UNT System
Procurement Guide

Effective October 3, 2018

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1.1. Procurement – General

1. Beginning the Procurement Process

We encourage users to begin a purchase by evaluating what you want to purchase and how it should be purchased. Some types of purchases require special handling or additional approvals. The information in this guide will help you decide how to proceed.

Situations will undoubtedly arise that are not fully covered by these procedures. If you are uncertain, please contact Procurement Services for additional assistance.

Procurement Services Contact Information

Location	Business Service Center 1112 Dallas Drive, Suite 4000 Denton, TX 76205
Phone	940-369-5500 855-868-4357 (toll free)
Fax	940-369-5599
Email	**bsc@untsystem.edu**
Web Address	**https://www.untsystem.edu/hr-it-business-services/business-support-services**

2. General Procurement Services Information

Procurement Services is responsible for performing the Procurement Services function on behalf of the UNT System. All references to the UNT System include the UNT System Administration, UNT, UNTHSC, and UNT Dallas. Component refers to one or more of the individual institutions with the UNT System. Purchases must be made in compliance with all current rules and regulations based on the funding source.

All purchases of supplies, equipment and services with the exception of food for meal service, bookstore items for resale, books for the library, and interdepartmental orders shall be made through Procurement Services.

3. Index of Helpful Email Addresses

Links to helpful email addresses are included throughout this guide (**bolded in green**). An index with many of those email addresses is provided below for your convenience.

Resource	Email Address
Payment Services	invoices@untsystem.edu
Procurement Services	purchasing@untsystem.edu
UNT Property Management	property.manager@unt.edu
UNTHSC Safety Office	safetyoffice@unthsc.edu

4. Index of Helpful Websites

Links to helpful webpages and email addresses are included throughout this guide (**bolded in green**). An index with many of those webpages is provided below for your convenience.

Resource	Web Address
About eShip Global	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/shipping-and-freight
Approver Proxy Form	https://www.untsystem.edu/approver-proxy
Click Wrap Approval	https://www.untsystem.edu/click-wrap-approval
Cooperatives and Contract Pricing	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/cooperatives-and-contract-pricing
Currency Converter Website	http://www.oanda.com/currency/converter
Department of Information Resources	http://dir.texas.gov
Giving to UNT	http://giving.unt.edu/contact-us
HUB Webpage	https://www.comptroller.texas.gov/purchasing/vendor/hub
Moving Services	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/moving-services
No-Bid Contract Awards	https://www.untsystem.edu/hr-it-business-services/procurement/no-bid-contract-awards
Office of General Counsel	https://www.untsystem.edu/service-teams/general-counsel
Office of Grants/Contracts Administration	https://research.unt.edu/faculty-resources/ogca
Petty Cash	https://financialreporting.unt.edu/petty-cash
Printing Services	http://printingservices.unt.edu/printing-services
Procurement Services	https://www.untsystem.edu/hr-it-business-services/procurement
Purchasing Card Guide	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/purchasing-card-guide-sections
Purchasing Resources	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/purchasing-resources
Rush Order PO Request Form	https://www.untsystem.edu/rush-po-request
State Office of Risk Management	https://www.sorm.state.tx.us
Telecommunications Customer Service	http://telecomsupport.untsystem.edu/csc/csc/index
Texas Comptroller of Public Accounts	https://www.comptroller.texas.gov/purchasing
Texas Ethics Commission	https://www.ethics.state.tx.us
TIBH's Online Product Catalog	http://www.tibh.org/catalog/index.php
TINS-Vendor Hold Search	https://fmcpa.cpa.state.tx.us/tpis/search.html
Trademarks and Licensing	http://licensing.unt.edu/policies
Travel Information	https://www.untsystem.edu/hr-it-business-services/procurement/purchasing/payment/travel
TXMAS Program	https://www.comptroller.texas.gov/purchasing/contracts/txmas
UNT Central Receiving	http://maps.unt.edu/departments/3056/view
UNT Identity Guide	https://identityguide.unt.edu
UNT Risk Management Services	http://riskmanagement.unt.edu
UNT System Forms Library	https://www.untsystem.edu/forms-library
UNT System Human Resources	https://hr.untsystem.edu
UNT System Human Resources Forms	http://www.untsystem.edu/forms-library
UNTHSC Office for Finance	https://www.unthsc.edu/administrative/office-for-finance
UNTHSC Office of Grant/Contract Mgmt.	https://www.unthsc.edu/research/grant
UNTHSC Safety Office	https://www.unthsc.edu/safety/

5. Abbreviation Definitions

Many abbreviations are included throughout this guide. There is an index of those abbreviations and their definitions provided below for your convenience.

Abbreviation	Definition
ATF	After-the-Fact
BAFO	Best and Final Offer
BOR	Board of Regents
CMBL	Centralized Master Bidders List
CPA	Comptroller of Public Accounts
DIR	Department of Information Resources
EIS	Enterprise Information System
ePro	eProcurement (module in EIS)
FOB	Free on Board
HEAF	Higher Education Assistance Funds
HSP	HUB Subcontracting Plan
HUB	Historically Underutilized Businesses
IFB	Invitation for Bids
ITIN	Individual Taxpayer Identification Number
ITS	Information Technology Services
LBB	Legislative Budget Board
MRO	Maintenance and Repair Operations
MSDS	Material Safety Data Sheet
OAG	Office of the Attorney General
OGC	Office of General Counsel
OGCM	Office of Grant and Contract Management
OSHA	Occupation Safety and Health Administration
PO	Purchase Order
POCN	Purchase Order Change Notice
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Qualifications
RFQ	Request for Quote
SOW	Scope of Work
SORM	State Office of Risk Management
SPA	State Property Accounting System
TAC	Texas Administrative Code
TCI	Texas Correctional Industries
TDCJ	Texas Department of Criminal Justice
TIBH	Texas Industries for the Blind and Handicapped
TPASS	Texas Procurement and Support Services
TXMAS	Texas Multiple Award Schedules (CPA Contracts)
UNT	University of North Texas
UNTD	University of North Texas at Dallas
UNTHSC	University of North Texas Health Science Center
UNTS OFPC	University of North Texas System Office of Facilities Planning and Construction

USAS	Uniform Statewide Accounting System
USCIS	U.S. Citizenship and Immigration Services
VID	Vendor Identification (ID) as in VID number

1.2. Ethics

1. Ethics

- **Conflict of Interest**

  Only the highest ethical principles will be employed by all persons involved in the procurement process. It is the responsibility of each member of the UNT System staff and of Procurement Services to take all appropriate steps to assure that the UNT System does not knowingly enter into a purchase commitment which could result in a conflict of interest. A conflict of interest exists when some factor (e.g., financial or personal interest of a vendor) interferes or appears to interfere with a purchaser's ability to be completely impartial and loyal to the interests of UNT System. For example, purchase of materials from a company owned by an employee of UNT System may be a conflict of interest. See the guideline below.

  Note: All employees involved in the procurement of goods or services and the management of contracts are required to disclose any direct or indirect interest, including financial, personal or business, in a vendor whose products or services are being considered for purchase. Employees must disclose any potential conflicts of interest using the **Conflict of Interest Disclosure Form**. See **Conflict of Interest in Purchasing and Contracting** on the UNT System Business Support Services webpage for more information. The form should be submitted to Business Support Services with the ePro requisition or with submission of the contract. If the potential conflict of interest is related to a purchasing card transaction, the execution of a contract, or some other situation that does not involve an ePro requisition or contract submission, the employee should email the form to **Business Support Services**.

- **UNT System Employees as Vendors**

  Purchases are not permitted from any employee of UNT System when
  - that employee or member of their immediate family has an actual or potential; financial interest in the transaction;
  - that employee is in a position to influence the transaction; or
  - the transaction does not involve employee authored intellectual property.

  However, the UNT System recognizes that on occasion there may be a circumstance that requires such a transaction. In such cases, Procurement Services will consult with the Office of General Counsel and review the transaction to make a determination.

  All requisitions to individuals for services are routed to the UNT System Tax Accountant for approval. The UNT System Tax Accountant reviews the requisitions to determine employment status. Current employees who perform additional service must be paid through the payroll system regardless of the funds used and even if the nature of the service is separate from the individual's employment with the UNT System component. Individuals who have been employed by the UNT System and/or one of its components during the past 12 months must also be paid through the payroll system.

- **Business Transactions With Employees**

  No purchase of any kind shall be made from any officer or employee of the State of Texas or any of its agencies unless the cost of the goods or services is less than they can be purchased from

any other known source and no sales of equipment shall be made to such persons unless the price is more than can be obtained from any other known source.

- o **Purchases for Personal Use**
  The UNT System does not make purchases of merchandise for resale to employees or permit personal purchases with departmental or project funds. Additionally, the UNT System component's letterhead shall not be used for ordering personal items to be paid for by an individual. Use of state postage for personal use is prohibited by Texas law.

- o **Gifts, Gratuities, and Honorariums**
  The Code of Ethics/Standards of Conduct for the UNT System requires personnel to refrain from accepting or soliciting any gift, favor, or service that might reasonably tend to influence the employee in the discharge of his/her official duties or that the employee knows or should know is being offered with the intent to influence his/her official conduct. Employees will refrain from accepting any gifts, gratuities or entertainment from vendors who do business or who wish to do business with UNT System. See Human Resources Policies pertaining to **Employee Ethics and Standards of Conduct**.

  Gifts and other items for personal use given by the UNT System to employees, family members of employees, students, officials and other officers of other universities, officials of state or federal agencies, or local dignitaries must be purchased following institutional policies and procedures. Gifts include tips, tokens of appreciation given in honor of retirement or accomplishment and other items for personal use or of a personal nature.

  Gifts to faculty and staff (both monetary and non-monetary) must follow policy pertaining to Faculty and Staff Gifts and Awards which requires review and approval from Human Resources. Depending on the value, approval from appropriate Vice Chancellors, Vice Presidents, or Deans may be required. The value of the gift may also require review by the UNT System Tax Accountant. All approvals, (usually in the form of an email) should be attached to the requisition.

  Purchasing cards should not be used for purchase of gifts without an approved exception request on file with Procurement Services. See **Gift Cards**.

  Honorariums are, by definition, gifts to an individual. Honorariums are appropriate from all local funds as long as the individual is providing a service to a UNT System component. See **Speakers, Performers, Judges, Officials** and their travel expenses.

  Honorariums for individuals not performing a service must be paid from unrestricted Gift funds.

- o **Unauthorized Purchases**
  The UNT System is obligated to make payment for goods and services only when Procurement Services, by issuing a purchase order, obligates the funds. Any other commitments are considered unauthorized purchases, and the individual making an unauthorized commitment may incur a personal obligation to the vendor. "After the Fact" or "Confirmation Orders" sent to Procurement Services after the fact, as a general rule, **should be avoided**. See **After-The-Fact Orders**.

  In emergency situations, employees may be eligible for reimbursement on items personally purchased for the UNT System component. See **Reimbursement to Employees (Non-Travel)** and **Reimbursement to DeptID/ProjID Holders (Non-Travel**).

1.3. The Procurement Services Process

1. The Procurement Services Process
   o **Overview**
   Each department is responsible for following the steps below to begin the Procurement Services process.

   Submitting a Requisition
   1. Gather pertinent information relating to the product or service needed.
      o For assistance during this process, please contact Procurement Services at 940-369-5500 or toll free at 1-868-855-4357 or visit the **UNT System Business Support Services webpage**.
   2. Complete an ePro requisition in EIS.
      Note: It is imperative to use the correct category code when completing the ePro requisition. Using the wrong code can delay processing.
   3. Complete the justification section of the ePro requisition for purchases over $5,000 (reference any existing contract or purchasing co-op used, and include bid and quote information).
   4. Attach purchase related documents, and bid documents for orders over $5,000.
   5. Submit for approval, and the requisition will route to the proper area for approval.

