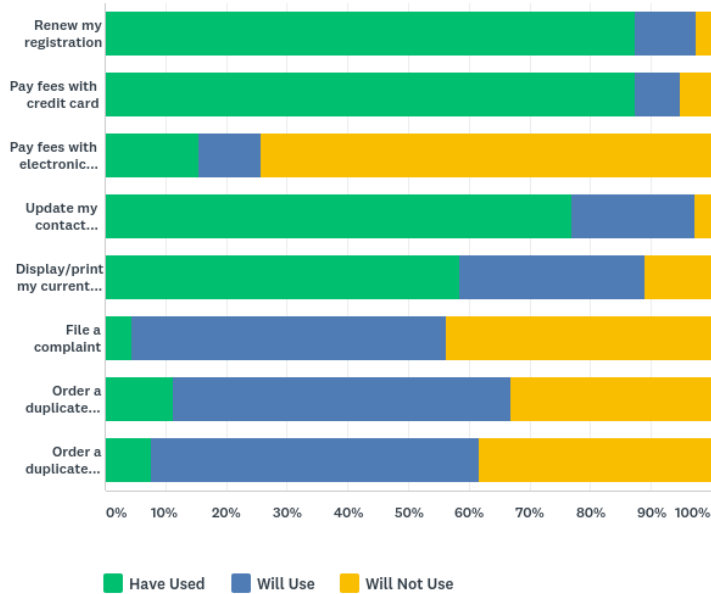


► Question 8

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

- Renew my registration
- Pay fees with credit card
- Pay fees with electronic check
- Update my contact information
- Display/print my current certificate
- File a complaint
- Order a duplicate certificate
- Order a duplicate pocket card

Q8 Have you used or do you plan to use the following online services?

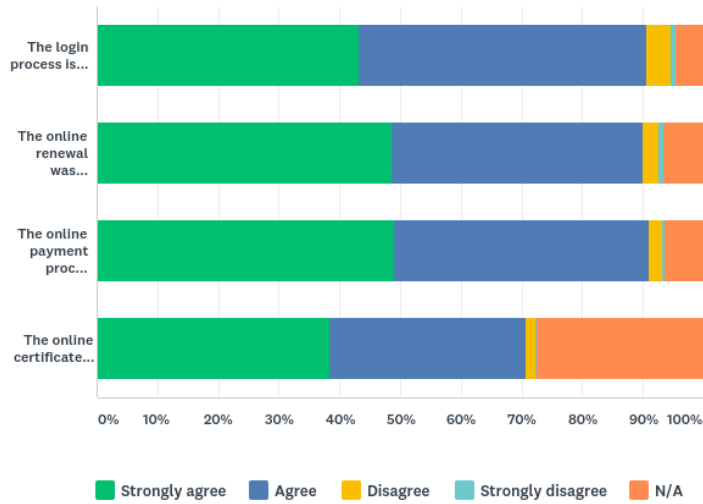


► Question 9

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

- The login process is simple
- The online renewal was easy to complete
- The online payment process was easy to use
- The online certificate printed successfully

Q9 Please rate your experience with TBAE's online services (check N/A if you have not used the service[s]):



► Question 10: What would you change about the online payment system?

There were 282 free-text responses to this question. Generally, the answers fell into the following categories:

- No suggestion for changes/system works fine as is.
- Enable alternate payment methods (PayPal, ApplePay, etc.)
- General reservations about online transactions
- Desire for more immediate receipt/confirmation of online payment
- More information regarding security of online payment information
- Removal of credit card processing fee

► Question 11: If you do not plan to use online account services, what factors contribute to your decision?

There were 163 free-text responses to this question. Generally, the answers fell into the following categories:

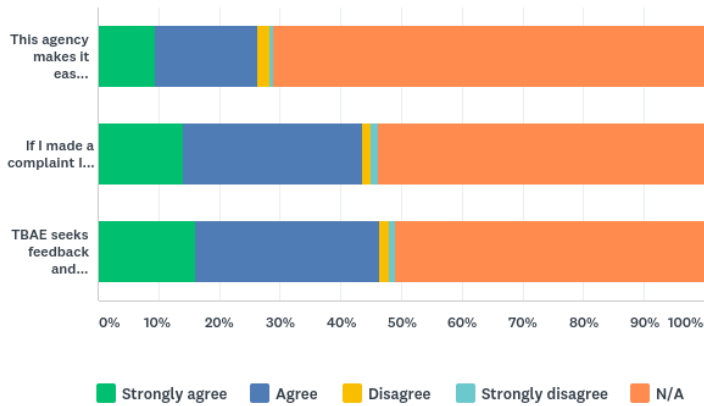
- Not applicable
- Concerns about identity theft and/or online payment in general
- The respondent's firm pays for his or her renewal via check/general preference for checks
- Trouble logging in/remembering password
- Credit card fees

► Question 12

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

- This agency makes it easy to give complaints or provide feedback
- If I made a complaint I believe it would be handled in a reasonable manner
- TBAE seeks feedback and is responsive

Q12 Please rank your experience with TBAE's complaint handling process for complaints about how the agency staff conducts its business (not about professionals). If you have no opinion, answer N/A.



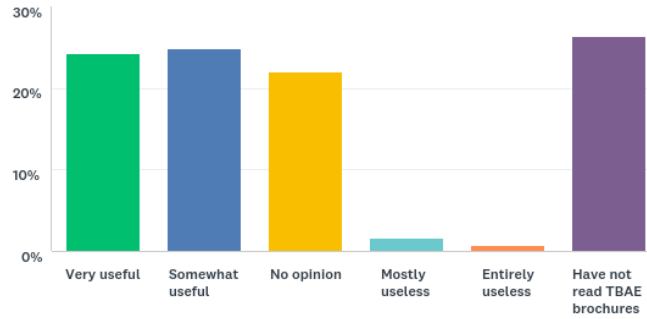
► Question 13: What suggestions do you have for improving the complaint process?

There were 169 free-text responses to this question. Generally, the answers fell into the following categories:

- N/A (because the respondent has never filed a complaint)
- Update Complainant periodically during investigation/general update and resolution requests
- Provide greater anonymity/general anonymity commentary
- General suggestions to be more (and less) aggressive in investigations
- Clarify process of filing a complaint
- Increase staff resources for investigations

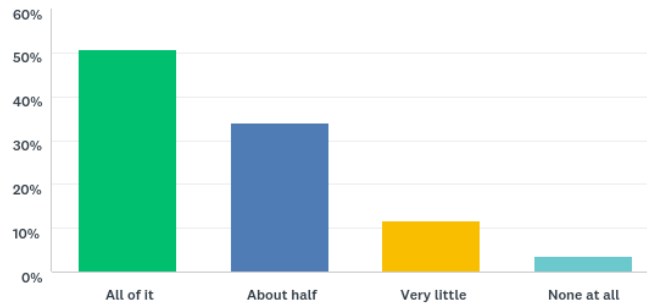
► Question 14

Q14 Please provide your opinion of TBAE brochures.



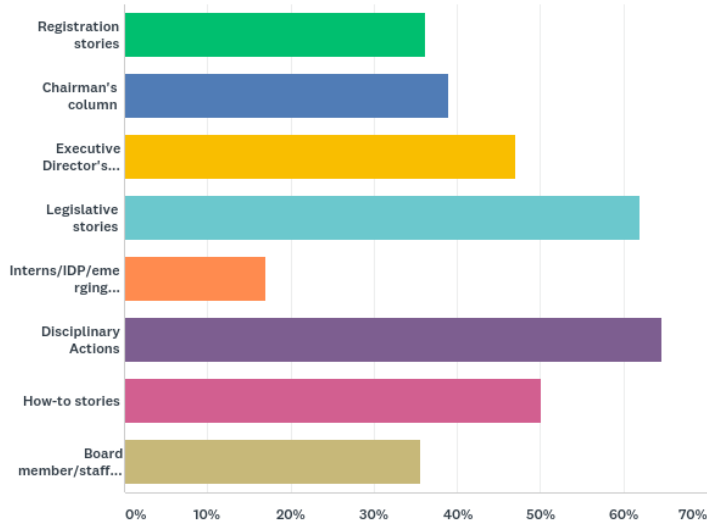
► Question 15

Q15 How much of each TBAE newsletter (Licensing News) do you read?



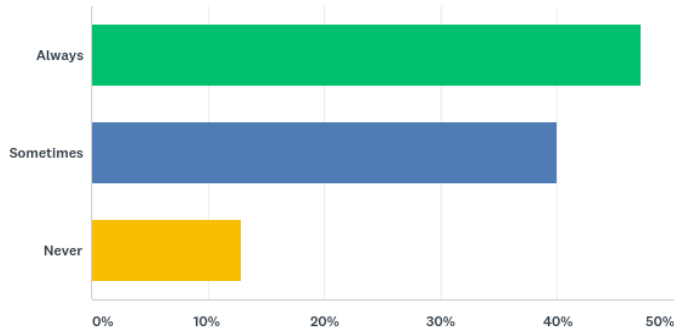
► Question 16

Q16 What type of newsletter article topic are you most likely to read in depth? (Check all that apply)



► Question 17

Q17 Do you read list-serve messages sent to you by TBAE via email?



