

Activities from Brainstorming -- PHARMACY BOARD

1	Finance & Accounting	13	25	37	49
2	Purchasing	14	26	38	50
3	Information Technology	15	27	39	51
4	Human Resource Mgmt	16	28	40	52
5	Licensing	17	29	41	53
6	Enforcement	18	30	42	54
7	Peer Assistance	19	31	43	55
8	Public Information	20	32	44	56
9	Rule Making	21	33	45	57
10	Agency Administration	22	34	46	58
11		23	35	47	59
12		24	36	48	60

PHARMACY BOARD

CONSOLIDATED ACTIVITIES		PRIORITIZED CONSOLIDATED ACTIVITIES
Finance & Accounting		1 Licensing
Purchasing		2 Enforcement
Information Technology		3 Rule Making
Human Resource Management		4 Public Information
Licensing		5 Peer Assistance
Enforcement		6 Finance & Accounting
Peer Assistance		7 Information Technology
Public Information		8 Human Resource Management
Rule Making		9 Purchasing
Agency Administration		10 Agency Administration

RISK ASSESSMENT TABLE- Pre-Controls -PHARMACY BOARD

PRIORITY	CONSOLIDATED ACTIVITY	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS						
				1			2			3			4			5			6			7			8			9
1	Licensing	L	L	Not sending out timely renewal notices	M	L	Failure to collect appropriate license fees and late fees	M	H	Applications Not Processed in a Timely Manner	H	L	Exam integrity	H	H	Licensing unqualified applicants	H	L	Undetected cheating by examinees	M	H	Failure to detect criminal history &/or Refer to Enfcmnt	M	M	Applicants Providing Incorrect Data	H	H	Failure to Detect Violations of GSL & OAG Stds
2	Enforcement	H	M	Lawsuits	H	H	Delays in complaint resolution	H	H	Diversion of Prescription Drugs	M	H	Failure to Adequately Monitor Compliance with Disciplinary Orders	H	H	Increased Recidivism/ Ineffective Deterrence of Violations	H	H	Unlicensed/Unsupervised Practice(e.g. Techs, Phmcts)	H	H	Inconsistent disciplinary actions	H	M	Untimely & Poor quality investigations/ inspections	H	H	Inaccurate Identification/ Documentation of Complaints (e.g. qtlly crim cks, unauth changes)
3	Rule Making	H	M	Lawsuits	H	M	Noncompliance with Procedural Requirements for Rulemaking	M	M	Inaccurate/Insufficient Rules	H	M	Failure to Adequately Assess Current Pharm. Operations & Practices	H	M	Inadequate Statutory Authority												
4	Public Information	M	M	Inaccurate or inadequate Public Information on website	M	H	Failure, Untimely or Incorrect response to Open Records requests	M	H	Failure to Report/ or Failure to Timely Report Disciplinary Action to Applicable Agencies	H	H	Inappropriate Release of Information															
5	Peer Assistance	H	M	Misuse of State Funds by Third Party Administrator	H	H	Undetected substance abuse by licensees & registrants	H	M	Poor Quality Program Administration	M	H	Failure to Comply With Law/ Contract Terms															
6	Finance and Accounting	H	M	Unauthorized Transactions/ Misappropriated Funds	H	M	Overspending Budget, inaccurate budgets and monitoring	M	M	Inaccurate reports to Mgmt and Board	M	M	Failure to meet deadlines	M	H	Failure to Collect/ Record Appropriate Fines/Prob Fees	M	H	Loss of assets/ cash									
7	Information Technology & Systems	H	H	Computer Security	H	M	Loss of data	H	M	Inadequate user support/training	H	L	Technological obsolescence	H	H	Internal Systems Downtime	L	L	Lack of system and application documentation	H	H	External Systems Downtime						
8	Human Resource Management	H	H	Noncompliance with HR laws	M	H	Shortage of qualified applicants	M	M	Untimely employee performance reviews	H	M	Hiring Unqualified employees	H	M	Employee turnover/ Succession Planning	M	M	Inaccurate time and attendance records	H	H	Inadequacy of Staff/Work Ratio	H	L	Violence in the Workplace			
9	Purchasing	H	H	Noncompliance with purchasing laws and regulations	M	H	Unauthorized Purchases	M	H	Paying more than fair price for product or service																		
10	Agency Administration	H	H	Fraudulent activity by employees	H	M	Lawsuits/Administrative Actions	H	M	Inadequacy of business continuity plan	M	H	Inadequate Records Management Policies	H	H	Lack of Compliance with Records Retention Plan	H	H	Inadequate Space									