   Requisition Approval Process
   Upon receipt of the approved requisition by Procurement Services, the process will proceed as detailed below for most transactions.
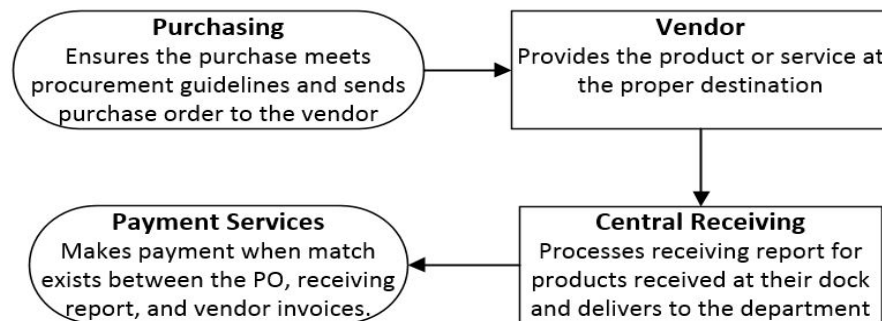
   o **Specifications (Scope of Work)**
   A specification is a detailed description of the product or service a purchaser seeks to buy, and consequently, is a description of what a bidder must offer to be considered for an award. Specifications are the primary means of communication between the UNT System and a vendor, and are important because they control the
   • quality level of the product or service;
   • amount of competition;
   • suitability of the product or service for the job to be done; and
   • the method of evaluation used in making an award and in determining the effectiveness of the purchase.

While departments are responsible for preparation of specifications, Procurement Services will assist in developing specifications, at the request of the department. A successful specification will contain the following characteristics:

- **Simplicity**
  Avoid unnecessary detail, but be complete enough to ensure that requirements will satisfy their intended purpose.
- **Clarity**
  Use terminology that is understandable to Procurement Services and to vendors. Correct spelling and appropriate sentence structure help eliminate confusion. Spell out technical words that are symbols (e.g. degree (°), Ohm (Ω), etc.).
- **Accuracy**
  Use units of measure that are compatible with industry standards. All quantities and packing requirements should be clearly identified.
- **Equitability**
  Identify two or three commercially available brands, makes, or models (whenever possible) that will satisfy the intended purpose. Avoid unnecessary "extras" that could reduce or eliminate competition and increase costs.
- **Reasonability**
  Avoid unnecessary precision in stating measurements or standards since this can easily cause unnecessary expense. Unreasonable delivery requirements could also reduce or eliminate competition and increase cost.
- **Flexibility**
  Avoid totally inflexible specifications that may prevent the acceptance of a bid that could offer greater performance for fewer dollars.

Specifications should provide a clear and accurate description of the technical requirements for the merchandise or service to be purchased. They must be clear and understandable to Procurement Services and the bidders. They must permit maximum competition between products of equal quality.

Descriptions may include a statement regarding the qualitative nature of the purchase and should identify minimum essential characteristics and standards to which the purchase must conform if it is to satisfy its intended use. "Performance" specifications may be written when minimum functional requirements can be identified. "Design" specifications may be written where minimum mandatory design performance and design specifications are appropriate. Avoid detailed product specifications when possible.

When it is impractical or uneconomical to make a clear and accurate description of technical requirements, a "brand name or equal" description may be used to define the level of quality and performance required. In addition, the specification should name the salient features and characteristics that all products must meet to be considered for an award. To give an example of the desired quality of the intended purchase, refer to a brand and model or a manufacturer's number followed by the words "or equal". When "brand name or equal" specifications are used, award may be made on a brand other than that specified provided it is the low bid, meets the specifications, and is functionally equal to the brand specified.

Sole Source/Proprietary Specifications

When department requirements for Procurement Services items or services limit the bidding to one manufacturer, one product, or one service provider, the department must provide a written justification. See **Proprietary Purchases** and **Sole Source Purchases**.

2. Solicitation of Price Quotes
   o **Requirements According to Price Range**

Procurement Amount	Procurement Method	Requirements	Estimated Business Days
All Dollar Limits	State Contract and Approved Co-ops	Department provides documentation verifying State Contract or approved, active Co-op program.	3-5
$0 - $5,000.00	One Verbal Bid	Department selects best value. Department is encouraged to contact at least one HUB vendor.	3-5
$5,000.01 - $25,000.00	Informal Bid	Department solicits at least 3 informal bids, including minimum of 2 HUB vendors.	3-5
$25,000.01 and over	Formal Bid	Procurement Services solicits formal bids.	IFB -15-20 RFP-45-60
$100,000.01 and over	All Methods	Procurement Services solicits formal bids. HUB Subcontracting Plan required.	IFB-25-30 RFP-45-60
$500,000.01 and over	All Methods	Procurement Services solicits formal bids. HUB Subcontracting Plan required. Chancellor or BOR approval required.	IFB-25-30 RFP-60-90

   o **Disclosure of No-Bid Contract Awards**
   Procurement Services contracts over $25,000 for which bids are not solicited are disclosed to the public on the UNT System webpage, with the justification for the procurement method.

   See **No-Bid Contract Awards** on the UNT System Business Support Services webpage for a list of all contracts awarded in excess of the formal bid limit, which is currently $25,000, that did not go through the standard bid process. The public is able to access this webpage without the need for a login or password.

   Exceptions for No Bid Contracts
   Departments are reminded that currently all contracts for $25,000 or more must be open to formal competitive bidding unless an exception is recommended by a Vice Chancellor or Vice President **and** granted by Procurement Services. Exceptions must be requested in writing and may be granted for a proprietary or sole source purchase for such items as types of equipment manufactured by a single vendor. Departments should make sure to use proper forms and obtain proper authorization when procuring goods and services, including using the **Proprietary/Sole Source Purchase Justification Form** when requesting an exception to the competitive bid process.

3. Vendors
   o **Vendor and Partner Definitions**
     This section provides definitions for terms related to vendors and partners of UNT System used throughout this Procurement Guide.

     Preferred Vendor
     See **Strategic Sourcing Partner**.

     Strategic Sourcing Partner
     A preferred vendor that has entered into a UNT System negotiated contract or is a cooperative, and offers special pricing and/or services that maximize financial effectiveness and/or greater operational efficiencies for UNT System institutions.

     Strategic Partner
     An organization that has entered into a collaborative relationship with UNT System or one or more of its institutions with the intent of developing and implementing solutions.

   o **Vendor Guidelines**
     Sales representatives from companies and individuals doing business with the UNT System may contact you or other staff members in your department. These representatives can be a helpful source of information. They are expected to secure appointments and to conduct themselves in such a way as not to interfere with the operation of the UNT System component. If you receive unsolicited calls or visits from outside salespersons, please refer the individual to **Procurement Services**.

     Occasionally, vendors will utilize unethical tactics by attempting to solicit business by phone, stating that they can offer you a great deal on overstocked or over-shipped merchandise. They will take minimal information as a commitment to buy and will ship merchandise after a conversation with someone in the department. Should such a company contact you, refer them to **Procurement Services** for handling.

     Authority to Commit
     Commitments to purchase products or services must be made through **Procurement Services**. Do not commit yourself, your department, or the UNT System with comments, or by signing any agreements or contracts. Submit any price quotes provided by sales representatives with your requisition electronically in ePro.

     Equipment left by sales representatives on a "demonstrator" basis does not constitute a commitment to buy this equipment. Departments must notify **Procurement Services** via email of any equipment left on campus by a vendor. See **Vendor Product Demonstrations**.

     Nondisclosure of Price Quotes
     When obtaining quotes from multiple vendors on the same type of equipment, it is unethical to discuss prices offered by other vendors. A price quote is not public information. After a bid is awarded, Procurement Services can provide the bid tab results.

     Vendors may not use campus facilities, including bulletin boards or inter-campus mail, to advertise their products or services.

     Equal Opportunity
     Vendors that do business with the UNT System are expected to be in full compliance with the Civil Rights Act of 1964 and the Americans with Disabilities Act Amendments of 2008, whereby, a contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex (including pregnancy), age, national origin, disability, veteran status or genetic information.

- **Vendor Payee Identification Numbers**
  If you are using a vendor that does not have a valid state payee number, the requisition will route to Supplier Management for vendor setup in EIS. The requisition must be submitted with the vendor's W-9.

- **Vendor Payment Inquiries**
  If vendors call your department with payment inquiries, please transfer them to Procurement Services at 940-369-5500 or toll free at 1-855-868-4357.

- **Vendor Performance**
  Mandatory Performance Reporting
  The Texas Comptroller of Public Accounts (CPA) administers a Vendor Performance Program for use by all ordering entities. This program relies on the ordering entity's participation to gather information on vendor performance. Consequently, they have requested agencies to provide input that will allow them to make reasonable judgments as to a vendor's ability to perform.

  Optional Performance Reporting
  The UNT System is encouraged to report vendor performance for purchases under $25,000. Exemplary vendor performance is also an important matter for that vendor's file. Departments are encouraged to provide input regarding exemplary performance to Procurement Services in writing and it will be submitted to the CPA, and ensure the information becomes part of that vendor's file.

  Reporting Unsatisfactory Performance
  Should you become dissatisfied with the services of a local contract vendor, document the problems and attempt to resolve the issue with the vendor. The vendor must be given the opportunity to correct the problems. If unable to come to a consensus, notify **Procurement Services** in writing as soon as possible. Once Procurement Services has been notified, the vendor will be notified in writing. In most cases, the letter from Procurement Services will detail the problems, list which department(s) is experiencing the problems, and include a copy of the complaint memo from the department. Usually, the vendor will be required to contact the department to discuss possible solutions, and they will be given a date by which the Procurement Services area must have received a written response with proposed solutions. The vendor will also receive a specific date by which problems related to the contract must be corrected. Should the vendor fail to respond within the allotted time or problems and complaints continue, Procurement Services may cancel the contract, and re-award the balance of the contract or re-advertise the service or blanket order for materials.

  Procurement contracts governed by Texas Education Code Chapter 51 are exempt from this process.

- **Vendor Product Demonstrations**
  Vendor representatives may provide demonstrator equipment for exploration/examination. This is done entirely at the option of the vendor, and with no commitment by the UNT System. Departments wanting such displays and demonstrations should notify **Procurement Services** via email, and the appropriate Buyer will help coordinate plans with the vendor. Items held on a "demonstrator" basis do not constitute a valid sale. Demonstrator equipment cannot be accepted if the UNT System advertises to purchase new equipment.

  Note: Standard terms and conditions for bid documents require new equipment. Vendors must remove the demonstrator equipment left on campus, and provide new equipment.

- o **Individuals as Vendors**

  All requisitions to individuals for services are routed to the UNT System Tax Accountant for Ad Hoc approval. They review the requisitions to determine independent contractor/employee status and employment status.

  By general common law definition, an independent contractor controls the means and methods by which a job is performed. If an individual who is not already employed by the UNT System is performing a service that does not meet the criteria for independent contractor status, he/she must be paid through the payroll system.

  UNT System employees who perform additional service must be paid through the payroll system regardless of the funds used and even if the nature of the service is separate from the individual's employment with the UNT System component. If the individual is determined to be a current employee or an individual who has been employed by UNT System during the past 12 months, he/she must be paid through the payroll system.

  In summary, payments to individuals servicing the UNT System are only payable through purchase order if the UNT System Tax Accountant determines the individual is an independent contractor under IRS definitions, and is not a UNT System employee.

- o **Texas Multiple Award Schedules**

  The TXMAS (Texas Multiple Award Schedule) Program adapts existing competitively awarded government contracts to the procurements needs of the State of Texas. To be considered for the TXMAS Program, an existing contract must be
    - awarded by the federal government or any other governmental entity in any state,
    - awarded using a competitive process, and
    - adaptable to the laws of the State of Texas.

  Each TXMAS contractor is required to produce a TXMAS vendor catalog. Vendor catalogs contain the information needed to place an order including item specifications, ordering procedures, invoicing procedures, and contact information.

  Information regarding the TXMAS contracts is available on the **Texas CPA website**.