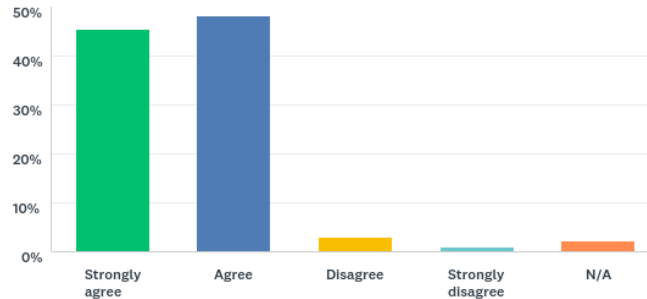
► Question 18: How can we improve our printed and online communications?

There were 154 free-text responses to this question. Frequently mentioned or noteworthy ideas included:

- No suggestion for improvement
- Eliminate publication of Disciplinary Actions
- Eliminate printed publications
- Design suggestions (more graphics, different formatting, larger typeface, etc.)
- Redesign site for mobile/create a TBAE app/make more relevant to younger audience

► Question 19

Q19 Overall, I am satisfied with the service I have received from this agency:



► Question 20: What is TBAE doing well?

There were 353 free-text responses to this question. Generally, the answers fell into the following categories:

- Reduction in fees (legislatively mandated)
- Keeping stakeholders informed/outreach
- Simplicity/ease of registration and renewal processes
- Enforcement (particularly unauthorized practice) and continuing education audits

► Question 21: What constructive criticism do you have to help TBAE do better?

There were 262 free-text responses to this question. Generally, the answers fell into the following categories:

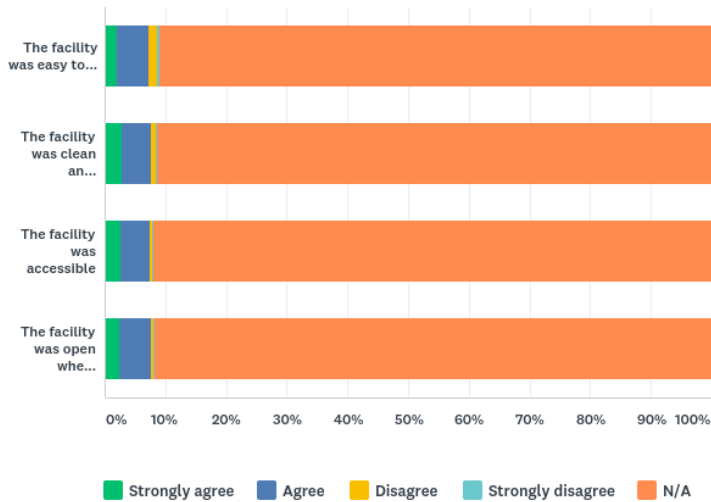
- More outreach in cities across Texas/more educational materials
- Web site suggestions/mobile app
- Simplification of continuing education rules
- Objections to Excepted Engineers list/publication of Disciplinary Actions/fingerprints/threshold regarding engaging the services of a registered architect
- Maintain list of pre-approved CE courses/reduce number of required CE hours
- Aggressively enforce unauthorized practice and misuse of title

► Question 22

In the graphic below, the questions are truncated. For clarity, the truncated questions are reproduced here intact:

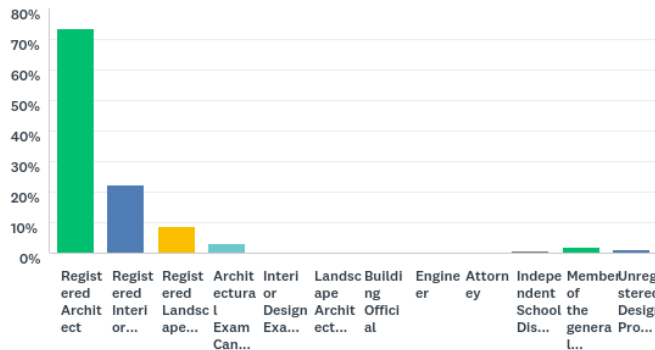
- The facility was easy to find
- The facility was clean and orderly
- The facility was accessible
- The facility was open when I needed access

Q22 If you have visited the TBAE office, please rate the facility. If not, answer N/A.



► Question 23

Q23 I am a/an: (check all that apply)



Agency Workforce Plan

Fiscal Years 2019-2023

BY

THE TEXAS BOARD OF ARCHITECTURAL EXAMINERS



Board Member	Dates of Term	Hometown
Debra Dockery, AIA – Chair	5/10/11 – 1/31/17	San Antonio
Chad Davis – Vice Chair	4/11/13 – 1/31/19	Lubbock
Jennifer Nicole Walker, AIA – Secretary Treasurer	1/15/16 – 1/31/21	Lampasas
Charles H. “Chuck” Anastos, AIA	4/1/08 – 1/31/19	Corpus Christi
Chase Bearden	5/1/09 – 1/31/21	Austin
Robert “Bob” Wetmore	1/15/16 – 1/31/21	Austin
Sonya Odell, RID	5/10/11 – 1/31/17	Dallas
Paula Ann Miller—Secretary/Treasurer	5/10/11 – 1/31/17	The Woodlands

June 2018

Workforce Plan

Overview

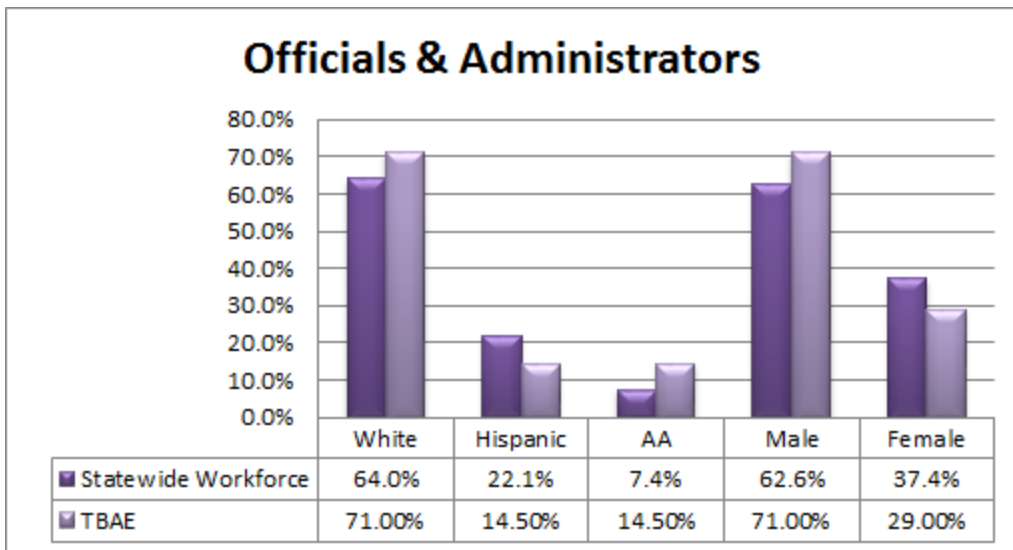
The Texas Board of Architectural Examiners (TBAE) is a small state agency operating under the Self-Directed Semi-Independent (SDSI) Project Program. TBAE has the authority to regulate the practices of architecture, landscape architecture and registered interior designers in Texas.

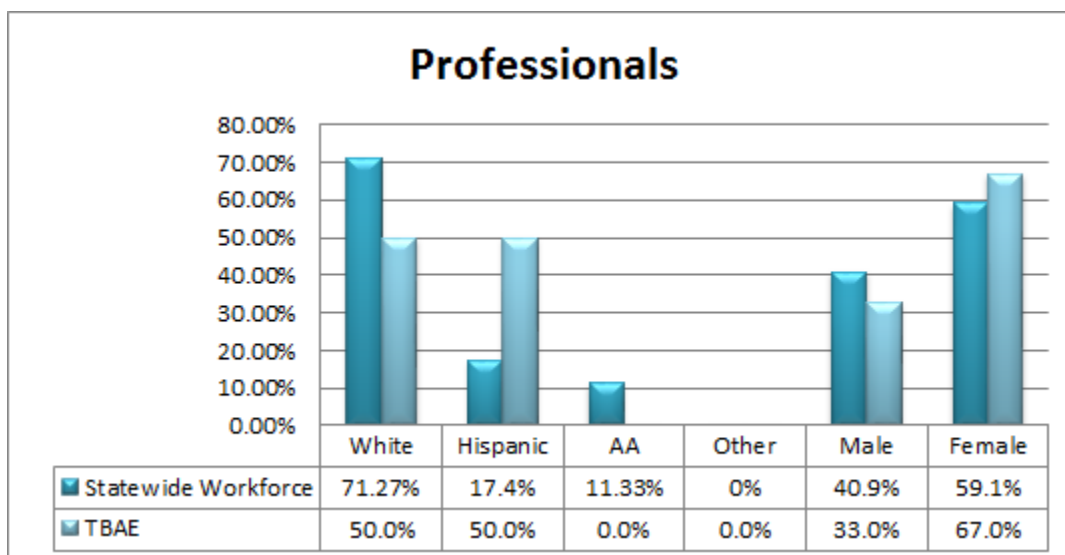
The agency employs individuals to carry out duties in Registration, Enforcement, Finance, Information Technology, and Executive Administration. At the end of May 2018, TBAE employs 19 staff members. TBAE’s commitment to high standards for excellence requires the agency to recruit and retain a high-performance staff.

