03.117 **Contracted Workforce—Outsourcing.** Contracts in this category are of a permanent replacements of UNT System staff. They are generally with a company or organization that specializes in a particular function. The contract to outsource a function that is currently being performed by UNT System employees will require considerable analysis, following the State Auditor’s "Best Practices and Guidelines for Effectively Using a Contract Workforce." Items to be considered include, but are not limited to the following:

1. Does a contract workforce fit your staffing strategies?
2. Would the use of contract workers be cost effective?
3. Have you examined the legal issues involved with a contract workforce?
4. Do you have policies and procedures specifically for contract workers?

Documentation of the analysis process (which includes the above considerations) will need to be included in any contract that is negotiated for outsourcing of this kind.