- o **Vendors Receiving Payment for Preparation of SOW or Competitive Solicitation**

  State agencies may not accept a bid or award a contract including proposed financial participation by a person who was compensated for by the agency to participate in preparing the specifications or competitive solicitation on which the bid or contract is based. Meaning, a consultant or vendor, paid to help prepare requirements or specifications for a job, may not compete or be awarded a contract when the requirement is bid.

4. Payment
  o **Payment of Purchase Orders**
    The receipt of an invoice is the catalyst that begins the payment process. Except for invoices related to major construction projects facilitated by the UNT System Office of Facilities, Planning, and Construction (OFPC), departments should instruct vendors to send all invoices to **Payment Services**. If an invoice is received in the department, forward it to **Payment Services** upon receipt. Payment Services documents the invoice received dates to ensure that vendors are paid within the timeframes allowed by the State of Texas Prompt Payment Act. Matching of a purchase order, along with an invoice, and a receiving report allows release of payment to the vendor.

    Dates of Service
    Payment Services staff notify the department requisition coordinator by email when invoices are received to confirm the services have been rendered. Dates of service are critical to payment scheduling dates, and must be provided before releasing payment.

    Payments Requiring Special Handling
    If the payment requires special handling to meet contract terms and/or to guarantee prompt discount, information must be included in the ePro requisition. Checks are mailed to vendors unless there is a fiduciary reason for hand-delivery. For rare situations where an invoice will **not** be received, it is the department's responsibility to provide some form of documentation to **Payment Services** for payment processing. This is typically true with guest **Speakers**. (See **Prepayments** and **After the Fact Orders**). Attach documentation electronically to the original requisition, when possible.

    Issuing Payment
    When a three-way match exists between the purchase order, receiving report, and vendor invoice, payment will be made by Payment Services, providing all other necessary stipulations have been met. The State of Texas Prompt Payment Act requires the Comptroller to compute interest on late payments, pay the interest when paying the principal payment, and make the interest payment without requiring vendor petition for payment. Payment terms are net 30 days after receipt of goods/services and/or the invoice, whichever is later, unless a contract or other negotiated term allows for earlier payment. Earlier payment is authorized only when a discount is provided.

    Payment Services processes purchase payments according to the Comptroller of Public Accounts "eXpendit Web resource", which replaces "The State of Texas Purchase Voucher Guide," and the Uniform Statewide Accounting System (USAS) User Manual. If you have any questions regarding invoices, please contact **Payment Services**.

    Interest
    Interest accumulated due to payment delays will be expensed to the original requesting department. Interest calculations are based on the State of Texas Prompt Payment Act and do not necessarily match those of the vendor calculations.

  o **Prepayments**
    Generally, payments are released only after goods/services have been received. Prepayments follow the Comptroller's guidelines for advance payments. This includes advance payments to federal, Texas, or other state agencies, subscriptions, and annual

maintenance agreements. Other exceptions may be made for memberships, significant cost savings, or for specialized or proprietary goods or services if the vendor requires prepayment. Prepayments should only be used for small dollar purchases. All prepayments are made with the understanding that appropriate local funds will be used to supplant expenditures for non-received and non-conforming goods and services. Some exceptions are made for large projects related to Education Code 51.

Prepayment for Proprietary Goods or Services

If prepayment is requested for specialized or proprietary goods or services, include the following note in Justification/Comments:

"NOTE TO AP: Prepayment required for (specialized or proprietary goods or services)." Include verification that the vendor requires prepayment, and a proprietary justification or a statement detailing how the requested goods or services are specialized or proprietary if the requisition does not require a proprietary justification due to the total amount.

Prepayment for Significant Cost Savings

If prepayment is requested for significant cost savings, include the following note in the Justification/Comments: "NOTE TO AP: Prepayment required for significant cost savings of (dollar amount or percentage)." Savings must meet the following institutional guideline:

Order Amount	Amount of Savings
Under $100	Minimum of $10
$100-$1,000	Minimum of 10%
Over $1,000	Minimum of $100

5. Delivery

- o **Receiving Reports**

  A receiving report indicates that merchandise has been received and initiated payment procedures. Departments should notify **Payment Services** within 48 hours of receipt if there is any need to withhold payment for items received. If there is a discrepancy in goods received and the receiving document, notify the appropriate UNT System component's Central Receiving within 24 hours.

  When a vendor delivers goods directly to the department, the department must notify Central Receiving for the appropriate UNT System component immediately to provide receiving information that is critical for recording assets and processing payments.

  UNTHSC departments, email **UNTHSC Receiver Request Office**.

  UNT departments, email **UNT Property Management**.

  For services provided, send an email to **Payment Services** indicating services have been received, with the exact date of services rendered so payment may be made.

  A receiving report issued by Central Receiving is not necessary for an order covering
    - after-the-fact orders;
    - software license when only item on order; or
    - orders with contractual monthly services obligations (i.e. copier rentals).

  State law prohibits the use of state resources for personal use. Using the UNT System component address, including Central Receiving, to receive personal mail and packages is prohibited.

- **Furnish and Install Items**
  Departments may request products to be purchased on a "Furnish and Install" basis. Such product orders will be delivered to Central Receiving for the appropriate UNT System component. Receiving or Facilities will deliver the product to the department. The vendors will then uncrate, set in place, and install the product. All "Furnish and Install" orders must specify an exact location of installation and the name and telephone number of the person coordinating installation with the vendor.
- **Furnish, Inside Delivery, and Install Items**
  Departments may request products to be purchased on a "Furnish, Inside Delivery, and Install" basis. Products ordered as such will be delivered to the installation site by the vendor and will be uncrated, set in place, installed, and calibrated, when necessary, by the vendor. All "Furnish, Inside Delivery, and Install" orders must specify an exact location of installation and the name and telephone number of a person who will coordinate installation with the vendor.

  Property Management must be advised so installed equipment can be properly tagged.

- **Inspection of Merchandise**
  Shipments to Central Receiving
  State agencies must inspect all shipments received against purchase orders and report any discrepancies to the vendor. When shipments arrive in Central Receiving, their personnel inspect the delivery and make every effort to note all visible damage and shortages and to initiate claims with the vendor or shipper.

  Shipments Direct to Departments
  When merchandise is delivered to departments, department personnel must inspect it for other damage or shortages. If either is found, you must report damage/shortage to Central Receiving for the appropriate UNT System component within 48 hours. You must
  - request inspection;
  - retain the damaged item(s), including all packaging;
  - confirm phone calls in writing; and
  - keep copies of all correspondence.

  Merchandise with Concealed Damage
  Concealed damage must be reported to the delivery carrier in writing within 15 days or the carrier cannot be held responsible. In addition, unlisted shortages must be reported to the vendor in writing within 15 days or the vendor cannot be held responsible for shortages. A vendor may be required to pick up any merchandise not conforming to specifications and replace the merchandise immediately. **Procurement Services** must also be notified.
  For more information regarding claims for damages or shortages on purchase orders, please contact Central Receiving for the appropriate UNT System component.

- **Freight**
  F.O.B.
  The term F.O.B. means "free on board" and refers to control and ownership of goods while they are being shipped. "F.O.B. Shipping Point" or "F.O.B. Origin" means that the buyer assumes title when the carrier picks up the goods. The buyer owns the goods in transit and must file any freight claims. Used by itself, it means the buyer pays the freight.

F.O.B. Destination

F.O.B. Destination means the seller retains title until the goods are delivered to the buyer. The seller owns the goods in transit and must file any freight claims. Unless qualified, it means that the seller pays the freight. These F.O.B. terms may be qualified with payment terms. These determine the payment of the freight charges and have nothing to do with the title of the goods or who files claims for freight damage.

The terms and conditions for written bids require that the bidders quote F.O.B. Destination. If a bidder takes exception to this, he must note it on the bid. EIS requisitions and purchase orders default to "F.O.B. Destination Freight Prepaid and Added". If a vendor quotes different freight terms for orders under $5,000 add a "Note to Procurement Services" in Justification/Comments and state the term quoted. The most common variations are explained in the chart below.

Delivery Type	Terms
F.O.B. Destination; or F.O.B. Destination Freight Prepaid and Allowed	- Title passed to buyer upon delivery - Seller pays freight charges - Seller owns goods in transit - Seller files any freight claim
F.O.B. Destination, Freight Prepaid and Added	- Title passed upon delivery to buyer - Buyer pays freight charges - Seller owns goods in transit - Seller files any freight claim
F.O.B. Origin; or F.O.B. Origin, Freight Prepaid and Added	- Title passed to buyer upon delivery to carrier - Buyer pays freight charges - Buyer owns goods in transit - Buyer files any freight claim
F.O.B. Origin, Freight Prepaid and Allowed	- Title passed to buyer upon delivery to carrier - Seller pays freight charges - Buyer owns goods in transit - Buyer files any freight claim

Because freight charges will be added to the invoice on many requisitions, remember to budget and maintain sufficient funds in applicable DeptID/ProjIDs to cover freight charges. Use the category code below in ePro.

Classification	ePro Category Code
Freight as a line on an ePro requisition	Use the same category code as the main item on the requisition
If **only** paying for freight services	915-59 (Freight Services - Only)

6. Expedited Order Requests

- **Expediting Orders**

  Expediting is the process of attempting to secure a more rapid delivery than promised by a vendor on a purchase order. Whether a vendor accommodates a request to expedite a delivery is strictly at the discretion of the vendor. Contractually, the vendor is only required to meet the delivery schedule of the purchase order.

- **Follow Up on Orders**

  Follow up is an effort to ensure that the vendor understands that we expect timely delivery of an order and that the delivery schedule set forth in a purchase order will be met. It is the responsibility of the requesting department to follow up with the vendor if there are concerns about timely delivery, or to determine if expedited delivery is a possibility.

- **Express Delivery Service**

  eShip Global is an outbound delivery service on contract for use by UNT System departments. For more information, visit the **About eShip Global page** on the UNT System Business Support Services webpage.

- **Emergency Orders**

  An emergency is defined as the need of supplies and/or services by a department to the extent that if not purchased immediately, serious financial or operation loss will occur. Emergencies can be caused by breakdown of essential equipment, weather damage, sudden illness, epidemics, etc.

  If you have such a situation, follow these procedures:
  1. Obtain one phone bid.
  2. Submit a requisition and follow **Rush Procedures**.

  Purchases over $25,000:
  1. Leave the vendor blank.
  2. Mark the lines RFQ required.
  3. List any suggested vendors that you have in Justification/Comments.
  4. Submit an Emergency Purchase justification electronically.

  The justification must include the following:
  - the nature of the emergency purchase (hazard to life, health, safety, welfare, or property or to avoid undue additional cost to the state);
  - the cause of the emergency situation; and
  - the estimated impact or damage either financial or otherwise that will occur by following normal procurement practices (general statements of loss or nominal damage are not acceptable).

  Proprietary/Sole Source Products or Services

  If the product or service is proprietary or proprietary/sole source, also electronically submit a **Proprietary/Sole Source Purchase Justification Form**. The form requires Vice President or Vice Chancellor level approval for the submission as sole source or proprietary. The purchase method of sole source is not accepted/authorized until it has the approval signature of the Senior Director of Procurement Services or Director of Purchasing.

- **Rush Procedures**

  If your department has a situation when a product or service is needed immediately, yet it is not an "Emergency" order, the coordinator should add "RUSH" on the first line of the Justification/Comments section and include specific details such as when the product/service is needed, etc. If the time frame is very short, the coordinator should notify Procurement Services via the **Rush to PO Request Form**.

  The coordinator should also monitor the requisition in "Manage Requisitions" and call the approver if the requisition is not approved in a short time. The requisition will be a priority for the Buyer. See **Almost Emergencies**.

- o **After-the-Fact Orders**

  An after-the-fact (ATF) order is one submitted to Procurement Services on any fund for goods and services that have already been received based on a request by a faculty or staff member prior to Procurement Services processing a purchase order. Procurement Services is obligated to make payment for goods and services only when they obligate the funds, by issuing a purchase order. Any other commitments are considered unauthorized purchases and the individual may encounter a personal obligation to the vendor.

