

**Risk Assessment Worksheet &
Enhanced Contract Monitoring Form
Instructions and Procedures**

Purpose

To establish a procedure to identify contracts that require enhanced contract or performance monitoring, and report information on identified contracts. The [Risk Assessment Worksheet](#) shall be required for all contracts \$500,000 and greater. The [Enhanced Contract Monitoring](#) form shall be required for all contracts \$1,000,000 or greater, or risk level is evaluated to be high 26 or higher. These documents shall be completed by the Department prior to contract execution.

General Guidelines

- A Risk Assessment is required for **all** contracts that are \$500,000 or greater.
- Using the Risk Assessment prior to contract development is an effective strategy to identify risks that may be mitigated by the addition of special terms and conditions.
- Most risk factors can often be mitigated before the contract is executed. This action can take the form of special contract requirements, conditions, limitations, training, and/or technical assistance.
- In determining the risk, the Department evaluation will be a determining factor. If other risk(s) are identified that do not appear on the Risk Assessment Worksheet, use the "[Other Potential Risks/Comments](#)" space to explain.
- While the risk level determines the type and frequency of monitoring, the contract type may also influence the monitoring method needed.
- Risk level ratings can be adjusted during the life of a contract.
- Once the risk level is identified, an appropriate monitoring schedule shall be implemented.
- Regardless of the contract risk level, or dollar threshold, Department shall monitor the contract throughout the contract term. All items on the Routine Contract Monitoring list are the responsibility of the department to oversee for all of its contracts.
- Any contract valued at \$1,000,000 or greater shall have an Enhanced Contract Monitoring form completed and submitted to P&SS at contracts@txstate.edu.

Instructions

1. Identify risk factors that pertain to the project and enter corresponding number (0 low - 5 high) in the scoring column.
2. If **no** factors apply, leave the box empty (or input 0). If the Department believes the risk value should be higher, enter the corresponding score. Explain if other risk(s) exists that are not listed on the worksheet in "Other Potential Risk/Comments" section.
3. The TOTAL score will automatically be calculated. If the total risk score is evaluated to be a high-risk, an Enhanced Contract Monitoring form will be required regardless of dollar amount.
4. The Department shall submit the completed Risk Assessment Worksheet (\$500,000 or greater) and where applicable provide the Enhanced Contract Monitoring form (\$1,000,000 or greater) to P&SS at contracts@txstate.edu.
5. P&SS will review the Risk Assessment Worksheet and either concur or review the assessment with the Department.
6. The Department and P&SS shall monitor the contract performance for signs of fraud, abuse, or waste in accordance with the monitoring plan established in the Enhanced Monitoring Form.
7. Procurement shall report contracts that exceed \$1,000,000.00 to the CFO.
8. Procurement shall report contracts that exceed \$5,000,000.00 to the University CFO and the TSUS Vice Chancellor and Chief Financial Officer.

References

Texas Government Code 2261.253, 254, 255, and 256

The Texas State University System Contract Management Handbook, Section 1.6.3