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Licensing										
RISKS →										
CONTROL STEPS ↓										
		Not sending out timely renewal notices	Failure to collect appropriate license fees and late fees	Applications Not Processed in a Timely Manner	Exam integrity	Licensing unqualified applicants	Undetected cheating by examinees	Failure to detect criminal history &/or Refer to Enfcmnt	Applicants Providing Incorrect Data	Failure to Detect Violations of GSL & OAG Stds
P 1	Database reporting system			x		x				x
C 2	Employee Performance Review	x		x		x		x		
C 3	Licensee Feedback/Customer Service Survey	x		x						
C 4	Management Review	x	x	x		x		x	x	x
C 5	Meetings to review workload	x		x		x				
P 6	Outsourced to Qualified Vendor	x		x	x		x			
C 7	Checklist for each Applicant			x		x		x	x	
P 8	Verification of Credentials/ Fingerprinting					x		x	x	
C 9	Periodic Direct Observation of Process			x		x		x		
P 10	Automated Collection Process		x							
C 11	Review of performance targets and revenue projections		x							
P 12	Automated Database Edits		x			x		x		
C 13	Audits of Oversight Agencies	x	x					x		
P 14	Automated Federal & State Criminal History Checks							x		
C 15	Staff Member Assigned to Committee for Exam Question Development				x					
P 16	Verify Information with Certification Agy								x	
C 17	Written Policy & Procedures and Training	x	x			x		x		
C 18	Coordination with Other Departments		x					x		
C 19	Periodic Evaluation of Vendor & Process				x	x	x			

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Enforcement RISKS CONTROL STEPS		Lawsuits	Delays in complaint resolution	Diversion of Prescription Drugs	Failure to Adequately Monitor Compliance with Disciplinary Orders	Increased Recidivism/ Ineffective Deterrence of Violations	Unlicensed/Unsupervised Practice(e.g. Techs, Phmcts)	Inconsistent disciplinary actions	Untimely & Poor quality investigations/ inspections	Inaccurate Identification/ Documentation of Complaints (e.g. qly crim cks, unauth changes)
		C 1	Management Review	x	x	x	x	x	x	x
C 2	Review of Performance Targets		x			x			x	
C 3	Activity Reports		x			x			x	
C 4	Case Reviews	x	x	x	x	x	x	x	x	x
C 5	Follow up on customer/media complaints/ Customer Survey	x	x			x	x		x	x
C 6	Reconciliation of fines assessed to Board Order Entry				x					
P 7	Inspections	x		x	x	x	x			
C 8	Board Review	x	x	x		x	x	x	x	x
C 9	Coordination between Acctg & Enfrmnt Personnel				x					
C 10	Periodic Staff Meetings & Training	x	x	x	x	x	x	x	x	x
P 11	Informal Conferences			x		x		x		
P 12	Coordination between Other Agencies (e.g. OAG, DEA, FDA, DHS, DPS)	x	x	x	x		x		x	x
C 13	Employee Performance Reviews		x		x				x	x
C 14	Board Rules & Guidelines			x	x		x	x		
P 15	Dissemination of Public Information(e.g. Newsletter & Presentations)			x		x	x	x		
C 16	Drug Screens & Other Reports			x	x	x				
C 17	Tracking Systems (manual & computerized)		x		x					x
P 18	Referral for Criminal Prosecution			x		x	x			
C 19	Outsourced to Qualified Vendor								x	