After the 2005 implementation of the on-line renewal process, the agency has continued to improve and streamline business operations. As the use of technology becomes more important to the agency’s business, employees will need current technological skills along with customer service skills. As the agency moves forward, it will be necessary to ensure employees are provided with training opportunities to enhance their skill sets and to develop recruitment practices that will aid in hiring highly qualified staff.

Workforce Demographics

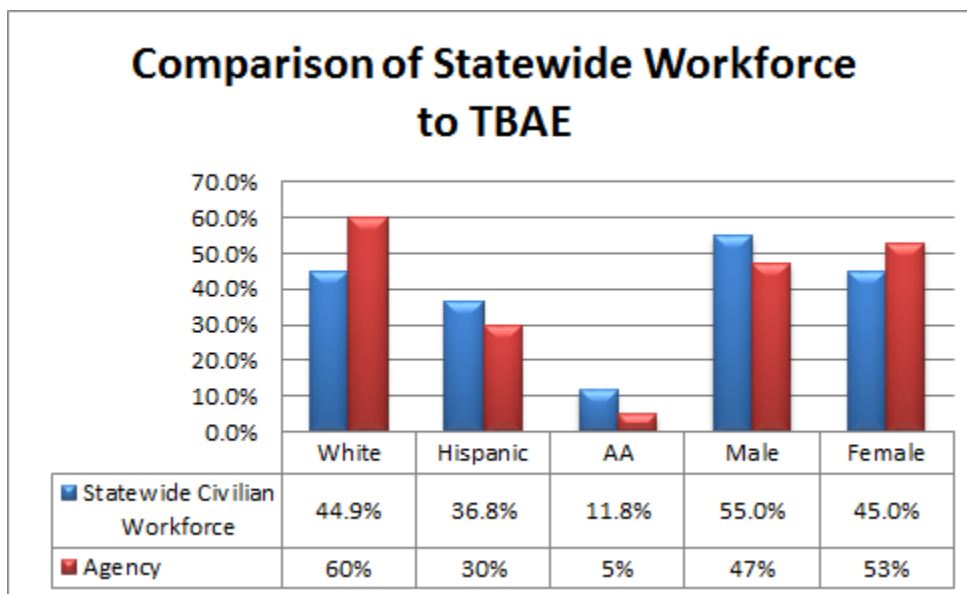
Even though the TBAE is a small state agency with a low turnover rate, the agency strives to meet its diversity targets whenever possible. For most job categories, the agency is comparable to or above statewide workforce statistics. The agency will continue to pursue recruitment efforts to draw highly qualified African Americans and Hispanics and to retain the diversified workforce. The following charts reflect the agency workforce as of August 31, 2017.





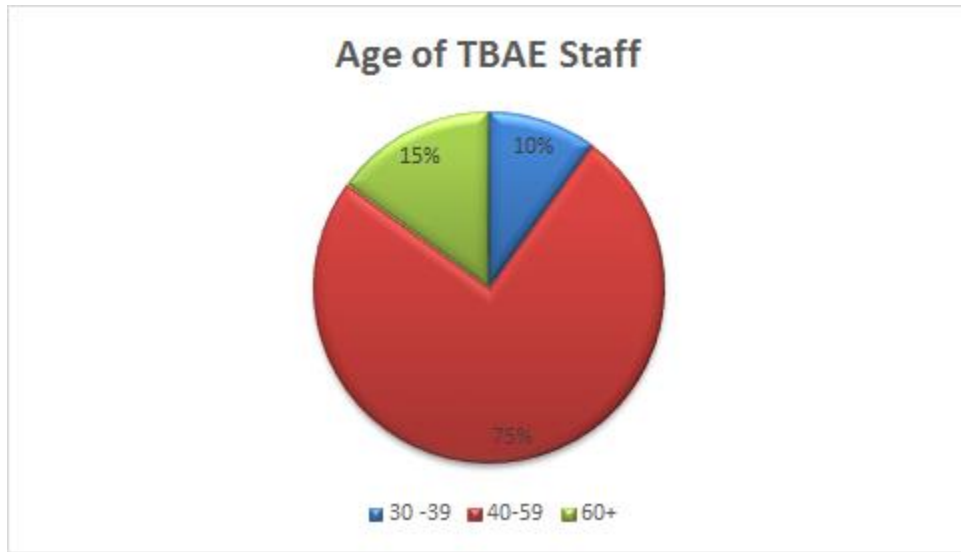
Race and Sex

The following graphics compares the demographic profile of TBAE's workforce to that of the statewide civilian workforce.



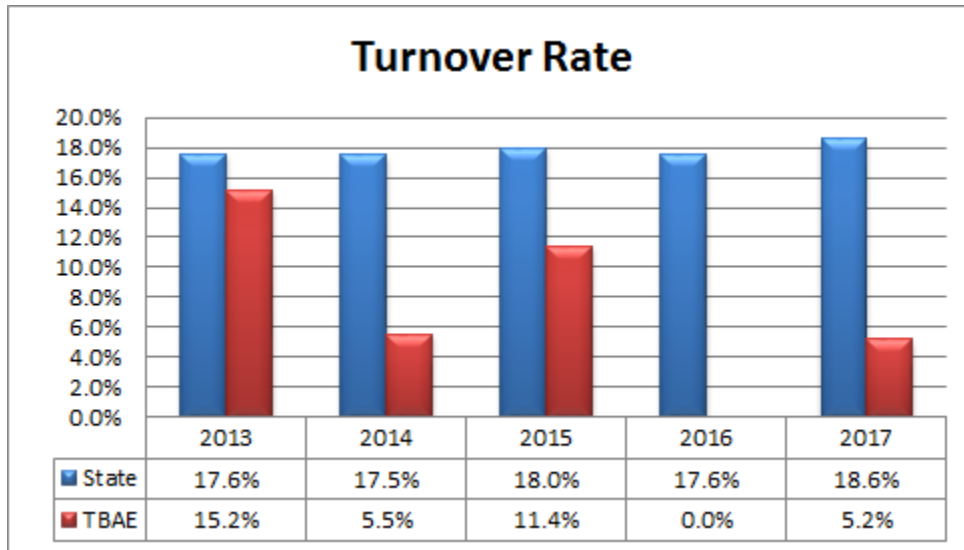
Age

Due TBAE's small workforce and limited number of separations and retirements, the workforce is older.

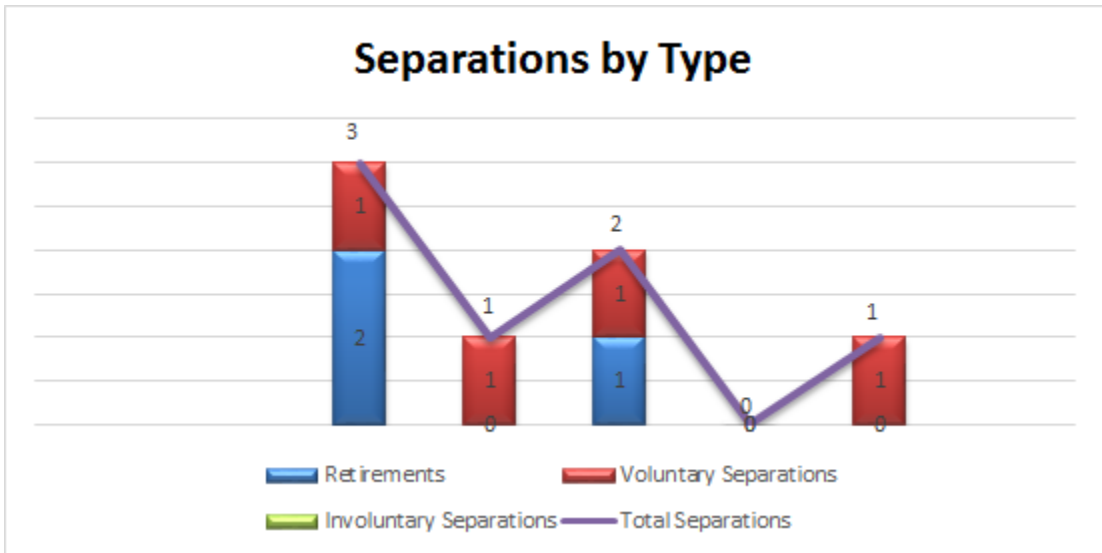


Employee Turnover Rates

The Board's employee turnover rate in FY 2017 was 5.2 percent, compared to the ¹statewide turnover rate of 18.6 percent.



