

TEXAS ANIMAL HEALTH COMMISSION

FISCAL YEAR 2019 INTERNAL AUDIT ANNUAL REPORT

MONDAY RUFUS & CO., P.C.
Certified Public Accountants & Advisors
1508 Dessau Ridge Ln., Ste 405 Austin, Texas 78754

TABLE OF CONTENTS

I.	Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit information on Internet Website.....	2
II.	Internal Audit Plan for Fiscal Year 2019.....	2
III.	Consulting Services and Non-audit Services Completed.....	2
IV.	External Quality Assurance Review (Peer Review).....	2
V.	Internal Audit Plan for Fiscal Year 2020.....	6
VI.	External Audit Services Procured in Fiscal Year 2019.....	6
VII.	Reporting Suspected Fraud and Abuse.....	6
VIII.	Report Distribution.....	7

Texas Animal Health Commission
Austin, Texas
Internal Audit Annual Report
Fiscal Year 2019

I. Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit information on Internet Web site.

Within 30 days of approval, the Texas Animal Health Commission should post the following information on its Internet Web site:

- An approved fiscal year 2020 audit plan, as provided by Texas Government Code, Section 2102.008.
- A fiscal year 2019 internal audit annual report, as required by Texas Government Code, Section 2102.009.

II. Internal Audit Plan for Fiscal Year 2019

The Commission approved the following audits for fiscal year 2019:

- Performance Measures Reporting (**Report #019-001: Dated: April 24, 2019**).
- Vehicle Fleet Management (**Report #019-002: Dated: July 3, 2019**).
- Beeville Region Office (**Report #019-003: Dated: August 15, 2019**).

III. Consulting Services and Non-audit Services Completed

The Internal Auditor did not perform any services which would be considered consulting engagements, as defined in the *Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing*, and no non-audit services, as defined in *Government Auditing Standards, 2011 Revision, Sections 3.33 – 3.58*, or *Government Auditing Standards, 2018 Revision, Sections 3.64 – 3.106*, as applicable, during fiscal year 2019.

IV. External Quality Assurance Review (Peer Review)

A copy of the most recent External Quality Assurance Review Report is included on the following pages:

March 13, 2018

Monday Rufus
Monday Rufus & Co., P.C.
608 Morrow St Ste 101
Austin, TX 78752 1348

Dear Monday Rufus:

It is my pleasure to notify you that on March 12, 2018, the Texas Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is October 31, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,



Jerry Cross
Director - Peer Review
peerreview@tscpa.net 800-428-0272 Opt. 2
Texas Society of CPAs

CC: Edward Rose

Firm Number: 900010139286

Review Number: 548833

EDWARD A. ROSE, JR.
CERTIFIED PUBLIC ACCOUNTANT, P.C.
(LICENSED IN TEXAS, CALIFORNIA, & NEVADA)

ONE HARBOUR SQUARE
3027 MARINA BAY DRIVE, SUITE 208
LEAGUE CITY, TEXAS 77573

edrose@edroseattorneycpa.com

OFF: 713-581-6029
CELL: 760-580-7511
FAX: 832-201-9960

Report on the Firm's System of Quality Control

November 24, 2017

To: The shareholders of Monday Rufus & Co., P.C. and the Peer Review Committee of the Texas Society of CPAs.

We have reviewed the system of quality control for the accounting and auditing practice of Monday Rufus & Co., P.C. (the firm) in effect for the year ended April 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

EDWARD A. ROSE, JR.
CERTIFIED PUBLIC ACCOUNTANT, P.C.
(LICENSED IN TEXAS, CALIFORNIA, & NEVADA)

ONE HARBOUR SQUARE
3027 MARINA BAY DRIVE, SUITE 208
LEAGUE CITY, TEXAS 77573

edrose@edroseattorneycpa.com

OFF: 713-581-6029
CELL: 760-580-7511
FAX: 832-201-9960

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Monday Rufus & Co., P.C. in effect for the year ended April 30, 2017 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. **Monday Rufus & Co., P.C. has received a rating of PASS.**



Edward A. Rose, Jr., CPA, PC

V. INTERNAL AUDIT PLAN FOR FISCAL YEAR 2020

	<u>Estimated Hours</u>
Cash Disbursements (including follow-up: Comptroller's Post-Payment Audit Recommendations, dated August 1, 2018	175
Open Record Requests	100
Stephenville Region Office (Stephenville, TX)	150
Follow-up on Prior Internal Audit Recommendations (FY 2018)	100
Other Internal Audit Activities (Internal Audit Risk Assessment & Audit Plan, Annual Internal Audit Report, & Meetings)	60
Total Hours	<u>585</u>
Stephenville Region	

VI. External Audit Services Procured in Fiscal Year 2019

There were no External Audit Services for the fiscal year 2019 other than Internal Audit Services.

VII. Reporting Suspected Fraud and Abuse

In accordance with the requirements of Section 7.09, page IX-37, the General Appropriations Act (86th Legislature, and Texas Government Code, Section 321.022, the Texas Animal Health Commission has posted information on how to report suspected fraud, waste or abuse of state funds on their website

VIII. Report Distribution

As required by Government Code Section 2102.0091 copies of this report should be filed with the following:

Governor's Office of Budget and Planning

Attn: John Colyandro
Phone: (512) 463-1778
Budgetandpolicyreports@governor.state.tx.us

Legislative Budget Board

Attn: Christopher Mattsson
Phone: (512) 463-1200
Audit@lbb.state.tx.us

State Auditor's Office

Attn: Internal Audit Coordinator
Phone: (512) 936-9500
iacoordinator@sao.state.tx.us

Sunset Advisory Commission

Attn: Jennifer Jones
Phone: (512) 463-1300
sunset@sunset.state.tx.us