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Rule Making RISKS → CONTROL STEPS ↓		Lawsuits	Noncompliance with Procedural Requirements for Rulemaking	Inaccurate/Insufficient Rules	Failure to Adequately Assess Current Pharm. Operations & Practices	Inadequate Statutory Authority				
C	1 Management Review	x	x	x	x	x				
C	2 Board Review	x	x	x	x	x				
C	3 Monitoring Laws & Rules	x		x	x					
C	4 Education	x	x	x	x					
P	5 AG Opinions/Assistance	x	x	x		x				
P	6 Public Input (taskforces, hearings)	x		x	x					
C	7 Legal Review	x	x	x		x				
C	8 Review by Texas Register	x	x							

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Public Info RISKS CONTROL STEPS		Inaccurate or inadequate Public Information on website	Failure, Untimely or Incorrect response to Open Records requests	Failure to Report/ or Failure to Timely Report Disciplinary Action to Applicable Agencies	Inappropriate Release of Information				
C	1 Web Committee	x							
C	2 Management Review	x	x	x	x				
C	3 Periodic Review	x							
C	4 Written Policies & Procedures	x	x	x	x				
C	5 Review by Oversight Agencies	x	x	x					
P	6 Automated System	x	x		x				
C	7 Consumer Feedback	x							
P	8 Training	x	x	x	x				

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Peer Asstnce RISKS CONTROL STEPS		Misuse of State Funds by Third Party Administrator	Undetected substance abuse by licensees & registrants	Poor Quality Program Administration	Failure to Comply With Law/ Contract Terms				
C	1 Independent Audit	x		x	x				
C	2 Follow up on customer complaints	x	x	x					
C	3 Management Review	x	x	x	x				
P	4 Licensee Reports		x	x					
C	5 Case Reviews			x					
P	6 Inspections/Investigations		x	x					
C	7 Drug Screens		x						
C	8 Board Review	x		x	x				
C	9 Review of Performance Targets			x					
P	10 TSBP Contract with Third Party Administrator	x	x	x	x				
C	11 Periodic Mtgs with Contractor & Other Contracting Agencies	x		x	x				
C	12 Employee Performance Reviews		x						

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Accounting RISKS CONTROL STEPS		Unauthorized Transactions/ Misappropriated Funds	Overspending Budget, inaccurate budgets and monitoring	Inaccurate reports to Mgmt and Board	Failure to meet deadlines	Failure to Collect/ Record Appropriate Fines/Prob Fees	Loss of assets/ cash			
C	1 Management Review & Approval	x	x	x	x	x	x			
C	2 Written Policy and Procedures Manual	x	x				x			
C	3 Employee Performance Reviews	x	x	x	x	x	x			
C	4 Routine Physical Inventory						x			
C	5 Routine Reconciliations	x	x	x			x			
P	6 External System Controls (USAS, USPS, SPA, ERS)	x	x	x			x			
C	7 Reconciliation of Imprest Accounts	x					x			
C	8 Audits by oversight agencies	x	x	x	x	x	x			
C	9 Training/Continuing Education	x	x	x	x	x	x			
C	10 Segregation of Duties	x	x			x	x			
P	11 Automated database edits					x	x			
C	12 Periodic Direct Observation of Process					x	x			
C	13 Reconciliation of ARs entered to fees assessed and to fees collected					x	x			

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Info Tech. RISKS → CONTROL STEPS ↓		Computer Security	Loss of data	Inadequate user support/training	Technological obsolescence	Internal Systems Downtime	Lack of system and application documentation	External Systems Downtime		
		C 1	Password Protection & Policies	x	x			x		
C 2	Training/Continuing Education Courses	x	x	x	x	x	x			
P 3	Routine Backups	x	x	x		x				
C 4	Periodic Penetration Test	x	x		x	x	x			
C 5	Periodic Staff Updates	x	x	x	x					
P 6	Offsite Data Storage	x	x	x		x				
C 7	Strategic Planning	x		x	x					
C 8	Written Policy and Procedures Manual	x	x			x	x			
P 9	External Support	x	x	x	x	x		x		
C 10	Supervisory Review	x	x	x	x	x	x	x		
C 11	Firewall and Antivirus Software	x	x	x		x				
C 12	Software Upgrades/Updates	x	x	x	x	x	x			
C 13	Oversight by Other Agencies	x	x			x		x		
P 14	Contract Review							x		