¹ The statewide and TBAE rates include involuntary, voluntary and retirement separations.



Retirements

Approximately 30 percent of TBAE employees will be eligible to retire between FY 2018 and FY 2024. Of these employees, 25 percent are eligible to retire at the end of FY 2018.



Succession Planning

Approximately 30 percent of employees will be eligible to retire between FY 2018 and FY 2024. The urgency is to continue to anticipate the potential loss of expertise and institutional knowledge. While succession planning remains an important role within the agency, the agency's leadership is defining perspectives for assessing, grooming, and placing the right talent throughout the agency. The agency continues to illustrate potential career paths and allow employees to weigh in on the course their path ultimately takes. The leadership is focusing their commitment to top performers and helps to ensure those talented team members have the required aptitude and mind set to meet the agency's long term objectives. The senior level staff is preparing employees for advancement or promotion into challenging roles within the agency. In order to keep the agency's succession plan a fluid process that not only tracks the talent and development of employees, but also includes them in the process, the agency's effective succession planning process include:

- a. Link Strategic and Workforce Planning Decisions
- b. Analyze Gaps
- c. Identify Talent Pools
- d. Develop Succession Strategies
- e. Implement Succession Strategies
- f. Monitor and Evaluate

Succession Management Results

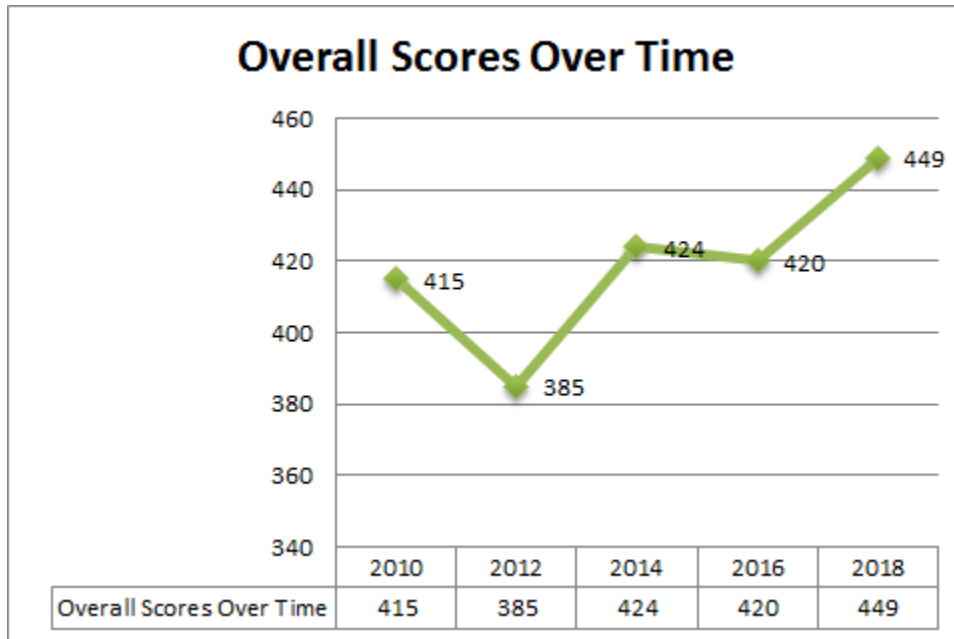
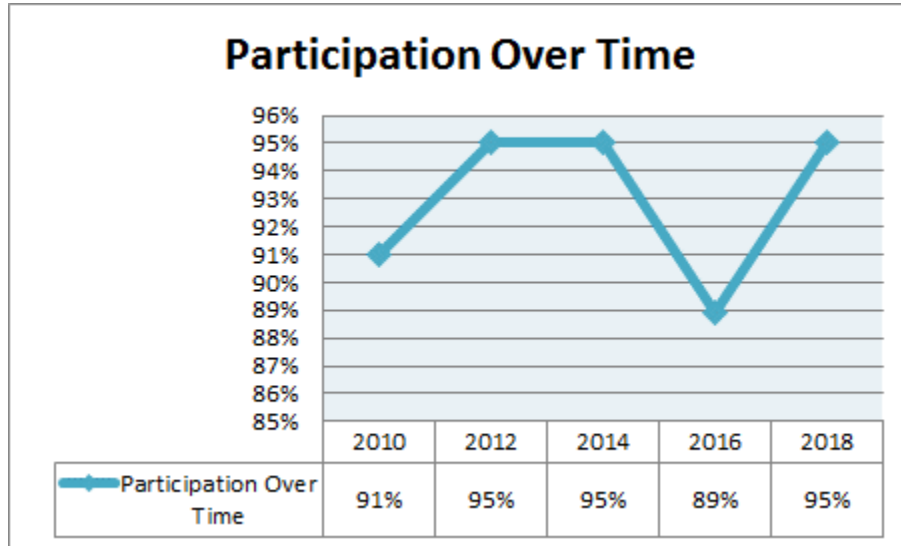
In the past two years, the TBAE identified successor candidates to fill key leadership and other crucial roles in the agency as we continue to realize significant employee engagement and retention gains. The agency continues to push formal talent and succession planning further into the business to touch all roles that are critical to day-to-day operations.

Employees are provided with performance feedback and are alerted to potential future opportunities within the agency.

The agency's Human Resources plays a vital role in successful succession management planning, ensuring that strategies, activities and programs are in place that enable our leadership to make better decisions about current and future staff, and align talent to an overall growth strategy.

Survey of Employee Engagement

During the month of January 2018, 95% of staff participated in the 2018 Survey of Employee Engagement (SEE).



This survey period found these areas to be TBAE's strengths and areas for improvement:

Areas of Strength

Strategic
Information Systems
Supervision

Areas of Weakness

Pay
Benefits
Community

The table below compares the three highest areas of strength and the three lowest areas of weakness.

During this survey period, the Pay construct remains the lowest score. Low scores suggest that pay is a central concern or reason for satisfaction or discontent. The score for the Pay construct may be due to the higher cost of living in the Austin Metro area.

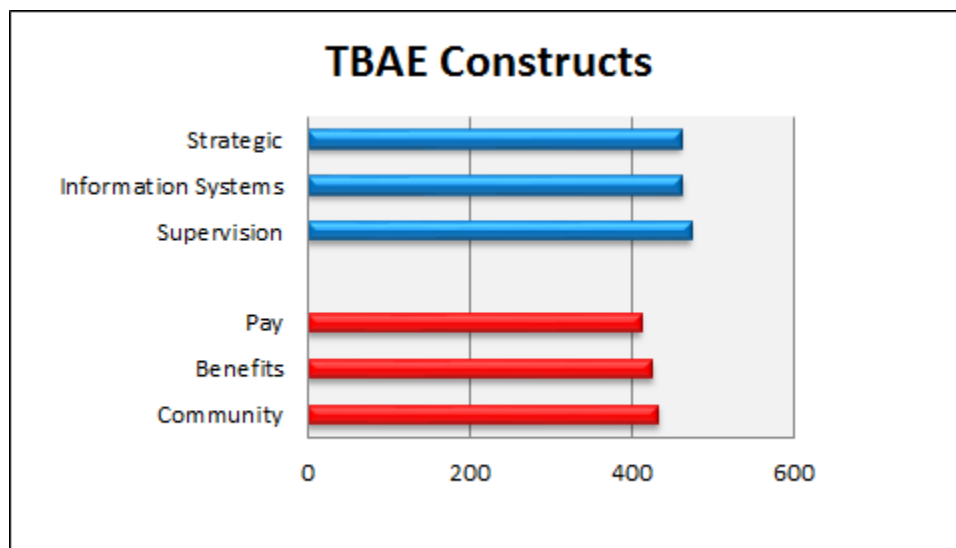
The Supervision construct provides insight into the nature of supervisory relationships within the organization, including aspects of leadership, the communication of expectations, and the sense of fairness that employees perceive between supervisors and themselves.

High Supervision scores indicate that employees view their supervisors as fair, helpful, and critical to the flow of work. The agency will need to carefully review the skill sets and requirements of the supervisory positions when filling vacancies.

Over time, TBAE's overall score has risen. With our high participation rate, it is clear that employees are invested in the agency and want to see changes and improvements to agency operations. The survey's 2018 overall score of **449**. Compared to the agency last score of 420, indicates that the agency has made great progress.

The Texas Board of Architectural Examiners (TBAE) participates in the Survey of Employee Engagement every two years. The survey results provide agency management with information on improving the well-being of agency employees and improving agency operations. The information provided is important during the strategic planning process, and provides direction for more successful management of our most critical resource: our workforce.

