

## SYSTEM REGULATION

### 33.99.16 Contract Workforce

February 11, 2001

1. Contract workforce and contract workers are defined as independent contractors, temporary workers supplied by staffing companies, contract company workers and consultants.
2. Funds appropriated by the State of Texas may not be expended for payment of a contract workforce until certain requirements are met. System components must:
  - 1) develop a comprehensive rule, and/or procedures for their contract workforce;
  - 2) examine the legal and personnel issues related to the use of a contract workforce (see System Regulation 25.99.03, Section 1.5);
  - 3) conduct a cost/benefit analysis of their current contract workforce prior to hiring additional contract workers or amending or renewing existing contracts; and
  - 4) document why and how the use of contract workers fit into component staffing strategies, including consideration of component mission, goals and objectives, existing and future employee skills needed, compensation costs, productivity, nature of services to be provided and workload.
3. Each component will consult the guidelines and the relevant checklists and analysis contained in the Best Practices and Guidelines for Effectively Using a Contract Workforce (SAO No. 99-326) developed by the State Auditor's Office.
4. Each component will report on the use of a contract workforce for the preceding year in the format prescribed by the State Auditor and submit the report to the Legislative Budget Board, the Governor's Office and the State Auditor. The report must be posted on the component's web site. The report must include:
  - 1) a description of how the component has complied with the above requirements; and
  - 2) an evaluation of the work performed by a contract workforce, including an assessment of whether work was completed on time, within budget and according to contract specifications.

CONTACT OFFICE: System Human Resources Office

HISTORY: New

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[Section 33 Rules](#)