



August 26, 2020

Hershel Becker
Chief Procurement Officer
Texas Department of Information Resources
300 West 15th Street, Suite 1300
Austin, Texas 78711

Dear Mr. Becker,

The University of Texas (“UT”) System Audit Office has completed an audit of the Texas Department of Information Resources (DIR) Cooperative Contracts Program’s control practices related to sourcing and management of contracts offered through its cooperative purchasing program to UT System institutions. This audit was conducted as part of the UT System Accreditation Program for Texas State Agencies and Group Purchasing Organizations (“GPO Accreditation Program”).

Accreditation of DIR was granted based on information provided in its application, submitted on May 13, 2016. At that time, my office performed an assessment of the material collected to determine whether internal control procedures, as represented in the application, would meet minimum control standards if consistently applied. The minimum control standards include the requirements of both Texas and UT System procurement rules, such as open and competitive bidding, “Best Value” evaluation and award criteria, inclusion of opportunity for historically underutilized businesses, and post-award contract management. The objective of this audit was to validate that control practices are functioning as described to us during the accreditation process.

Based on interviews with staff, review of applicable documentation, and testing of a sample of DIR contracts used by UT System institutions, sourcing and contract management controls, as communicated to us during the accreditation process, are in place and working as intended. We will communicate these results separately to UT System management of the GPO Accreditation Program.

Thank you for your assistance during this audit. Your courtesy towards the audit team during this engagement was appreciated. If you have any questions, please do not hesitate to contact me or Dyan Hudson at 512-499-4283.

Sincerely,

J. Michael Peppers, CPA, CIA, QIAL, CRMA
Chief Audit Executive

cc: Scott C. Kelley, Ed.D., Executive Vice Chancellor for Business Affairs
Richard St. Onge, Associate Vice President, Office of Collaborative Business Services