A complete compilation of results is available upon request.





An Audit Report on

**The Texas Board of Architectural
Examiners: A Self-directed,
Semi-independent Agency**

January 2018

Report No. 18-014

State Auditor's Office reports are available on the Internet at <http://www.sao.texas.gov/>.



An Audit Report on

The Texas Board of Architectural Examiners: A Self-directed, Semi-independent Agency

SAO Report No. 18-014
January 2018

Overall Conclusion

The Texas Board of Architectural Examiners (Board) established controls to ensure the accuracy of financial data that it is required to report. In addition, it had an established process for setting fees and assessing administrative penalties. However, it should improve controls over its performance data to ensure that it reports that information accurately.

Financial Reporting and Processes. The Board had effective financial processes and controls over revenues and other financial information to help ensure that its fiscal year 2016 and fiscal year 2017 annual financial reports were accurate, complete, and properly reported.

Performance Reporting. The Board complied with its statutorily required self-directed, semi-independent (SDSI) reporting requirements and submitted its report for fiscal year 2016 in a timely manner and to the appropriate parties. However, it should improve controls to ensure that it includes all required information and accurately reports performance measure results. While the Board reported two quarterly performance measures tested accurately, it reported inaccurate results for two performance measures tested in its annual SDSI report for fiscal year 2016.

Fees and Penalties. The Board had an adequate process for establishing its fees and has not raised its fees in 12 years. Further, it accurately calculated and collected fees in compliance with its rules and transferred all required funds to the General Revenue Fund. However, it had not established procedures to monitor its reserve fund balance as required by its policies.

Information Systems. The Board had adequate controls in place to ensure the reliability of the financial and performance data in the information technology system that the Board used to track licensing and enforcement information.

Background Information

The Texas Board of Architectural Examiners (Board) is a multi-profession regulatory agency that oversees the examination, registration, and professional regulation of architects, interior designers, and landscape architects.

Effective September 1, 2001, the Board became a self-directed, semi-independent (SDSI) agency. It is permitted to continue as an SDSI agency until at least September 1, 2025, when it will be subject to sunset review.

The Board establishes its own budget, which must be supported with the revenue the Board generates. Its governing board includes 9 members and, as of October 2, 2017, the Board regulated 22,361 individual and business registrants.

Source: The Board.

This audit was conducted in accordance with Texas Finance Code, Section 16.004; Texas Government Code, Section 472.103; and Texas Occupations Code, Section 1105.004, as applicable.

For more information regarding this report, please contact **Audrey O'Neill**, Audit Manager, or **Lisa Collier**, First Assistant State Auditor, at (512) 936-9500.

Table 1 presents a summary of the findings in this report and the related issue ratings. (See Appendix 2 for more information about the issue rating classifications and descriptions.)

Table 1

Summary of Chapters/Subchapters and Related Issue Ratings		
Chapter/ Subchapter	Title	Issue Rating ^a
1-A	The Board Established Processes and Controls to Ensure the Accuracy and Completeness of Its Financial Data	Low
1-B	The Board Generally Complied with SDSI Reporting Requirements; However, It Should Improve Controls Over Its Performance Measure Reporting	Medium
2-A	The Board Had a Process for Establishing Its Fees and Accurately Calculated and Collected Fees in Compliance With Its Rules; However, It Should Develop Procedures for Monitoring Its Fund Balance as Required	Low
2-B	The Board Assessed Administrative Penalties Consistently and Transferred Penalties Collected as Required	Low
3	The Board Had Adequate Information Technology System Controls in Place to Ensure the Reliability of Financial and Performance Data	Low

^a A chapter/subchapter is rated Priority if the 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 and reduce risks to the audited entity.

A chapter/subchapter is rated High if the 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 and reduce risks to the audited entity.

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

A chapter/subchapter is rated Low if the **audit identified strengths that support the audited entity's ability to administer the program(s)/functions(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**.

Auditors communicated other, less significant issues related to financial and performance data, as well as certain information technology controls, to Board management separately in writing.

Summary of Management's Response

At the end of each chapter in this report, auditors made recommendations to address the issues identified during this audit. The Board agreed with the recommendations in this report.

Audit Objectives and Scope

The objectives of this audit were to:

- Determine whether the Board has processes and related controls to help ensure the accuracy and completeness of financial and performance data.
- **Evaluate the Board's processes for setting fees and penalties.**

The scope of this audit covered financial and performance information, applicable processes, and other supporting documentation from September 1, 2015, through August 31, 2017.

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Detailed Results

Chapter 1

The Board Established Processes and Controls to Ensure the Accuracy and Completeness of Its Financial Data; However, It Should Improve Controls Over Its Performance Data

Overall, the Texas Board of Architectural Examiners (Board) had effective processes over its financial data and reported accurate financial information. However, it should improve certain controls over its performance data to ensure that it reports all required information and that its performance measures are reported accurately.

Chapter 1-A

The Board Established Processes and Controls to Ensure the Accuracy and Completeness of Its Financial Data

Chapter 1-A
Rating:
Low ¹

The Board had effective financial processes and controls over financial reporting to help ensure that it accurately reported key financial statement balances. However, the Board should strengthen certain aspects of its financial reconciliation process to ensure the continued accuracy of its financial information.

Financial Data

The Board's fiscal year 2016 and fiscal year 2017 annual financial report balances, including its revenues, expenditures, and fund balances, were accurate, complete, and properly reported. In addition, the Board established appropriate segregation of duties among the individuals who entered and posted revenue and expenditure transactions in the Uniform Statewide Accounting System.

Auditors tested two monthly revenue reconciliations for fiscal year 2017. Those reconciliations were adequately supported, mathematically accurate, and matched the amounts of the revenue deposits received and recorded by the Texas Treasury Safekeeping Trust Company. However, for both revenue reconciliations tested, the Board did not document its review of the reconciliations. Having a documented process in place for the preparation and review of monthly reconciliations would help the Board ensure the continued accuracy of revenue amounts collected through the Texas

¹ The risk related to the issues discussed in Chapter 1-A is rated as low if 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.

Treasury Safekeeping Trust Company and recorded in the Board's licensing and enforcement system (TBAsE).

Recommendation

The Board should implement a process to review its monthly reconciliations, including documentation of that review.

Management's Response

On January 3, 2018, the Finance Manager updated the Board's policies to require the review and documentation of monthly reconciliations.

Chapter 1-B

The Board Generally Complied with SDSI Reporting Requirements; However, It Should Improve Controls Over Its Performance Measure Reporting

Chapter 1-B
Rating:
Medium ²

Overall, the Board complied with most self-directed, semi-independent (SDSI) reporting requirements of Texas Government Code, Section 472.104 (see text box for additional information). However, it did not include certain required information and reported inaccurate results for two performance measures tested.

SDSI Required Reports

The Board complied with most of its statutory reporting requirements and submitted its annual SDSI report for fiscal year 2016 in a timely manner and to the appropriate parties. However, the Board did not include in that report all required information. The Board combined the required reporting information it would have included in its biennial report into its annual SDSI report for fiscal year 2016. As a result, the Board:

- Omitted one year of information related to new rules adopted or repealed for the biennium.

Required SDSI Reports

Texas Government Code, Section 472.104, requires the Board to:

- Submit a biennial report with specific information to the Legislature and the governor by the first day of each legislative session.
- Submit, by November 1, an annual report with specific information to the governor, the committee of each house of the Legislature that has jurisdiction over appropriations, and the Legislative Budget Board. The annual report must include the results of a number of performance measures, in addition to other required information.

² The risk related to the issues discussed in Chapter 1-B is rated as medium because they present risks or results that if not addressed could moderately affect the audited entity's ability to effectively administer program(s)/function(s) audited. Action is needed to address the noted concern and reduce risks to a more desirable level.

- Did not include its annual financial report for fiscal year 2016 as required; however, it did include a schedule of its revenues and expenditures for fiscal year 2016. In previous reporting periods, the Board had included its complete annual financial report.

Including all required information is important because it helps present a more comprehensive picture of key Board information for the recipients of that report.

Performance Measures

The Board did not accurately report results for the two annual performance measures tested. Those two performance measures were included in the Board's annual SDSI report for fiscal year 2016. It also did not consistently retain the results of data extracts to support the results it used to report the two annual performance measures tested. However, the Board accurately reported results for two quarterly performance measures tested for the third quarter of fiscal year 2017.