  After-the-fact purchase orders should be avoided on all funds. They are NOT allowed on state funds including HEAF and state-funded grants unless proper documentation has been provided and approved indicating that a prior written contract existed or a justified emergency existed. When special circumstances exist, departments should contact **Procurement Services** for assistance rather than placing orders without an authorized PO. An employee placing such an order may be held personally liable for the payment if the purchase order cannot be approved by Procurement Services.

  In emergency situations, employees may be eligible for reimbursement for some items personally purchased for the institution. See **Reimbursement to Employees (Non- Travel)** and **Reimbursement to DeptID/ProjID Holders (Non-Travel)**. The requisition must be submitted with an after-the-fact justification that explains the emergency situation that required purchase of the product/service without first securing a purchase order through Procurement Services. Include the justification in the Justification/Comments or add as an attachment. These purchases must meet all other Procurement Services requirements including, but not limited to, bid requirements; contract approvals; additional approvals such as for advertising, computer hardware/software, etc.; additional requirements such as for consulting; and funding restrictions.

  Note: Due to tax implications, employees will not be reimbursed for payments to an independent contractor.

  Proof of payment and documentation supporting the dollar amount of the expenditure must also be submitted with the requisition in order for reimbursement to be approved and for Payment Services to process the payment. Usually a paid invoice made out to the individual and not the institution meets this criterion. If the invoice is not marked "paid," a copy of the employee's check or credit card will be required by Payment Services. Vendors should be aware that providing a good or delivering a service without a purchase order may delay their payments.

  Confirming or After-the-Fact orders are tracked by Procurement Services and reported on a regular basis to the applicable Vice President for each university entity.

- o **Almost Emergencies**

  In a situation when you need something immediately–yet it is not an emergency as defined in Emergency Orders, you may request "rush" handling. Departments should use the normal processing times described earlier as a guide to anticipate needs in advance so that these requests are kept to a minimum to allow the normal processing routine to function effectively. All orders with "rush" requests will be handled in as timely a manner as possible. To assist in the prompt processing of these orders, please ensure they meet all Procurement Services requirements when submitted. If you need assistance with one of these orders, please call Procurement Services at 940-369-5500 or toll free at 1-855-868-4357.

7. Order Changes or Cancellations
   o **Cancellation of Orders**

   A purchase order is a binding contract between the UNT System and/or its components and the vendor. Therefore, it cannot be modified or cancelled unilaterally unless specified in the order or the contract. If a department requests cancellation for some reason that is no fault of the vendor, we must have the vendor's permission to cancel the order or items on the order unless specified in the order or the contract. The requesting department should discuss the order with the vendor, where applicable, prior to submitting the PO change order request in EIS.

   Certain procurement agreements and contracts include terms allowing for cancellation or termination. The UNT System and/or its component institutions will follow the specific terms in the event an agreement or contract needs to be cancelled.

   Requests for modification of purchase orders must be submitted in EIS. The PO Change Request routes through EIS for approval. Once changes are made to the purchase order, a revised PO will be sent to the supplier.

   To close a purchase order and disencumber funds, please submit an **Encumbrance Inquiry Form** to **Procurement Services**.

   o **Return of Materials**

   Upon receipt of an item, Central Receiving makes only a cursory inspection for obvious shipping damage. The final acceptance or rejection of merchandise is the responsibility of the using department, who upon receipt must immediately inspect the goods for damage. If there is a discrepancy, the using department must immediately notify Central Receiving for the appropriate UNT System component to determine if the problem originated before or after receipt in Central Receiving. If it occurred before receipt, the requesting department must immediately contact the vendor to resolve the issue. If consensus toward a resolution is not imminent, **Procurement Services** must be notified within 48 hours of receipt.

   If items do not meet specifications according to the purchase order against which the items were received, email **Procurement Services** immediately to state the discrepancies. The using department should contact the vendor regarding the immediate problem with the shipment. Notify **Procurement Services** with any specific instructions to be followed on the order or future payment of the order.

   If incorrect items were ordered, contact the vendor for permission to return the items. Agreement from the vendor to accept a return is not automatic. If the vendor agrees to the return, notify **Procurement Services**. A restocking charge or fee may be required and will be charged to the requesting department.

   Return of Item(s)
   Adhere to the guidelines below when contacting a vendor regarding return of items:
   1. Secure the full name of the vendor representative giving permission.
   2. Secure a return authorization number, allowing the vendor to track the item when it is returned (many vendors use some type of return authorization number).
   3. Secure a "ship to" address. This may be different than the purchase order address.

4. Clarify who will pay freight and which carrier is to be used. Generally, if the vendor shipped the item in error, the vendor will pay for return shipping. If the vendor has agreed to accept an item back that was ordered in error, the department is usually responsible for return shipping charges.
5. Clarify if there will be a restocking charge. See **Restocking Charges**.
6. Email **Procurement Services** and include
   - the information from steps 1-5 above;
   - the P.O. number; and
   - special instructions for shipping (if applicable).

Replacement of Item(s)

If the item or the entire purchase order needs to be cancelled, include instructions in the email regarding the return and submit an **Encumbrance Inquiry Form** to **Procurement Services**.

If the vendor agrees for the item(s) to be replaced, follow these guidelines:
1. Follow steps 1-6 as outlined above.
2. Confirm with the vendor when you can expect replacement shipment.
3. Include expected delivery date regarding the return.

If a return to vendor occurs after payment has been made, the requesting department should send a notification of a pending credit to **Payment Services**. Payment Services will then watch for the appropriate credit memo and apply accordingly to the next bill, OR request a refund of the amount to be deposited back to the fund in which payment was made.

o **Restocking Charges**

If the return of materials or cancellation of a purchase order is requested through no fault of the supplier, the supplier may assess a restocking charge or cancellation fee and expect the ordering department to absorb the cost of the return freight. Charges or fees of 15% or less of the original cost of the materials are generally considered reasonable. If you have a situation where a vendor insists on an amount greater than 15%, do not obligate the institution by agreeing to pay. Contact **Procurement Services** for assistance. See **Return of Materials** for additional information.

8. Fiscal Year-End Closing
   o **Fiscal Year-End Closing**
   The fiscal year for the UNT System begins September 1 and ends August 31. Year-end deadline notices with exact deadline dates for each type of order are usually distributed during April or May of each year. Adherence to the schedule will help ensure that your purchases can be processed by the end of the fiscal year.
   If the order is for the new fiscal year, in your requisition Justification/Comments add the following statement: "FYXX - For Invoicing and Delivery on or after 9/1/XX". For requisitions on budgetary and non-budgetary funds, the department must change the Budget Date to 9/1/XX. For requisitions on project/grant funds, use the current date.

1.4. Solicitation Guidelines

1. Bids

   o **Competitive Bidding**

   Competitive bidding is the statutory foundation for purchases made for the State of Texas, Texas State agencies, and institutions of higher education. It is the process of inviting and obtaining bids from competing sources in response to advertised competitive specifications, by which an award is made. The process contemplates giving potential bidders a reasonable opportunity to bid, and requires that all bidders be placed on the same plane of equality. Each bidder must bid on the same advertised specifications, terms, and conditions in all items and parts of a contract.

   The purpose of competitive bidding is to stimulate competition, prevent favoritism, and secure the best goods and services at the lowest practicable price, for the benefit of the institution and the state. Competitive bidding cannot occur where contract specifications, terms or conditions prevent or unduly restrict competition, favor a particular vendor, or increase the cost of goods or services without providing a corresponding benefit to the state.

   When possible, vendors contacted for bids should be selected from the State of Texas' "Centralized Master Bidders List (CMBL)" maintained by the Texas CPA.

   All purchases must be in accordance with established procedures, with procedural flexibility based on the funding source as deemed by the Senior Director of Procurement Services or the Director of Purchasing.

   The formal written bid process must be conducted under the direction of a designated purchaser of the UNT System Procurement Services. Certain formal solicitations involving large construction projects are facilitated and managed by the UNT System Office of Facilities Planning and Construction with oversight by UNT System Business Support Services.

   o **Identifying Vendors**

   The use of the CMBL is a method for locating vendors. Services and goods are assigned commodity code numbers. These commodity codes can be used as search criteria in the CMBL to find vendors who sell those commodities. The CMBL provides addresses, phone numbers, fax numbers, email addresses, and HUB ethnicity, gender, and contact names.

   A link from each vendor's page can also provide the vendor's status with the state. See **Finding HUB Vendors** located on the UNT System Business Support Services webpage for further instructions.

   When contacting vendors, departments should always confirm the vendors' ordering information and document special requirements on a requisition.

   o **Bid Evaluation and Award**

   An award of a bid solicitation is made to the vendor offering the best value for the state while conforming to the specifications required. Complying with the specified time limit for submission of written data, sample, or models, on or before bid opening time, is essential to the acceptability of a bid. Preferences and Reciprocity are also considered before awarding a bid.

   Evaluation criteria may be considered as long as provisions are outlined in the solicitation when it is posted, and should specifically outline what will be considered in determining an award. Any criteria must have objective definitions and identified measures. For more complex solicitations, an evaluation team should be utilized including individuals with working and industry knowledge regarding the procurement. Contact **Procurement Services** for additional information.

- o **Best Value**

  As state institutions of higher education, UNT System components may acquire products and services by the method that provides the best value to the institution including competitive bidding, competitive sealed proposals, a group Procurement Services program, or a strategically sourced and negotiated contract.

  In determining the best value to the institution, Procurement Services and the Requesting Department will consider
    - the purchase price;
    - the level of trust the vendor has earned through past performance or through qualifying information available at the time the award will be made;
    - the quality of the vendor's goods or services;
    - the extent to which the goods or services meet the institution's needs;
    - the vendor's status with the State of Texas;
    - the impact on the ability of the institution to comply with laws and rules relating to Historically Underutilized Businesses (HUB), and to the procurement of goods and services from persons with disabilities;
    - the total long-term cost to the institution of acquiring the vendor's goods or services;
    - any relevant factor that a private business entity could consider in vendor selection; and
    - whether the product or service is proprietary and would restrict the institution to a single vendor or manufacturer.

  All UNT System components must also follow the laws or rules relating to contracting with HUBs or relating to the procurement of goods and services from persons with disabilities.

- o **Preferences**

  The state has provided two sets of preferences to aide in awarding bids to vendors. They include source and specification preferences.

  Source Preferences
  The state uses the following source preferences when applicable goods or services can be supplied by these entities:
    - Products by Persons with Disabilities;
    - Texas Department of Criminal Justice (TDCJ), Institutional Division;
    - Texas and United States Products and Texas Services;
    - Products and Services from Economically Depressed and Blighted Areas; and
    - Products of Facilities on Formerly Contaminated Property.

  Specification Preferences
  The state uses the following specification preferences regarding recycled materials:
    - Recycled, Remanufactured, or Environmentally Sensitive Products;
    - Energy Efficient Products;
    - Rubberized Asphalt Paving material;
    - Recycled Motor Oil and Lubricants;
    - Vendors that Meet or Exceed Air Quality Standards;
    - Recycled or Reused Computer Equipment of Other Manufacturers; and
    - Food of Higher Nutritional Value.

In case of tie bids, one or more preferences described in the **Texas Administrative Code (TAC) Rule 20.38** are used to make an award:

o **Tie Bids**
Two or more bids that are offered at the same price, and are otherwise equal in quality are considered tie bids. In breaking tie bids, the agency must use the preference(s) claimed by the bidder on the Invitation for Bids.

If two bidders bid the same bid price and the preferences checked are different, then the award is based on the priority currently listed in the Texas Administrative Code (TAC) Rule 20.38.

If two bids have the same price and preferences, awards will be determined by drawing lots.

Drawing Lots
A disinterested party draws a name with a witness present. Both persons must initial the order.

o **Proprietary Purchases**
Proprietary purchases normally refer to products manufactured under exclusive rights derived from a trade name, patent, copyright, or other legally protected right. Products will be considered as proprietary if they have a distinguishing feature or characteristic that is not shared or provided by similar or competing products. One of the most common proprietary features is its compatibility with existing equipment. Another is that the product will provide utility not available from other products. Services are considered proprietary if no other company can provide the scope of work required.