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Human Res RISKS CONTROL STEPS		Noncompliance with HR laws	Shortage of qualified applicants	Untimely employee performance reviews	Hiring Unqualified employees	Employee turnover/ Succession Planning	Inaccurate time and attendance records	Inadequacy of Staff/Work Ratio	Violence in the Workplace	
C	1 Supervisory Review	x		x	x	x	x	x	x	
C	2 Written Policies and Procedures Manual	x		x	x		x		x	
P	3 External System Controls (USAS, USPS, ERS)	x					x			
C	4 Audits by Oversight Agencies	x		x			x	x	x	
C	5 Training/Continuing Education Courses	x			x	x	x		x	
C	6 Internal Agency Audits	x		x	x		x	x		
P	7 Target population		x		x					
P	8 Extensive Job Posting		x		x					
P	9 Career Ladders		x			x				
C	10 Employee Performance Reviews	x		x		x	x	x		
C	11 Staff Meetings	x				x		x		
C	12 Verification of Credentials/ Background Checks	x			x				x	
C	13 Reporting System (Whistleblower policy)	x					x			
P	14 Interview Process & Written Selection and Recruitment Process				x					
P	15 Valid Job Descriptions	x			x					
C	16 Wellness Program					x				
C	17 Gap Analysis/ Review of Classified Positions							x		
C	18 Building Security								x	

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Purchasing RISKS → CONTROL STEPS ↓		Noncompliance with purchasing laws and regulations	Unauthorized Purchases	Paying more than fair price for product or service					
C	1 Management Review	x	x	x					
P	2 External System Controls (SPA, USAS)	x	x						
C	3 Audits by Oversight Agencies	x	x	x					
C	4 Written Policies and Procedures Manual	x	x	x					
C	5 Certification of employees	x	x	x					
C	6 Training/Continuing Education Courses	x	x	x					

P=Process C= Control

RISK MANAGEMENT TABLE -- PHARMACY BOARD

Consolidated Activity: Agency Administration									
RISKS									
CONTROL STEPS		Fraudulent activity by employees	Lawsuits/Administrative Actions	Inadequacy of business continuity plan	Inadequate Records Management Policies	Lack of Compliance with Records Retention Plan	Inadequate Space		
C	1 Supervisory Review	x	x	x	x	x			
C	2 Written Policies and Procedures Manual	x	x		x	x			
P	3 External System Controls (USAS, USPS, ERS)	x							
C	4 Oversight by Other Agencies	x	x	x	x	x			
C	5 Training/Continuing Education Courses	x	x	x	x	x			
C	6 Internal Agency Audits	x							
C	7 Employee Performance Reviews	x	x						
C	8 Staff Meetings	x			x	x			
C	9 Verification of Credentials/Background Checks	x	x						
C	10 Reporting System (Whistleblower policy)	x	x						
P	11 Valid Job Descriptions		x						
P	12 Routine Backups			x					
C	13 Periodic Penetration Test			x					
P	14 Offsite Data Storage			x					
C	15 Software Upgrades/Updates			x					
C	16 Coordination with Other Agencies			x			x		
C	17 Strategic Planning			x					
P	18 Reconfiguration of Space						x		