Number of Registrants by Type and Status

The Board reported inaccurate results for the Number of Registrants by Type and Status performance measure in its fiscal year 2016 annual SDSI report. Total registrants are reported for each of the Board's registrant types and, according to Board policies, should include (1) business registrants that are active or pending and (2) individual registrants. However, the Board did not include all business registrants in its calculation, and it did not extract the data used to support the number of active and pending business registrants in a timely manner. In addition, it did not retain an extract of the underlying data/records that supported the number of individual registrants it reported. Specifically:

- Business Registrants - The Board excluded 174 pending business registrations from its calculation. In addition, Board policy required the Board to run on the first day of the new fiscal year (September 1, 2016) the report that it used to obtain the number of business registrants; however, the Board did not run that report until October 18, 2016. As a result, the number of registrants for the reporting period (as of September 1) may not be accurate. In addition, because the report that should have been used to calculate the number of business registrants cannot be re-created, auditors were unable to determine the number of business registrants the Board should have reported for fiscal year 2016.
- Individual Registrants - For fiscal year 2016, the Board accurately reported the number of individual registrants, including architects, landscape architects, and interior designers. However, the system-generated report

it used to calculate that performance measure was as of the time and date the Board ran that report, and the Board did not retain the underlying data/records that supported the numbers in that report. Because the report could not be re-created, it was not possible for auditors to validate the reported results. However, auditors verified that the query used to extract the data for that report produces accurate results. Auditors also reviewed a copy of the report that the Board ran on September 1, 2016, and confirmed that it matched the Number of Individuals Licensed that the Board reported in its fiscal year 2016 annual SDSI report.

Average Time for Complaint Resolution

The Board reported inaccurate results for the Average Time for Complaint Resolution performance measure in its fiscal year 2016 annual SDSI report because it did not include all complaints in its calculation. The Board understated the number of days to resolve a complaint in its fiscal year 2016 annual SDSI report by 16 days (10 percent). The average time for complaint resolution the Board reported was 149 days, but it should have reported 165 days. The difference occurred because the query the Board used to extract the complaint data included only internal complaints that the Board generated and excluded complaints received from external parties.

Quarterly Measures

In addition to its annual SDSI reports, the Board submitted quarterly reports on selected performance measures to the Legislature, Office of the Governor, and Legislative Budget Board even though those reports are not required by statute. Auditors reviewed the Board's report for the third quarter of fiscal year 2017 and determined that the Board reported accurate results for two quarterly performance measures tested—Number of Cases Closed and Number of Registrants.

Recommendations

The Board should:

- Include all required financial and performance data in its SDSI reports.
- Extract data used to support its performance measures in a timely manner and include all information required to be reported in its calculations.
- Retain an extract of the underlying data/records that support the results of system-generated reports that it uses to report performance measures.

- Include all complaints closed for the reporting period when calculating results for its complaint-related performance measures.

Management's Response

By January 31, 2018, the Communications Manager will update the Board's policies to require that:

- *required financial and performance data are included in the SDSI reports;*
- *data used to support the performance measures be extracted in a timely manner;*
- *performance measure calculations include required information; and*
- *extracts of the underlying data/records that support the result of system-generated reports used to report performance measures be retained for audit purposes.*

Additionally, the Communications Manager will review and update the performance measure definitions and calculations to comply with the recommendations. The performance measure review and updates will be completed and submitted with the next Strategic Plan.

The Board Established Processes for Setting Fees and Assessing Administrative Penalties; However, It Should Develop Procedures for Monitoring Its Fund Balance as Required

The Board has established processes for setting fees, establishing its budgets, and assessing administrative penalties. The Board has not raised its fees in 12 years. However, it should develop procedures for monitoring its fund balance as required by its policy.

Chapter 2-A

The Board Had a Process for Establishing Its Fees and Accurately Calculated and Collected Fees in Compliance With Its Rules; However, It Should Develop Procedures for Monitoring Its Fund Balance as Required

Chapter 2-A
Rating:
Low³

Overall, the Board had an established process for setting its fees, collected those fees in accordance with its approved fee schedule, and transferred its required SDSI fees. In addition, it had documented policies and procedures to establish its budgets, and its governing board approved those budgets in fiscal year 2016 and fiscal year 2017 as required by Texas Government Code, Chapter 472. The Board also ensured that it had the minimum fund balance needed to maintain its operations as required by its policy. However, it did not comply with certain requirements in its fund balance policy.

Fees and Transfers

Fee Setting. The Board had an established process for setting fees and has not increased its fees for 12 years. In addition, based on an analysis of fees collected in fiscal years 2016 and 2017, the Board collected fees in accordance with the approved fee schedule limits established in the Texas Occupations Code and Texas Administrative Code. The Board collected a total of \$5.96 million in fees between September 1, 2015, and August 31, 2017.

Payment of Required SDSI fees. The Board transferred its annual SDSI fee of \$510,000 to the General Revenue Fund in both fiscal year 2016 and fiscal year 2017 as required by Texas Government Code, Chapter 472.

³ The risk related to the issues discussed in Chapter 2-A is rated as low if the audit identified strengths that support the audited entity's ability to administer the program(s)/functions(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.

Fund Balance Monitoring

Excerpts from Board Fund Balance Policy

- The minimal balance of the fund will be maintained at an amount equal to eight months of agency operations, which includes the SDSI payment [to the General Revenue Fund].
- The executive director will order the creation of internal procedures to monitor the reserve fund balance and will report the fund balance to the Board at least quarterly.

Source: The Board's fund balance policy.

The Board had a documented policy that described the criteria for the utilization of its fund balance, as well as the minimum balance it is required to maintain. In addition, it complied with that minimum fund balance requirement. However, it had not documented detailed procedures for monitoring its fund balance as required by that policy (see text box for additional details). During this audit, the Board asserted that it was in the process of using the best practices and a risk tool recommended by the Government Finance Officers Association to reevaluate the reserves it needs to maintain its operations in the event of a revenue short fall or unanticipated expenditures.

Recommendation

The Board should establish documented, detailed procedures to monitor its fund balance as required by its policies.

Management's Response

The Executive Director will document detailed procedures to monitor the Board's reserve fund balance in conjunction with the adoption of the budget at the Board's August 2018 meeting.

The Board Assessed Administrative Penalties Consistently and Transferred Penalties Collected as Required

Chapter 2-B
Rating:

Low ⁴

Penalty Assessments. The Board had a documented process to assess administrative penalties consistently and in compliance with its statutory requirements. Auditors tested 27 administrative penalties totaling \$83,300 that the Board assessed from September 1, 2015, through August 31, 2017. For all 27 penalties tested, the Board had support showing that it assessed the penalties in a consistent manner and in compliance with statute and Board policy. In addition, the members of the Texas Board of Architectural Examiners governing board approved the penalties tested. However, for four penalties tested, the Board did not have documentation of a required internal review by the managing investigator and/or the Board's executive director, as required by Board policies and procedures, before the penalties were submitted to the governing board for approval. The Board's policy requires an internal review to help ensure that administrative penalties are (1) assessed in a consistent manner, (2) based on appropriate factors as outlined in statute and administrative rules, and (3) adequately documented in the Board's enforcement files.

Transfers to General Revenue. The Board transferred \$289,044 in administrative penalties and professional fees collected in fiscal year 2016 to the State's General Revenue Fund as required by statute.

Recommendation

The Board should consistently document its internal review of administrative penalty assessments as required by its policies and procedures.

Management's Response

In August 2017, the General Counsel implemented measures to ensure that the internal review of administrative penalty assessments is documented.

⁴ The risk related to the issues discussed in Chapter 2-B is rated as low if the audit identified strengths that support the audited entity's ability to administer the program(s)/functions(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.

The Board Had Adequate Information Technology System Controls in Place to Ensure the Reliability of Financial and Performance Data

Chapter 3
Rating:
Low ⁵

Auditors performed a limited review of general and application controls over TBAsE, the information technology system the Board uses to track licensing and enforcement information. The controls reviewed were adequate to ensure that the information in TBAsE was complete, accurate, and reliable for the purposes of this audit. However, the Board should improve certain controls over change management.

The Board had an adequate change management process in place; however, it did not consistently follow that process. Specifically, for 5 (42 percent) of 12 changes tested, the Board did not have documentation to support that those changes had been reviewed and tested prior to implementation. In addition, for 1 (8 percent) of the 12 changes tested, the Board did not have documentation to support that the change was reviewed by an employee who did not create the change before it was moved into production.

Recommendation

The Board should ensure that it documents changes made to its licensing and enforcement system to demonstrate that appropriate testing and approval have occurred prior to moving a change into production.

Management's Response

On January 3, 2018, the Information Technology Manager implemented enhancements to the Board's task tracking application to document changes to the licensing and enforcement system to demonstrate that appropriate testing and approval occurred prior to moving a change into production.

⁵ The risk related to the issues discussed in Chapter 3 is rated as low if the audit identified strengths that support the audited entity's ability to administer the program(s)/functions(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.

Appendices

Appendix 1

Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to:

- Determine whether the Texas Board of Architectural Examiners (Board) has processes and related controls to help ensure the accuracy and completeness of financial and performance data.
- Evaluate the Board's processes for setting fees and penalties.

Scope

The scope of this audit covered financial and performance information, applicable processes, and other supporting documentation from September 1, 2015, through August 31, 2017.