You are not required to justify your needs on the Proprietary/Sole Source Purchase Justification Form, but you are required to justify why a proprietary item is required to meet those needs. As an example, a department requesting computers does not have to explain why computers are needed. However, they must explain why that particular brand is required.

The department must decide when to use proprietary specifications. In order to justify the use of proprietary specifications, do the following:
1. Analyze the needs of the department to see if alternate specifications would serve the needs and allow competition among other products.
2. Review similar products/services/ to ensure they do not meet the department's need.

After completing this two-step analysis, if it is determined that department requirements limit the bidding to one manufacturer, one product, or one service provider, the department must provide a written justification for these requirements on the **Proprietary/Sole Source Purchase Justification Form.**

The justification must include the following:
- the proprietary operational features or functions of item(s) or service(s), which must also be listed within the item descriptions or specifications);
- explanation of the need for the specifications outlined in the requisition; and
- the reasons competitive products or services are not satisfactory.

It is the responsibility of Procurement Services to ensure that all justifications meet the legal requirements. The justification must be approved by the Senior Director of Procurement Services, the Director of Purchasing, or an appropriate designee and retained in the file for post payment audit. Please contact **Procurement Services** if you have any questions.

- **Sole Source Purchases**

  Sole source is considered a bid exception and is subject to approval by the Senior Director of Procurement Services, Director of Purchasing or other senior level employee. See **Bid Requirements** and **Proprietary Purchases**.

  Each requisition must include documentation from the department that specifies why a particular service is required and why other vendors cannot be used to meet this requirement. Use the **Proprietary/Sole Source Purchase Justification Form** and attach electronically to a requisition along with the vendor's affirmation document. See **Proprietary Purchases**.

- **Professional Services**

  All orders for Professional Services must come through Procurement Services for review and approval prior to any obligations being made for the UNT System. A "Professional Services Contract" may be required to accompany the requisition and will have to be signed by the authorized signatory in order to be a binding contract.

  Some Professional Services are exempt from bidding requirements. These must be within the scope of practice as defined by Texas Government Code 2254.002 or provided in connection with the professional employment or practice of a person who is licensed or registered in
  - Accounting – a certified public accountant (CPA);
  - Architecture – an architect;
  - Landscape architecture;
  - Land surveying – a land surveyor;
  - Medicine – a physician, including a surgeon;
  - Optometry – an optometrist;
  - Professional engineering – a professional engineer;
  - Professional nursing – a registered nurse; or
  - Real estate appraising – a state certified/licenses real estate appraiser.

  Contracts for professional services are awarded based on demonstrated competence and qualifications for the type of professional services to be performed. Fees must be reasonable. A contract may be required for the professional service. Submit a requisition to Procurement Services as soon as possible after the need for the contract is identified. The purchase order will be issued after the contract has been signed by all parties.

  Other Professional Services
  Services rendered on a fee, contract, or other basis by a person, firm, corporation, or company recognized as possessing a high degree of learning and responsibility are usually considered "other professional services." These services are **not exempt** from bidding requirements. Follow the guidelines per order total. If only one vendor can provide the service you require, submit a **Proprietary/Sole Source Purchase Justification Form** with the requisition.

- o **Bid Receipt Procedures**
  Upon receipt of competitive solicitation by mail, hand carry, or special carrier, the sealed competitive solicitation will be date- and time-stamped, and must remain secured until the bid opening.

  Bid Opening
  The date, time, and physical location of bid opening will be stated clearly on the bid document. All bid tabulation files are available for public inspection. Bid tabulations may be reviewed by any interested person during business hours. The bids and all documents and information about the evaluation of bids and bidders will be withheld until after the contract award.

  Late Bids
  Late bids are bids received after the date and time established by the solicitation, and will not be considered.

  Unsigned Bids
  Bids must be signed prior to bid opening to be considered. Bids without a signature may be disqualified and considered invalid.

- o **Bid Requirements**
  The method used and steps required to make a purchase, are determined by the dollar amount and purchase type. See the **Procurement Services Process** and the summary below.

  $0 - $5,000.00 - One Verbal Bid Required
  Orders should be awarded to the vendor that provides the best value to the institution. Departments are encouraged to seek a quote or bid from a HUB vendor.

  $5,000.01 - $25, 000.00 - Three Informal Bids Required
  Departments must attempt to obtain at least three verbal bids, including a minimum of two bids from HUB certified businesses. Price quotes may be taken by phone, by fax, or in writing, and documentation must be kept on file.

  $25, 000.01 and over - Formal Bid Required
  All formal bids must be handled by Procurement Services. The bid is requested by sealed envelope in accordance with a prescribed format and will be opened at a specified date and time. Procurement Services must attempt to obtain at least three formal bids, including a minimum of two bids from HUB certified businesses.

- o **Group and Cooperative Purchases**
  Group and cooperative purchasing allow those eligible to order under established contracts without additional formal bidding. The UNT System is eligible to participate in many group and cooperative Procurement Services programs. Provided the contracts were competitively advertised and addressed HUB requirements, no additional justification or bidding is required. Refer to **Cooperatives and Contract Pricing** on the UNT System Business Support Services webpage.

- o **Reciprocity**
  State statutes require reciprocation for bids originating from bidders residing in states that grant resident bidder preference for that state's purchases when bidding against a Texas bidder. In other words, the State of Texas will respond in kind or reciprocate to preferences made by other states.

  The methodology for bid evaluation of bidders who reside in a state with a resident preference law is to reciprocate by adding a residency penalty to the bid for evaluation purposes only. This

penalty is equal to the percentage a Texas bidder would have to underbid a resident bidder in a preference state to receive an award in the preference state.

Example

Another state gives its in-state bidders a 10% advantage on a certain commodity. In effect, this would penalize a Texas bidder 10% when bidding in that state. Consequently, we would add the same 10% penalty to any of those states' bidders when bidding in Texas for the same commodity or service.

The CPA annually publishes, in the Texas Register, a list of states' preferences. The CPA also provides the list on the website and updates it as changes occur. For a list of states with Resident Bidder and Reciprocal Preferences, visit the **Texas CPA website**.

For Statutory Citation information, see the Texas CPA **List of States with Resident Bidder Preferences**.

Contact **Procurement Services** with questions about the current list of states giving preferences.

- o **Texas Industries for the Blind and Handicapped (TIBH)**

  State agencies and institutions of higher education are required to support the state's efforts to gainfully employ persons with disabilities. First consideration must be given to products and services provided by persons with disabilities through the Texas Industries for the Blind and Handicapped (TIBH). The products and services offered are listed on TIBH's **Online Product Catalog**. These products and services are reviewed and approved by the Texas Council on Procurement Services from People with Disabilities.

  - If a product is approved, it is set aside from competitive bidding and put on a CPA term contract.
  - Purchases of services, approved by the Texas Council on Purchases from People with Disabilities, from the TIBH catalog do not require competitive bidding.

  TIBH's pricing and availability must be checked first and items/services purchased as exceptions must be reported to the CPA monthly. For more information regarding TIBH products and services, please contact **Procurement Services**.

2. Historically Underutilized Businesses (HUBs)

   - o **Overview**

     It is the policy of the State of Texas to encourage the use of Historically Underutilized Businesses (HUBs) by state agencies, and to assist agencies in the implementation of this policy through race, ethnic, and gender-neutral means. The purpose of this program is to promote full and equal business opportunities for all businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study. (34 Texas Administrative Code Part 1, Chapter 20, Subchapter B, Historically Underutilized Business Program). The UNT System is committed to achieving the State's goal of increasing contracting opportunities for Historically Underutilized Businesses (HUBs).

     A "Historically Underutilized Business" is defined as

     - a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas; and
     - at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman, and/or Service Disabled Veteran, who resides in Texas, and actively participates in the control, operations and management of the entity's affairs.

For more information on the statewide HUB program, please visit the **HUB page** on the Texas CPA website.

- o **HUB Procurement Categories**
  The Texas Comptroller of Public Accounts establishes the expenditure (object) codes as defined in the State Comptroller's Office Manual of Accounts that must be included in the semi-annual and annual statewide HUB reports for each procurement category. These are the codes used as Alternate Accounts in EIS by the UNT System.

  The current Procurement Categories are as follows:
  - heavy construction other than building contracts;
  - building construction, including general contractors and operative builders contracts;
  - special trade construction contracts;
  - professional services contracts;
  - other services contracts; and
  - commodities contracts.

  See the full listing of object codes for each category on the **Texas CPA website**.

  Additional information on expenditure (object) codes can be accessed via the **State Comptroller's Office Manual of Accounts**.

- o **HUB Subcontracting Plan (HSP)**
  State agencies and institutions of higher education considering entering into a contract with an expected value of $100,000 or more must determine whether subcontracting opportunities are probable under the contract.

  If subcontracting opportunities are probable, the agency's bid invitation or other purchase solicitation documents with an expected value of $100,000 or more must state that probability, and require a HUB Subcontracting Plan (HSP). Although not all solicitations of $100,000 or more will require the HSP, contact the **UNT System HUB Program** to ensure one is completed if there is any probability of subcontracting.
  The HSP must be submitted at the same time as the response (bid, proposal, offer, or other applicable expression of interest), except for construction contracts involving alternative delivery methods. For construction contracts involving alternative delivery methods, the HUB Subcontracting Plan (HSP) may be submitted up to 24 hours following the date/time that responses are due provided that responses are not opened until the HSP is received and approved.

  Responses that do not include a required HSP in accordance with state requirements must be rejected due to material failure to comply with advertised specifications in accordance with Texas Administrative Code (TAC) Rule §20.14(a).

- o **HUB Utilization Goals**

  The current goal per *Texas Administrative Code (TAC) Rule 20.13* is for each state agency to make a good faith effort to assist HUBs in receiving a portion of the total value of all contracts the agency expects to award in a fiscal year in accordance with the percentages below. The UNT System follows the recommended State of Texas goals that were established through a disparity study.

%	Contract Type
11.2%	Heavy construction other than building contracts
21.1%	All building construction, including general contractors and operative builders' contracts
32.9%	All special trade construction contracts
23.7%	Professional services contracts
26.0%	All other services contracts
21.1%	Commodities contracts

- o **How to Locate HUB Vendors**

  To locate HUB vendors
  - use the vendor search function in EIS eProcurement;
  - check **HUB Resources** on the UNT System Business Support Services webpage; or
  - search the Texas CPA **CMBL**.

  The UNT System HUB Program will obtain information quotes and bids from HUB vendors upon request. To request assistance, send the specifications for the goods or services with the requested delivery date to HUB@untsystem.edu.

1.5. Additional Departmental Responsibilities

1. Departmental Responsibilities
   - o **Direct Departmental Deliveries**

     Normal procedures require vendors to make deliveries to the appropriate UNT System component's Central Receiving area. However, some products and services need to be delivered directly to the department by the vendor, such as, installations and repairs. When products and services are delivered directly to the department, the department must verify receipt.

     Campus Property Managers must also be advised when equipment is delivered directly and installed by a vendor so that it can be properly tagged.

     Invoices received by departments must be forwarded to Payment Services immediately. See **Payment of Purchase Orders**.

   - o **Department of Information Resources (DIR) Contracts**

     The use of a DIR contract should be documented in the ePro requisition. The DIR contract number must be identified in the ePro justification section.

   - o **Department ID Holder Responsibility**

     Department ID holders are responsible to ensure all funds entrusted to them are managed in accordance with state law, federal law, UNT System regulations, and institutional policies and procedures. As custodian of those funds, the department ID holder takes full accountability for all processes and personnel that might affect them. The department ID holder must ensure

that personnel with delegated budget authority, and those processing Procurement Services or accounting documents, are fully trained, utilizing training seminars sponsored by Procurement Services, and/or individual on-site departmental training.