P=Process C= Control

RISK ASSESSMENT TABLE- Post-Controls -PHARMACY BOARD

PRIORITY	CONSOLIDATED ACTIVITY	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS	IMPACT RATING		RISKS							
		H	L		H	L		H	L		H	L		H	L		H	L											
				1			2			3			4			5			6			7			8			9	
1	Licensing	L	L	Not sending out timely renewal notices	M	L	Failure to collect appropriate license fees and late fees	M	M	Applications Not Processed in a Timely Manner	H	L	Exam integrity	H	M	Licensing unqualified applicants	H	L	Undetected cheating by examinees	M	L	Failure to detect criminal history &/or Refer to Enfcmnt	M	L	Applicants Providing Incorrect Data	H	L	Failure to Detect Violations of GSL & OAG Stds	
2	Enforcement	H	L	Lawsuits	H	M	Delays in complaint resolution	H	H	Diversion of Prescription Drugs	M	M	Failure to Adequately Monitor Compliance with Disciplinary Orders	H	M	Increased Recidivism/ Ineffective Deterrence of Violations	H	M	Unlicensed/Unsupervised Practice(e.g. Techs, Phmcts)	H	L	Inconsistent disciplinary actions	H	L	Untimely & Poor quality investigations/ inspections	H	M	Inaccurate Identification/ Documentation of Complaints (e.g. qtlly crim cks, unauth changes)	
3	Rule Making	H	L	Lawsuits	H	L	Noncompliance with Procedural Requirements for Rulemaking	M	L	Inaccurate/Insufficient Rules	H	L	Failure to Adequately Assess Current Pharm. Operations & Practices	H	L	Inadequate Statutory Authority													
4	Public Information	M	L	Inaccurate or inadequate Public Information on website	M	M	Failure, Untimely or Incorrect response to Open Records requests	M	M	Failure to Report/ or Failure to Timely Report Disciplinary Action to Applicable Agencies	H	M	Inappropriate Release of Information																
5	Peer Assistance	H	L	Misuse of State Funds by Third Party Administrator	H	M	Undetected substance abuse by licensees & registrants	H	L	Poor Quality Program Administration	M	M	Failure to Comply With Law/ Contract Terms																
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7	Information Technology & Systems	H	L	Computer Security	H	L	Loss of data	H	L	Inadequate user support/training	H	L	Technological obsolescence	H	L	Internal Systems Downtime	L	L	Lack of system and application documentation	H	M	External Systems Downtime							
8	Human Resource Management	H	L	Noncompliance with HR laws	M	M	Shortage of qualified applicants	M	L	Untimely employee performance reviews	H	L	Hiring Unqualified employees	H	M	Employee turnover/ Succession Planning	M	L	Inaccurate time and attendance records	H	H	Inadequacy of Staff/Work Ratio	H	L	Violence in the Workplace				
9	Purchasing	H	L	Noncompliance with purchasing laws and regulations	M	L	Unauthorized Purchases	M	L	Paying more than fair price for product or service																			
10	Agency Administration	H	L	Fraudulent activity by employees	H	L	Lawsuits/Administrative Actions	H	L	Inadequacy of business continuity plan	M	M	Inadequate Records Management Policies	H	M	Lack of Compliance with Records Retention Plan	H	H	Inadequate Space										

Significant Changes in Risk Assessment - PHARMACY BOARD

New Consolidated Activity Identified in FY 2013	
New Risks Identified in FY 2013 - List by Consolidated Activity or Building Block	Licensing - Retitled risk from "Backlog of Applications" to "Applications not Processed in a Timely Manner" Enforcement - Retitled risk from "Poor Quality Investigations/Inspections" to "Untimely & Poor Quality Investigations/Inspections" Human Resource - Added risk of "Violence in the Workplace"
Changes to Impact Rating and Probability Rating - List by Consolidated Activity or Building Block Pre-Controls	Human Resource - Raised Probability Rating from M to H for "Shortage of Qualified Applicants" Human Resource - Added Impact Rating of H for new risk "Violence in the Workplace" Human Resource - Added Probability Rating of L for new risk "Violence in the Workplace"
Changes, Additions, Deletions in Control Steps - List by Consolidated Activity or Building Block	Licensing - Added Control Steps "Outsourced to Qualified Vendor" and "Checklist for Each Applicant" to risk of "Applications Not Processed in a Timely Manner" Enforcement - added control step of "Outsourced to Qualified Vendor" to risk of "Untimely & Poor Quality Inspections/Investigations" Human Resource - Added Control Steps "Supervisory Review", "Written Policies & Procedures Manual", "Audits by Oversight Agencies", "Training/Continuing Education Courses" "Verification of Credentials/Background Checks" and new control step of "Building Security" to new risk of "Violence in the Workplace" Agency Administration - Added Control Steps of "Training/Continuing Education Courses" and "Coordination with Other Agencies" to risk of "Inadequacy of Business Continuity Pl
Changes to Impact Rating and Probability Rating - List by Consolidated Activity or Building Block Post-Controls	Licensing - Lowered Probability Rating of "Failure to Detect Violations of GSL & OAG Stds" from H to L Human Resource - Add Impact Rating of H and Probability Rating of L to new risk "Violence in the Workplace"