Methodology

The audit methodology included collecting information and documentation, performing selected tests and other procedures on the information obtained, analyzing and evaluating the results of tests, and conducting interviews with Board management and staff. In addition, the methodology included performing a limited review of the general and application controls over the information technology system that the Board used to manage and report financial data and performance measure data.

Data Reliability and Completeness

Auditors used revenue, registration, and enforcement data from the Board's licensing and enforcement system (TBAsE). To determine the reliability of financial and performance information in TBAsE, auditors (1) tested access to that system, (2) tested change management for that system, (3) reviewed record completeness, (4) reviewed data fields and their contents for accuracy and validity, and (5) tested certain application controls. Auditors determined that the data in TBAsE was sufficiently reliable for the purposes of this audit.

Sampling Methodology

To assess the Board's financial reconciliation processes, auditors selected a risk-based sample of monthly reconciliations that the Board performed in fiscal year 2017. The sample items were generally not representative of the

population and, therefore, it would not be appropriate to project those test results to the population.

To test complaints with administrative penalty collections, auditors selected a nonstatistical sample of closed complaints from TBAsE for which an administrative penalty payment was made between September 1, 2015, and August 31, 2017, through random selection designed to be representative of the population. In addition, auditors selected based on risk two closed complaints with administrative penalties. Those two additional sample items generally were not representative of the population. The test results as presented in this report did not identify which items were selected randomly or risk-based. Therefore, it would not be appropriate to project those test results to the population.

Information collected and reviewed included the following:

- The Board's policies and procedures.
- The Board's fiscal year 2016 and fiscal year 2017 annual financial reports.
- Board reconciliations for revenues collected and deposits.
- Board meeting packets, budget information, and supporting documentation for the Board's budget and fee setting process.
- Data and supporting documents for the Board's closed complaints, including those resulting in administrative penalties.
- The Board's required fiscal year 2016 annual report for self-directed, semi-independent (SDSI) agencies.
- Data and supporting documents for selected performance measures.

Procedures and tests conducted included the following:

- Interviewed Board staff to identify the Board's financial and operational processes, including financial and administrative controls.
- Tested internal controls and selected significant accounts, including testing of detailed supporting documentation, to determine the accuracy of selected financial data in the Board's annual financial report for fiscal year 2016 and fiscal year 2017.
- Reviewed and evaluated the Board's processes for setting fees and administrative penalties.

- Analyzed fees collected in fiscal year 2016 and fiscal year 2017 to determine whether the Board made and recorded the payments in accordance with its established fee schedule.
- Tested selected administrative penalty transactions to determine whether the Board accurately calculated and appropriately assessed those penalties.
- Tested the Board’s compliance with transfer requirements related to its SDSI fees, professional fees, and administrative penalties.
- Analyzed and tested the Board’s compliance with its fund balance policy.
- Tested selected performance measure data that the Board reported in its required annual SDSI report for fiscal year 2016 and quarterly report for the third quarter of fiscal year 2017.
- Reviewed supporting documentation related to the general controls and application controls over the Board’s network and TBAsE.

Criteria used included the following:

- Texas Government Code, Chapter 472.
- Texas Occupations Code, Chapter 1051.
- Title 22, Texas Administrative Code, Part 22.
- Title 1, Texas Administrative Code, Chapter 202.
- The Office of the Comptroller of Public Accounts’ financial reporting requirements.
- The Board’s policies and procedures.

Project Information

Audit fieldwork was conducted from August 2017 through January 2018. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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

- Stacey Williams, CGAP (Project Manager)
- Shahpar Michelle Hernandez, CPA, M/GBT, CISA (Assistant Project Manager)
- Charlotte Carpenter, CPA
- Joseph Smith, MBA, CISA
- Richard Wyrick
- Dennis Ray Bushnell, CPA (Quality Control Reviewer)
- Audrey O’Neill, CIA, CFE, CGAP (Audit Manager)

Issue Rating Classifications and Descriptions

Auditors used professional judgement and rated the audit findings identified in this report. Those issue ratings are summarized in the report chapters/sub-chapters. The issue ratings were determined based on the degree of risk or effect of the findings in relation to the audit objective(s).

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.

Table 2 provides a description of the issue ratings presented in this report.

Table 2

Summary of Issue Ratings	
Issue Rating	Description of Rating
Low	The audit identified strengths that support the audited entity's ability to administer the program(s)/functions(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.
Medium	Issues identified present risks or effects that if not addressed could moderately affect the audited entity's ability to effectively administer program(s)/function(s) audited. Action is needed to address the noted concern(s) and reduce risks to a more desirable level.
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.
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.

Related State Auditor's Office Work

Related State Auditor's Office Work		
Number	Product Name	Release Date
12-009	An Audit Report on the Texas Board of Architectural Examiners: A Self-directed, Semi-Independent Agency	December 2011
10-003	An Audit Report on the Texas Board of Architectural Examiners: A Self-directed, Semi-Independent Agency	September 2009

Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable Dan Patrick, Lieutenant Governor, Joint Chair

The Honorable Joe Straus III, Speaker of the House, Joint Chair

The Honorable Jane Nelson, Senate Finance Committee

The Honorable Robert Nichols, Member, Texas Senate

The Honorable John Zerwas, House Appropriations Committee

The Honorable Dennis Bonnen, House Ways and Means Committee

Office of the Governor

The Honorable Greg Abbott, Governor

Texas Board of Architectural Examiners

Members of the Texas Board of Architectural Examiners

Ms. Debra Dockery, Board Chair

Mr. Charles Anastos

Mr. Corbett Chase Bearden

Mr. Michael Chad Davis

Ms. Paula Ann Miller

Ms. Sonya B. Odell

Ms. Jennifer Nicole Walker

Mr. Bob Wetmore

Ms. Julie Hildebrand, Executive Director



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GOVERNOR GREG ABBOTT

October 8, 2019

Dear State Agency Heads:

Reforming Texas's occupational-licensing rules must be a priority for all state leaders. Sensible licensing rules, when necessary, can protect the public from legitimate harm, but overbroad rules stymie innovation, raise consumer prices, and limit economic opportunity. Overly burdensome licensing rules also discourage individuals from pursuing professions or prevent the unemployed — or former inmates who have paid their debt to society — from building a better life.

I commend legislators for their efforts to roll back onerous licensing rules this past session, and I was proud to sign legislation that will significantly ease those burdens on our citizens. But every Texan deserves the opportunity to earn a living free from unnecessary state intrusion, and there is more work to be done to eliminate barriers to work in Texas.

Today I ask you, as leaders of our state agencies, to take all appropriate actions under existing statutory authority to help Texans in this important effort. Executive branch agencies that issue and administer occupational licenses should act administratively to reduce unnecessary and burdensome licensing regulations that hurt workers and consumers, including by:

- Assessing whether existing licensing regulations help or hinder Texans' right to earn a living;
- Identifying less-restrictive alternatives to licensure, such as bonding, insurance, registration, or certification;
- Identifying other jurisdictions with licensing requirements that are substantially equivalent to Texas's licensing requirements, as required by last session's Senate Bill 1200;
- Recognizing substantially equivalent out-of-state occupational licenses for people who are in good standing in all states where they are licensed; and
- Accepting professional experience as a substitute for licensure in cases where a person moves to Texas from a state that does not license his or her occupation.

In addition, executive branch agencies should reduce fees and burdensome educational requirements whenever possible, including by:

- Developing and implementing plans to reduce license application fees to 75% or less of the national average for equivalent or comparable occupations;¹

¹ All licensing agencies, including self-directed and semi-independent agencies, should provide the Office of the Governor with a list of those fees and their amounts; show what percentage of generated fees go to the General Revenue Fund as opposed to their costs of operations; and, if fees were to be reduced, explain the impact.

State Agency Heads

October 8, 2019

Page 2

- Reducing excessive educational and work experience requirements, absent compelling evidence that doing so would not adequately protect the public interest;
- Considering reductions in licensure and examination fees for Texas residents who are eligible for certain public assistance programs; and
- Expanding the acceptance of online continuing education credits for residents who cannot attend continuing education classes in person.

Finally, executive branch agencies should remove barriers to licenses for people with criminal records where appropriate, including by:

- Rather than relying on blanket exclusions for people with criminal records, publishing lists of specific criminal offenses that disqualify applicants from obtaining or maintaining an occupational license, or at least limiting the exclusion to only those offenses that directly relate to the duties and responsibilities of the occupation; and
- Exempting arrests that did not result in conviction or placement on deferred adjudication community supervision for the purposes of determining a person's fitness for a licensed occupation, consistent with last session's Senate Bill 1217.

Executive branch agencies should review their occupational-licensing rules and identify which of these administrative actions will be pursued, and report their findings to the Office of the Governor by no later than December 1, 2019.

Thank you for your cooperation with this initiative and for your continued service to the State. Easing licensing regulations will stay true to the Texas Constitution's protection for economic liberty and will ensure that Texas remains a pro-growth, pro-opportunity, and freedom-loving state.