- **Departmental Records**
  Departments are encouraged to check open purchase orders in EIS Manage Requisitions until the order is complete and EIS shows a receiver for each item, or until the department has notified Payment Services that the service has been completed.

  Purchasing card approvers are responsible for ensuring the original transaction report with all necessary documentation is retained at the department level, and made available for audits for five (5) fiscal years **plus** the current fiscal year.

- **Departmental Requisition Responsibility**
  The requisitioning department is responsible for defining quantity, quality, specifications, delivery date requirements, and all other pertinent information required for proper processing. The department may also be asked to assist the Buyer in evaluating the bids received relative to a purchase for the department.

- **Paying Guest Lecturers**
  A requisition is required for guest lecturers. Submit the order prior to the lecture date. Separate the actual fee from the expenses on ePro requisitions. This provides accurate information for processing the IRS 1099 statement. See examples below for lecturers.

  Lecture Fee
  Begin the description with "Lecture fee…" Include date(s) and topic.

  Expenses
  Use separate lines. Begin the description(s) with "Estimated lecture expenses to include taxi fare $_____ air fare $____, meal on date MMDDYYYY $____, meal on date MMDDYYYY $____.

  Lecture for Students
  Use the correct category code for all line items. Include which class or to which students the lecture will be given in the description. Use the category code below in ePro.

Classification	ePro Category Code
Lecture (For Students)	924-78

  Lecture for Faculty and/or Staff Only
  Use the correct category code for all line items. Include to which employees the lecture will be given in the description. Use the category code below in ePro.

Classification	ePro Category Code
Lecture, Training (Employees)	924-86

  Upon completion of the lecture, notify **Payment Services** by email. See **Travel Expenses for Service Vendors.**

  Expenses with no Fees Involved
  Begin line with "Estimated Lecture expenses."

  Payments Needed by a Specific Date
  Please note this in Justification/Comments.

- **Contract Approvals**
  Departments do not have authority to sign contracts or Procurement Services agreements.

Some contracts also require approval by the Chancellor or Board of Regents. See **University of North Texas System Regents Rule 03.900 Delegation of Authority for Contracts and Agreements**.

If you have a purchase that requires a contract or agreement, contact **Business Support Services Contracts Area**.

- o **Open Records Request**
Notify the UNT System **Office of General Counsel** immediately if you receive a request for copies of public records including any related to Procurement Services.

- o **Disposal of Property**
To discard or dispose of UNT System non-consumable property, contact the Property Management area of the UNT component institution. **DO NOT DISCARD or place in trash**.

1.6. Governmental Procurement Services Guidelines

1. Debarment and Suspension
   - o **Debarment and Suspension**
   No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with E.O. 12549 and 12689, "Debarment and Suspension". This list contains the names of parties debarred, suspended or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549.

2. Texas Comptroller of Public Accounts (CPA)
   - o **Texas Comptroller of Public Accounts (CPA)**
   The Texas CPA is responsible for operating the state's Procurement Services program. The Texas Procurement and Support Services (TPASS) Division has a variety of functional areas to support state agencies in procuring goods and services and assisting vendors in doing business with the state. For more information, see the **Texas CPA website**. Program areas include the
     - Centralized Master Bidders List (CMBL);
     - HUB Program;
     - Texas Multiple Award Schedule (TXMAS);
     - Vendor Performance Tracking;
     - State Travel Management Program; and
     - State of Texas Charge Card Program.
   - o **CPA Term Contracts**
   Texas CPA issues state contracts for use by all state agencies and institutions of higher education. Use state contracts when using state funds, if they offer the best value to the institution. See the **Texas CPA Master Index of Statewide Term Contracts**.
   Submit CPA Term contract items on an ePro requisition. Follow contract instructions on the CPA site. Use the vendor on the CPA contract. Contact **Procurement Services** with questions.

3. Government Funds
   Notice: Procurement Standards for Purchases with Federal Funds
   The UNT System adheres to procurement standards outlined in 2 CFR 200.320.

   - o **Funds State and Local**
   Two categories of funds exist in budgets used by the institution to secure merchandise and services for UNT System. Each source of funds has specific rules and restrictions as to how its

monies can be spent. Purchases with state and local funds are administered by Procurement Services.

State Funds

State funds are appropriated by the State Legislature from the State Treasury and are on deposit with the State Treasury until disbursement. All state funds must follow State expenditure requirements. Funds held by the State Treasurer are normally not carried over from one fiscal year to the next.

Local Funds

Local funds are funds collected at the institution that are not "general revenue funds." They include contract and grant funds, gift funds, and auxiliary enterprise funds. Use of these funds is restricted by local Procurement Services regulations, the Board of Regents' rules, UNT System and component regulation and policy, and the procurement rules of the granting/contracting agency providing funds. In addition, the use of federal funds is restricted by the Office of Management and Budget Circular A-110, Circular A-21, and prudent business practices. Local funds can usually be carried over from one fiscal year to the next.

o **Grant Fund Purchases**

The following guidelines apply to all grant funds and are intended to streamline Procurement Services procedures while maintaining those policies dictated by Attachment O of OMB Circular A-11O, Circular A-21, prudent business practices, and as university policies and procedures.

- Handle each order individually.
- Conduct all transactions to provide open and free competition to the maximum extent practical. If you require a specific brand of goods from a particular vendor, you must justify restricting the order to a specific brand or a particular vendor. This justification may be added to the requisition as a line comment or as an electronic attachment. See **Proprietary Purchases**.
- Make every effort to anticipate your requirements and allow Procurement Services the time required to process your order routinely. However, in the event of an emergency, please call Procurement Services, for assistance.

All purchase requisitions on grants and contract funds managed by the Office of Grant and Contract Management (OGCM) at UNTHSC and/or the Office of Grants and Research at UNT will be reviewed for allowable cost and approved before being routed to Procurement Services.

o **Grant Subcontracts**

Requisitions for grant subcontracts to other agencies or at UNTHSC are considered to be proprietary. The Office of Grant and Contract Management or the Office of Grants and Research at UNT provides specific instructions on how these requisitions are to be submitted. Requisitions for grant subcontracts must include

- basic service requirements as identified in the contract,
- beginning and ending dates, and
- how payments will be processed.

The full amount of the contract should be encumbered and the description should state this is a "not to exceed" total. In ePro, use the category codes indicated in the table below.

Classification	ePro Category Code
Grant Subcontracts Under $25,000	999-01
Grant Subcontracts $25,000 and over	999-06

4. Contracts
   o **Contracted Workforce Procurements**

   Contracted Workforce procurements typically belong in one of four categories:
   - temporary workers supplied by staffing companies;
   - independent contractors;
   - consultants; or
   - contracted services to be performed by the vendor.

   When preparing to issue a requisition for contracted services under $10,000 on state funds, the department must electronically attach the **Temporary Contracted Workforce Payments Form**. The form documents that due consideration has been given before using temporary workers, an independent contractor, consultant, or company in lieu of UNT System employees.
   When preparing to issue a requisition to a company for contracted services over $10,000 state funds, departments must electronically attach a **Cost Benefit Analysis Form**. Departments must also document contract workforce information, for contracts over $10,000, by submitting the Contracted Workforce form to **Payment Services** when approving the invoice.

   USAS Object Codes Identified as Contract Workforce Procurements: (Alternates in EIS)

Object Codes	USAS Contract Workforce Procurements Categories
7239	Consultant Services – Approved by Governor Consultant Services – Other
7240	Consultant Services Computer
7242	Educational/Training Services
7243	Financial and Accounting Services
7245	Legal Service
7246	Medical Services
7248	Veterinary Services
7249	Lecturers – Higher Education
7252	Other Professional Services
7253	Investment Counseling Services
7255	Architectural/Engineering Services
7256	Legal Services – Approved by the State Office of Administrative Hearings
7257	Legal Services – Not Requiring Approval
7258	Maintenance and Repair Computer Software and Equipment
7262	Temporary Employment Agencies
7267	Computer Programming Services
7274	Cleaning Services
7275	Data Processing Services
7277	Purchased Contracted Services
7284	Consultant Services – Approved by Governor Consultant Services – Other
7299	Consultant Services Computer

   o **Construction Contracts**

   All contracting for construction shall be in accordance with UNT System Regents Rule 11.200, Construction Projects. Plant fund DeptID/ProjIDs must be used for construction and renovations.
   o **Institutional Contracts**

Procurement Services has negotiated institutional contracts for frequently used products and services for use by the University of North Texas System. These contracts provide cost savings and streamlined Procurement Services procedures for covered items and services.

As with state contracts, many areas are covered. Examples of materials and services covered by an institutional contract are

- an answering service;
- office supplies;
- water and/or coffee service;
- laboratory supplies; and
- uniform rental.

Procurement Services continually seeks opportunities for System-wide contracts to benefit UNT System campuses. If you have a suggestion for a contract that will benefit the UNT System, or a specific campus, contact **Procurement Services**.

o **State Contracts**

There are numerous contracts awarded by state agencies for use by all state agencies and institutions of higher education.

Texas Comptroller of Public Accounts (CPA) Term Contracts

Texas CPA is the state agency whose primary responsibility is to provide goods, services and facilities to the State of Texas. Part of fulfilling this responsibility is to establish term contracts available to all Texas state agencies. See **Texas CPA Master Index of Statewide Term Contracts**.

Texas Multiple Award Schedule (TXMAS) Contracts

These contracts have been developed from contracts that have been competitively awarded by the federal government or any other governmental entity of any state. See **TXMAS Program**.

Department of Information Resources (DIR) Contracts

DIR is an agency of the State of Texas that negotiates volume purchase agreements for quality technology products and services. All Texas state agencies are eligible to use DIRs. See **DIR**.

Texas Industries for the Blind and Handicapped (TIBH) Contracts

The Texas State Use Program is designed to increase employment and wages and to enhance the lives of Texans with disabilities. First consideration must be given to products and services they provide. Products and services they offer are listed on TIBH's Online Catalog. See **TIBH**.

5. Controlled Substances

o **DEA Controlled Substances (UNT Health Science Center)**

Drugs under jurisdiction of the Controlled Substance Act are divided into five schedules based on their potential for abuse and physical and psychological dependence. Department ID holders with a valid controlled substance license are responsible for submitting requisitions for purchases of controlled substances according to applicable UNTHSC policies and procedures including those detailed in the **Control Substance in Research Policy**.

Purchase requisitions for substances used for research that require a DEA license must be reviewed and approved by the Office of Research Compliance before being routed to Procurement Services.

The following information must be entered in the Justification/Comments:

- "NOTE TO CR: Call Dr. Name at "phone number" to pick up from UNTHSC Central Receiving; Alt Authorized Staff: Name, "phone extension.""
- "NOTE TO VENDOR: Individual Researcher License for Dr. First Name Last Name (as appears on DEA License) on file."
- "SHIP TO: ATTN: Dr. First Name Last Name (as appears on DEA License), Room 875; UNT Health Science Center."
- For Schedule II Purchases: "Transmittal Form and DEA 222 Form # to follow."

Please contact the **Office of Research Compliance** and visit their **website** for questions regarding these purchases. See **Clinical Controlled Substances**. Use the category code below in ePro.

Classification	ePro Category Code
DEA Controlled Substances	875-59

o **Controlled Precursor Chemicals**
The following items have the potential for use to manufacture illegal drugs and are considered "controlled precursor chemicals." In order to implement the Memorandum of Understanding (MOU) between the Texas Higher Education Coordinating Board (THECB) and the Texas Department of Public Safety (DPS), the chemicals on this list must be ordered through Procurement Services, not on a purchasing card. The DeptID/ProjID holder is responsible for ensuring that the correct category code is used on the ePro requisition, and for maintaining the required receiving and use records for these chemicals. If you have any questions regarding these chemicals, please contact the **UNTHSC Safety Office** or **UNT Risk Management Services**. Use the category code below in ePro.

