

**SUBCHAPTER E: CONTRACT MONITORING ROLES AND RESPONSIBILITIES**  
**§§11.200 - 11.202**  
**Effective December 8, 2016**

**§11.200. Applicability.**

This subchapter applies only to contracts for goods or services which have been procured by one of the procurement methods described in Texas Government Code, §2261.001 as being subject to the requirements of Texas Government Code, Chapter 2261.

Adopted March 28, 2007

Effective April 19, 2007

**§11.201. Roles and Responsibilities.**

The contract monitoring roles and responsibilities of agency internal audit staff and other inspection, investigative, or audit staff are as follows.

(1) A unit within the agency will perform internal audit activities which will include providing assistance and consulting regarding contract monitoring issues. This unit will also perform audits of the contract management function and systems when they are warranted by the results of risk assessment and are included in an audit plan approved by the commission.

(2) A unit within the agency will seek to improve voluntary contract compliance by performing contract compliance audits of entities which receive funds from the agency.

(3) A unit within the agency will function as the agency's criminal enforcement unit. This unit will take action regarding criminal activity related to agency contracts.

Adopted May 31, 2000

Effective June 25, 2000

**§11.202. Enhanced Contract Monitoring**

(a) Pursuant to Texas Government Code, §2261.253, the commission shall assess each contract to determine appropriate contract and performance monitoring requirements.

(b) The executive director or his designee shall ensure that risk assessment factors are used to determine when enhanced contract or performance monitoring is required for a contract. The criteria for evaluating risk include:

- (1) the total contract amount;
- (2) the funding source(s);
- (3) the scope and complexity of the goods or services;
- (4) the risk of fraud, waste, or abuse; and
- (5) the importance of the work to the agency's mission or infrastructure.

(c) Contracts shall be monitored in accordance with the agency's policies and Contract Management Handbook.

(d) The executive director will receive regular reports on contracts identified for enhanced monitoring, and where serious issues or risks are identified, the executive director shall notify the commission.

(e) This section does not apply to a memorandum of understanding, memorandum of agreement, interagency contract, inter-local agreement, intergovernmental contract or contract for which there is not a cost.

Adopted November 16, 2016

Effective December 8, 2016