Sincerely,



Greg Abbott
Governor

GA:shk

STRATEGIC PLANNING

Texas State Board of Architectural Examiners

November 19, 2019

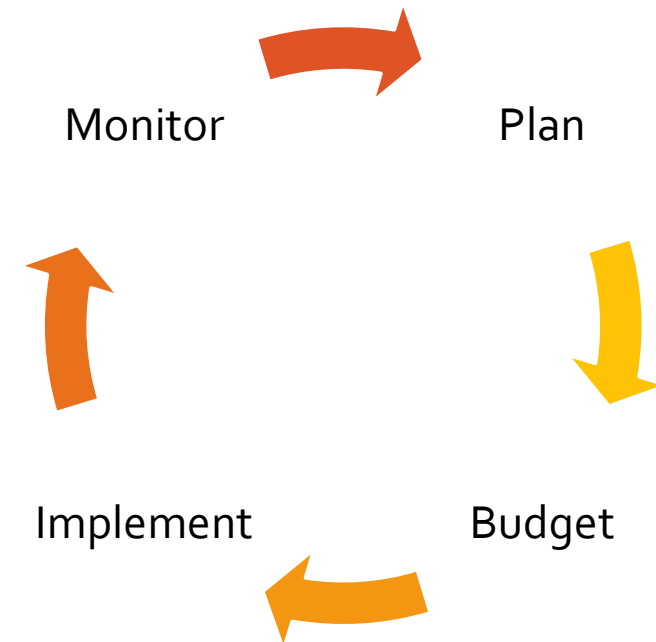
Where are we now?
Where do we want to go?
How do we get there?
How do we know we got
there?

Introduction to the Strategic Plan

- As of 1991, all state agencies are required by law to participate in the state's comprehensive process of strategic planning.
- Although the process is primarily set up for appropriated agencies, we are required to submit a Strategic Plan to the Legislative Budget Board.
- We are required to plan for a five year horizon (i.e., the second year of the biennium and the next two biennia).
- We must complete and submit a plan every two years; however, we can engage in planning on a continual basis and may adjust the plan internally to fit our individual needs.

Strategic Planning and Budgeting

- The Strategic Planning process enhances our decision-making by increasing our knowledge base, improving communication with stakeholders and identifying goals and the factors affecting our operations.
- It guides our budget preparation and establishes a basis for measuring success.
- It leads to priority-based resource allocation decisions.



Purposes of Strategic Planning:

- To accommodate the future by identifying issues, opportunities, and problems.
- To provide a starting point for aligning resources in a rational manner to address the critical issues we are facing now and in the future.
- To make government more responsive to the needs of stakeholders by placing greater emphasis on benefits and results rather than on simple service efforts and workload.
- To bring focused issues to our attention for review and debate.
- To provide a context to link the budget process and other processes with priority issues and to improve accountability for the use of state resources.
- To establish a means of coordinating our policy concerns with implementation efforts and to build stakeholder partnerships.

Strategic Planning Template Overview

- TBAE Mission
- Agency Overview and Organizational Aspects (*Optional*)
- Current Year Activities (*Optional*)
- External/Internal Assessment Issues and Trends (*Optional*)
- Goals and Action Plan
- Redundancies and Impediments
- Budget Structure and Performance Measures
- Performance Measure Definitions
- Other – HUB Plan, Report on Customer Service, Agency Workforce Plan

Strategic Planning Process Timeline

- Board Member Learning and Assessment – November 19, 2019
- Internal Assessment and Current Year Activities (Staff) – November and December 2019
- External Assessment – January and February 2020
- Board Member Update – February 20, 2020
- Additional Required Sections (Staff) – March and April 2020
- Budget Development (Staff) – May 2020
- Board Approval of Final Strategic Plan – May 21, 2020
- Board Approval of Final Budget – August 25, 2020
- Monitor Performance Measures – November Board Meeting Annually

Mission Development Guides

The mission succinctly identifies what we do, why and for whom. The mission should at a minimum answer the following four questions:

- Who are we as an organization and whom do we serve?
- What are the basic purposes for which we exist, and what basic problems are we established to address?
- What makes our purpose unique?
- Is our mission in harmony with our enabling statutes?

TBAE Mission

The mission of the Texas Board of Architectural Examiners is to serve the State of Texas by protecting and preserving the health, safety, and welfare of the Texans who live, work, and play in the built environment through the regulation of the practice of architecture, landscape architecture, and interior design.

External/Internal Assessment Guides

- The external/internal assessment is an evaluation of key factors that influence the board. It addresses economic, political, technological, demographic and social factors affecting the board.
- A complete assessment of such factors includes both historical and future perspectives with reviews of past performance and forecasts of trends in our environment.
- As part of the assessment process, we solicit comments and collect information from individuals and groups that have an interest in, or are affected by, board policies and programs.

External/Internal Assessment Questions

The external/internal assessment should answer, at a minimum, the following questions:

Customers - What are the demands and needs of our customers?

Customer Service - What is the public's perception of the quality of our services?

Environmental Scan - What major issues, conditions or problems in the external environment are relevant to the delivery of the board's services?

Current Strategic Plan - What progress has been made by the board toward achieving the objectives and desired outcomes described in the current strategic plan?

Remove Barriers - What rules do we have in place that unnecessarily impede competition or create regulatory burdens?

Self-Assessment - How successful are internal board processes for meeting the needs of the public and licensees?

SWOT - What strengths, weaknesses, opportunities or obstacles characterize our internal operations?

Employee Engagement - What are our employees' attitudes toward our agency?

Goals and Performance Measures

- Licensing Goal
 1. Number of Registrants by Type and Status
 2. Average Time to Issue a Registration
 3. Number of Examination Candidates
- Enforcement Goal
 1. Number of Cases Opened by Staff and Public
 2. Number of Cases Closed by Dismissal and Enforcement Action
 3. Number of Enforcement Actions by Sanction Type
 4. Number of Cases Closed through Voluntary Compliance
 5. Amount of Administrative penalties assessed and the rate of collection of assessed administrative penalties
 6. Number of Cases Opened that Allege HSW and Disposition
 7. Average Time to Resolve a Complaint

Action Items

- TBAE is required to identify key action items necessary to ensure that each goal is accomplished.
- Any new issues or initiatives will be addressed as an action item under the relevant goal.

BOARD INPUT ON ASSESSMENT

NEXT STEPS

Draft Amendments to Rules 1.5, 1.65, 3.5, 3.65, 5.5, and 5.75

Relating to the Effect of Student Loan Default on Registration Renewal

Background

Recently, SB 37 was enacted, which repealed previous law relating the effect of student loan default on the renewal of a professional license in Texas. Under former Tex. Education Code §57.491, licensing agencies, including TBAE, were prohibited from renewing the license of a person who was in default on loans guaranteed by the Texas Guaranteed Student Loan Corporation (TGSLC). Additionally, licensing agencies were required to adopt rules to carry out the licensing agency's duties under the previous law. Pursuant to these requirements, the Board adopted Rules 1.65(d), 3.65(d), and 5.75(d), which identified the procedures used by the Board to implement the requirement in former Education Code §57.491. In support of these rules, the Board adopted related definitions in Rules 1.5, 3.5, and 5.5.

However, under SB 37, which became effective on June 7, 2019, the legislature repealed Education Code §57.491. Instead, the legislature has enacted Occupations Code §56.003, which prohibits licensing authorities from taking disciplinary action against a person based on the person's default on a student loan or breach of a student loan repayment contract or scholarship contract, including denying renewal. Therefore, Board Rules 1.5(69)&(70), 1.65(d), 3.5(61)&(62), 3.65(d), 5.5(55)&(56), and 5.75(d) are obsolete and conflict with the amended laws.

Staff has prepared draft rules for the Board's review. Additionally, the Board materials include a copy of SB 37.

Draft Amendments

The draft rules repeal Board Rules 1.65(d), 3.65(d), and 5.75(d). These subsections identify the process used by the Board to deny registration renewal for registrants who have defaulted on the repayment of a loan guaranteed by the TGSLC. Since the Board is no longer required to deny the renewal of such individuals, and is in fact prohibited from doing so, these provisions are obsolete and contrary to the amended law. Additionally, the draft rules repeal the definitions for "Texas Guaranteed Student Loan Corporation" and "TGSLC" located in Board Rules 1.5, 3.5, and

5.5. Since these terms are only addressed in Board Rules 1.65(d), 3.65(d), and 5.75(d), adoption of the draft amendments to these rules would render their definition in board rule obsolete.

Staff Recommendation

Move to approve the draft amendments to 22 Tex. Admin. Code §§ 1.5, 1.65, 3.5, 3.65, 5.5, and 5.75 for publication and proposal in the Texas register, with authority for the general counsel to make editorial changes as necessary to clarify rule and Board intent and to comply with the formatting requirements of the Texas Register.