Classification	ePro Category Code
Chemicals, Solvents, Not Gas	190-00

List of Controlled Precursor Chemicals

Anthranilic acid	Ethyl malonate	Phenylpropanolamine
Barbituric acid	Hypo phosphorus acid	Piperidine
D-lysergic acid	Malonic acid	Pseudoephedrine
Diethyl malonate	Methylamine	Pyrrolidine
Ephedrine	N-acetylanthranilic acid	Red phosphorus
Ergotamine tartrate	Norpseudoephedrine	
Ethylamine	Phenyl acetic acid	

- o **Controlled Laboratory Apparatus**
  The following items have the potential to be diverted for the manufacture of illegal drugs and are considered "controlled laboratory apparatus." To implement the Memorandum of Understanding (MOU) between the Texas Higher Education Coordinating Board (THECB) and the Texas DPS, the items on this list must be ordered through Procurement Services, not on a purchasing card. The DeptID/ProjID holder is responsible for ensuring that the correct category code is used on the ePro requisition and for maintaining the required receiving records for these items. Please contact the **UNTHSC Safety Office** or **UNT Risk Management Services** office with questions regarding these products. Use one of the category codes below in ePro.

Classification	ePro Category Code
Scientific Lab Equipment less than $5,000	334-06
Scientific Lab Equipment greater than $5,000	334-18
Scientific Lab Supply Consumables	615-02

  List of Controlled Laboratory Apparatus

Adapter tubes	Buchner Funnels	Heating mantles
Condensers	Separator Funnels	Soxhlet extractors
Distilling apparatus	Flasks: Erlenmeyer	Tableting machines
Distilling flasks	Flasks: 1, 2, or 3 necked	Transformers
Encapsulating machines	Flask heaters	Vacuum dryers
Filter Funnels		

- o **Clinical Radioactive Materials**
  All purchase requisitions for radioactive pharmaceuticals will be reviewed and approved by the appropriate authority on each campus before being forwarded to Procurement Services. Use the category code below in ePro.

Classification	ePro Category Code
Radioactive Pharmaceuticals	269-78

- o **Clinical Controlled Substances**
  All purchase requisitions for controlled substances used for clinical purposes will be reviewed and approved by the appropriate authority on each campus before being forwarded to Procurement Services. See **DEA Controlled Substances**. Use the category code below in ePro.

Classification	ePro Category Code
Clinical Controlled Substances	269-70

- **Chemical Agents That May be Used by Terrorists in MMWR**

  April 21, 2000/vol. 49/No. RR-4, the Center for Disease Control (CDC) published recommended guidelines for "Biological and Chemical Terrorism: Strategic Plan for Preparedness and Response."

  Chemicals listed in that report that might be diverted from legitimate research use are listed below. These must be ordered through an ePro requisition, not on a purchasing card. Use one of the category codes below in ePro.

Classification	ePro Category Code
Chemicals, Hazardous	190-18
Chemicals, Radioactive	193-80
Hazardous Waste Disposal Service	926-45

  List of Chemical Agents That May be Used by Terrorists in MMWR

Arsenic	Hydrogen cyanide	Sulfuric acid
Benzene	Lead compounds	Trihalomethanes (many of these)
Chloroform	Mercury	
Cyanogen chloride	Phosgene	

- **Hazardous Materials, Controlled Items, and Radioactive Materials**

  Department ID holders are responsible for submitting requisitions for purchases of hazardous materials, controlled precursor chemicals, items considered a controlled laboratory apparatus, and radioactive materials according to UNT System regulations and institutional policies and procedures. You may attach approvals electronically to the requisition. See **Controlled Laboratory Apparatus**, **Controlled Precursor Chemicals**, and **Radioactive Materials**.

- **Material Safety Data Sheet (MSDS) For Hazardous Materials**

  Normally, vendors send an MSDS under separate cover to the Safety Office, and the Safety Office redistributes copies to the ordering department. If an order is delivered with MSDS, the DeptID/ProjID holder must forward a copy of the MSDS to the Safety Office.

- **Radioactive Materials**

  Only faculty listed on the institutional radioactive materials license may purchase radioactive materials. The Procurement Services process is described in the institutional radiation safety manual, available to all authorized faculty. See **Hazardous Materials, Controlled Items, and Radioactive Materials** and the **UNTHSC Environmental Health and Safety Office**.

  Radioactive materials must be ordered through Procurement Services, not on a purchasing card. When submitting an ePro requisition, include the symbol for the isotope being ordered (e.g. 32-P) and the radioactive quantity (e.g. 250uCi) in the item description. Enter the following information in requisition Justification/Comments: **Note to UNTHSC Central Receiving about radioactive materials: Call Safety Office to pick up from UNTHSC Central Receiving**.

  Requisitions submitted in ePro with the proper category code are automatically routed to the Safety Office for approval. In order to have your requisitions for radioactive materials routed automatically to the Safety Office, use the following category code in ePro.

Classification	ePro Category Code
Radioactive Chemicals	193-80

6. Safety Guidelines
   o **Safety Standards for Electrical Items**
   The state may not purchase an electrical item unless the item meets all applicable safety standards of the Federal Occupation Safety and Health Administration (OSHA). Items purchased on purchase orders must be UL listed and used for their intended purpose.

   o **Safety Office Approval**
   The Safety Office must approve several products/equipment. Most required purchase requisition approvals involve purchasing radioactive materials. See **Radioactive Materials**; **Hazardous Materials, Controlled Items, and Radioactive Materials**; and the **UNTHSC Environmental Health and Safety Office.**
   All X-ray producing devices, Class III (b), IV, V lasers are regulated by The Department of State Health Services, Bureau of Radiation Control, and the their sale or transfer is regulated. Departments wishing to sell or dispose of these devices must contact the **UNTHSC Safety Office**.

   Items Requiring Prior Safety Office Approval

Class III (b), IV, V lasers	Fork lifts	X-ray producing devices
Explosive actuated tools	Motorized pallet jacks	

7. International Guidelines
   o **Foreign Nationals**
   Per IRS regulations, purchase orders to Foreign Nationals (Non U.S. Citizens) for services that will be rendered in the United States must include the social security number or an individual taxpayer identification number (ITIN) for the individual. These orders also require IRS forms be completed by the individual or the department. Should ePro requisitions be submitted without the required information, they may be denied to the coordinator who entered the requisition.

   If a service will be performed outside the United States by a Foreign National, a note such as "services to be performed outside the U.S." must be added in Justification/Comments. Please contact the **UNT System Tax Accountant** with questions regarding the tax forms required for payments to Foreign Nationals. See **Individuals as Vendors**.

   o **Import Permits**
   Biological agents and recombinant DNA molecules, which are to be imported, require an import permit through the USDA. It is the responsibility of the researcher DeptID/ProjID holder to ensure that the permit is secured. Additional information, USDA contact phone numbers, and online permit applications are available on the **USDA website**.

   o **Export Controls**
   The policy of the UNT System is to comply with federal export control laws and regulations, including the Export Administration Regulations (EAR), the International Traffic in Arms Regulations (ITAR), and the Office of Foreign Assets Control Regulations (OFAC). Export controls apply to all research or projects conducted under the auspices of UNT System. This includes many activities of UNT System such as
   - travel with UNT System owned electronic devices outside the United States;
   - shipping or taking research data, results or equipment to embargoed/sanctioned countries; hosting foreign visiting scientists;
   - exporting select agents; biological/chemical/radiological agents; and
   - paying or providing services to foreign entities/persons on the sanctioned lists.

It is the responsibility of faculty and administrators to be aware of and comply with the law relative to their work, students assisting them in their work or research, and agreements and collaborations with others to ensure no exports are made contrary to law and the UNT System's policies and procedures regarding U.S. export controls.

1.7. Contracts & Agreements

1. Agreements
   - **Maintenance/Service Agreements**

     Contracts for maintenance service on UNT System owned equipment must be covered by a purchase order. Departments are not authorized agents and do not have the authority to sign maintenance agreements. Therefore, all maintenance agreements must be submitted through the requisition process.

     A maintenance agreement is classified as a service contract. Because of the service classification, these agreements are subject to the bidding process. Some maintenance agreements are competitive, and some are restricted to one service provider. If you need a maintenance agreement that is restricted to one provider and the total is more than $5,000, a **Proprietary/Sole Source Purchase Justification Form** must be submitted with your requisition. Payment for services on state funds must be made against the fiscal year in which the services are rendered. Payments for services provided during two or more fiscal years are prorated. **Payment for maintenance contracts on an annual basis is an exception.**

   - **Master Purchasing Agreements for All Use**

     For services or goods that are common across campuses, Procurement Services Buyers can request and award formal bids to vendors as master purchasing agreements. See **Contract Pricing** on the UNT System Business Support Services webpage for a list of current services/goods and vendors. Any department, regardless of campus, may use these agreements when applicable, for the content in which they were written. Bidding is not required.

     Contract pricing is applicable to preferred vendor contracts, where many items or services are offered at deep discounts. Departments are encouraged to make purchases through the preferred vendor contracts whenever possible.
     The requisition requires
       - service or goods be fully identified;
       - the vendor name and contract number; and
       - a category code based on item or services provided.

   - **Procurement Services Contract Administration**

     Contracts that involve the obligation of UNT System funds must be reviewed by the Business Support Services Contracts team for compliance with applicable statutes and with the *University of North Texas System, Regents Rule 03.900 Delegation of Authority for Contracts and Agreements* prior to their submission for signature by those with authority to sign such documents for the UNT System. All proposed contracts involving expenditures should be attached to an ePro requisition and submitted to Procurement Services for handling, except for construction contracts that have been pre-approved by the Office of General Counsel. Purchase orders involving contracts will not be issued until the contract is properly executed.

UNTHSC Contracts
The UNTHSC Contracts Office must review and approve UNTHSC contracts. For information on UNTHSC contracts policies/processes, refer to the **UNTHSC Office of Contract Administration website**.

UNTS OFPC Contracts
The UNT System OFPC must review and approve construction contracts related to major projects or for minor projects that have been delegated by the Chancellor to the Vice Chancellor for Facilities.

o **Reporting Requirements for Contracts Over $1 million**
Contracts for goods or services exceeding $1 million must be monitored for compliance with financial provisions and delivery schedules, corrective action plans, and liquidated damages. The Business Support Services Contracts Area will be responsible for contract monitoring. Departments are required to assist in this process by responding to periodic inquiries from the Contracts Area regarding progress monitoring. In the event that any serious risks or issues are identified with a monitored contract, the Contracts Area will immediately notify the Senior Director of Procurement Services and the Associate Vice Chancellor for Finance and Administration.

Additionally, contracts valued or reasonably expected to exceed $1 million that are emergency purchases or that are not competitively bid must be reported to the Legislative Budget Board. Emergency purchases must be reported within 48 hours of making payment. Non-competitively bid purchases must be reported ten days before the first payment.

o **Reporting requirements for contracts over $5 million**
For contracts for goods or services that have a value exceeding $5 million, the Senior Director for Procurement must verify in writing that the solicitation and purchasing methods and contractor selection process comply with state law as well as UNT System Regulations. Additionally, the Senior Director for Procurement must notify the Board of Regents of any potential issue that may arise in the solicitation, purchasing, or contractor selection process.

o **Reporting requirements for contracts over $10 million**
Contracts with a value of at least $10 million or that are reasonably expected to exceed $10 million must be reported to the Legislative Budget Board at least ten days prior to the first payment.

o **Interagency Cooperation Contract**
The state provides that a state agency may contract with another state agency to render services and/or materials and the receiving agency will reimburse the performing agency for the cost. Agreements involving payment of funds in any amount from the UNT System to another state agency will require a purchase order. The Accounting Office must be contacted in order to set-up the transaction in USAS if the UNT System is receiving payment from another state agency.

Contracts totaling $25,000 or more
These contracts require an Interagency Cooperation Contract (IAC) signed by the authorized signatory in order for it to be binding. The IAC number must be noted on the purchase order. When work is completed or goods received, send notification referencing the purchase order number to Payment Services. If all items are in order, Payment Services will process for payment.

Transactions over $2,500

These transactions require a letter of agreement or a written contract. Purchase orders are usually sufficient for this level.

Please contact **Procurement Services** or the **Office of General Counsel** if you need assistance with an interagency contract.

2. Electronic Agreements
   o **Clickwrap Agreements**

   Clickwrap refers to a legally binding agreement accepted prior to the first use of software or service, usually by clicking "I accept" on a screen containing terms and conditions of use.

   Clickwrap agreements are essential reading. Users must know what rights they have to use the software. For example, restrictions for making copies of the software, restricted uses, rights available if the software doesn't perform as expected. Your rights depend on what your software license says. Clickwrap agreements must go through the contract review process and be approved by an individual with appropriate signature authority to bind the institution. Frequently, terms of Clickwrap agreements can be addressed with a vendor and modified to better serve the institution's requirements and needs.

   Purchasing cards should not be used to purchase software or other services requiring the acceptance of a Clickwrap agreement until Procurement Services has reviewed and approved the use of the Clickwrap. When submitting as a requisition, the terms of a Clickwrap agreement must be downloaded/printed and attached to the requisition so that the appropriate signature authority may be obtained to authorize the user to click "I accept." Terms may also be submitted to Procurement Services in the form of an email when the department purchasing card is to be used. Procurement Services will then review and authorize, when possible, the use of the purchasing card. For easy use of department purchasing cards, view the listing of **approved Clickwrap Agreements**.

   Direct questions about Clickwrap agreements to **Business Support Services Contracts Area**.

   o **Electronic and Information Resources Accessibility**

   Accessibility rules established by the Texas Department of Information Resources (DIR) were developed to ensure that employees with disabilities have access to and the use of resources comparable to the access and use available to employees without disabilities. UNT System strives to provide electronic and information resources (EIRS) that are accessible to all members of the UNT System community and meet the requirements of the Texas DIR. Departments or individuals are required to comply with DIR accessibility rules and with UNT System regulations and institutional policies and procedures related to the development, procurement, maintenance or use of electronic and information resources.

1.8. UNT Health Science Center – Specific Information

1. UNTHSC

   o **Ethanol – Tax Free Alcohol**
     All purchase orders for 95% or 100% ethanol must be processed through the UNTHSC Pharmacy. The Pharmacist is responsible for maintaining accurate inventory records for acquisition of these types of alcohol. In addition, the UNTHSC has an Industrial Alcohol User Permit and Special Tax Stamp that exempts the user from the alcohol tax applied to the purchase of alcohol. The Pharmacist monitors orders to ensure Procurement Services fulfills the requirements of these permits. Please contact the Pharmacy with any questions.

   o **Indirect Cost DeptID/ProjIDs (67XXX DeptID/ProjIDs)**
     Indirect cost DeptID/ProjIDs (67XXXs) are intended to be used for reasonable purchases to grow and support research programs. The Office of Grant and Contract Management (OGCM) is not currently required to review and approve expenditures on F&A recovery DeptID/ProjID, but should be contacted on questionable costs. Internal Audit will review expenditures on these DeptID/ProjIDs as part of their annual Audit plan. If you are aware of inappropriate expenditures on these DeptID/ProjIDs, you have a responsibility to report that to the OGCM or the Institutional Compliance Office. Please contact the **OGCM** if you have any questions regarding these funds.

   o **Temporary Personnel**
     Requests for temporary personnel must first be directed to the UNT System Human Resource Services office. If they are unable to provide someone from the Temp Pool, submit a requisition with the following information:
     - hours to be worked;
     - date to begin and end;
     - address or room number to which personnel are to report;
     - contact person and extension number;
     - duties that will be performed; and
     - skills required
        o computer skills (data input, word processing, speed, etc.), software used;
        o filing;
        o telephone answering (single line, multi-line, etc.), and
        o Specialty skills: nursing, medical terminology, insurance form (shorthand).

     Use the category code below in ePro.

Classification	ePro Category Code
Personnel Services, Temporary	962-69

   o **Clinical Trials**
     The UNTHSC Office of Clinical Trials must review and approve all purchase requisitions on clinical trial funds before being routed to Procurement Services.

   o **Simulated Patient Payments**
     Payments to simulated patients may only be made by submitting a requisition in the ePro system. The patient shall be established in the ePro system as an independent contractor and the requisition must have appropriate documentation consisting of a standardized agreement which includes the patient's name, script to be performed by patient, date of service, amount to be paid, as well as signature by patient and appropriate TCOM personnel. Payment may be

made once confirmation is made in the ePro system that the patient has in fact participated in accordance with the standardized agreement.

o **Animals**

In order to assure the approved space is available for newly purchased animals and to ensure that animals are purchased from approved vendors, all purchase orders for live, vertebrate animals must have the approval of Lab Animal Medicine. If there is a problem with the order and the referenced vendor cannot supply the specified animals, the order will be cancelled and the end user will be notified to issue another order. In Justification/Comments include the

- animal Control number; and
- investigator's name.

In order to have your requisitions for research animals routed automatically to Lab Animal Medicine for approval, use one of the category codes below in ePro.

Classification	ePro Category Code
Research Animals, less than $5,000	040-00
Research Animals, Capitalized	040-31

o **Printing/Publications**

Any printed publications (e.g. brochures, fliers, newsletters, etc.) intended for mailing/distribution to external audiences, must be designed professionally and approved by Marketing and Communications or an outside designer working with the Marketing and Communications department. Their department coordinates planning and producing publications. There is no charge for the service.

Texas State law also requires UNTHSC to send copies of its publications to the Texas State Library as part of the Texas State Publications Depository Program. The Technical Services Librarian in the Gibson D. Lewis Health Science Library is the Health Science Center's contact for the Depository Program. If your area currently produces publications of any kind, contact that office before printing to determine whether copies are needed for the State Depository Program, and if so, how many. In addition, at least one copy of every publication should be sent to the Technical Services Librarian to retain in the UNT Health Science Center archives.

o **Direct Departmental Deliveries**

Normal procedures require vendors to make deliveries to UNTHSC Central Receiving. However, some products and services need to be delivered directly to the department by the vendor, such as, installations and repairs. When products and services are delivered directly to the department, the department must verify receipt.

UNTHSC departments should send an email for products or services received directly:

- For products received directly, email the **UNTHSC Receiver Request Office**.
- For services received directly, email **Payment Services**, indicating services are complete and the date service was provided.

Campus Property Managers must also be advised when equipment is delivered directly and installed by a vendor so that it can be properly tagged.

Invoices received by departments must be forwarded to Payment Services immediately. See **Payment of Purchase Orders**.

1.9. Requisitions

1. Requisitions
   - **Requisitions for Supplies and Equipment**
   Requests for supplies, equipment and services, including repairs to buildings and equipment, must be submitted on an ePro requisition and approved by the authorized DeptID/ProjID or designee. Requisitions are actual obligations of departmental funds and they must show the actual or estimated cost.
   - **Due Dates**
   In EIS, the Due Date signifies a delivery due date for the vendor, or the beginning and ending dates for services. In most cases, using current realistic future date is acceptable for goods. For Services, use the ending date of the service. Examples:
     - 8/31/XX - maintenance, blanket order with effective date for the fiscal year
     - 9/30/XX - memberships, subscriptions with effective dates of 10/1/XX – 9/30/XX
   Procurement Services' goal is to process properly submitted requisitions within the processing times listed under the "Procurement Services Process." If the product/service is needed in shorter time than normal processing times would allow, follow **Rush Procedures**.
   - **Description on Requisitions**
   The description on an ePro requisition should be concise, but complete. It is not enough to put only a catalog number, model number, or a single word description. Be as specific as possible at the beginning of the description, as the appropriate UNT System component's Central Receiving area and Payment Services view only the first 30 characters of the description.
   Products
   For products, begin the description with the generic description of the item, followed by a catalog or other product number. Where appropriate, state the size, color, weight, functions, etc. When using box, package, carton, case, or other bulk terminology for the Unit of Measure, include the number per carton case, etc. in the description. Example: 4/bot/ctn.
   Description of Product Examples
     - Incomplete: Tubes, 21008-678
     - Complete: Corning 15 mi Conical Centrifuge Tubes Sterile, 21008-678, 500/case
   Services
   For services, begin the description with specific information and include date(s) of services or effective dates. There is no need to include "For services to be rendered to provide".
   Description of Service Examples
     - Incomplete description: Scanner Maintenance
     - Complete description: FYXX Annual Maintenance for Kodak 1780 Document Scanner (S/N #5150). Effective 9-1-XX to 8-31-XX
   - **Encumbrances**
   Pre-encumbrances
   Pre-encumbrances begin with the budget check of a requisition in the ePro process. Requisitions require a valid pre-encumbrance be submitted for approval.
   When a budget check is performed on a requisition, it represents a review of budget monies available for the purchase and a "set aside" of those funds for future payment to a vendor. Each activity associated with budget checks may be reviewed through the online Cognos system, the software used by UNT System for budget reporting, which reflects the flow of encumbrance activities. Transactions are updated to the Cognos database nightly.

Encumbrances

Encumbrances occur when POs are budget checked and they reserve or hold funds for future payment to the vendor. Budget checking is one of the steps in the process when Procurement Services create the PO from the approved requisition. The PO process should automatically reverse or negate the pre-encumbrance of a requisition.

Expenses

Expenses are the financial activity with the payment process of a voucher. An invoice is generally the catalyst for the payment process. Budget checking a voucher should automatically reverse or negate the dollar amount from the PO encumbrance. The payment to the vendor is reflected as a debit to the DeptID/ProjID. A DeptID/ProjID holder of record must personally review and certify budget transactions monthly.

- o **Justification/Comments on Requisitions**

  A business justification is necessary for each and every purchase/request for reimbursement made with UNT System funds.

1.10. Purchases Requiring Special Handling

1. Memberships

   - o **Professional Organizations**

     Memberships in Professional, Educational, and/or Learned Organizations are, in general, payable from local or state funds. Memberships purchased with state funds must be in the name of the institution. Individual memberships are considered a personal expenditure, and as such, are not payable from state funds. Individual memberships may be paid using appropriate local funds if documentation is provided that indicates a savings by joining individually rather than as an institution or documentation is provided that indicates only individual memberships are accepted.

     State funds cannot be used for payment of membership dues to an organization on behalf of the agency or an employee of an agency if the organization pays all or part of the salary of a person required to register under Chapter 305, Government Code. Use the **Ethics Commission's home page** to check the status of organizations. If the organization is on this list, state funds may not be used for the membership.

     The order must include
     - the complete name of the organization;
     - the effective dates of membership;
     - the membership number (if available); and
     - the representative's name.

     Sample Description

     Membership dues to American Osteopathic Association. Representative: John Smith, D.O. Effective 6/1/11 through 5/31/12.

     Memberships on state funds must also have the approval of the appropriate President or designee. Due to the legislation that requires this approval, the delegation for this function is not to be delegated further.

     A statement detailing the benefits the UNT System will receive from the membership must be included on all membership orders. Add the justification as a line comment or electronically attach a memo to the requisition. Use one of the category codes below in ePro.

Classification	ePro Category Code
Membership on a state DeptID/ProjID	963-48
Membership for a local DeptID/ProjID	999-07

o **Chamber of Commerce**
Memberships to a chamber of commerce are only allowed on local funds as long as the DeptID/ProjID allows that type of purchase.

o **Club Memberships**
Memberships in country clubs must have the appropriate President's approval. This is usually contained in the hire letter and allows local funds to be used. Club memberships not approved by the President or contained in the individual's hire letter, must be paid from gift funds. To be reimbursed, complete the **UNT System Social Club Reimbursement Form**.

2. Rentals
o **Machines and Equipment**
Rental for some equipment is handled through the CPA if it is available on State Term Contract. Some examples are photocopiers and mailroom equipment. Rental involving the use of state or local funds for equipment not on term contract must be handled according to the same rules governing the purchase of materials.

Procurement Services recommends submitting the requisition 4-7 weeks before the desired rental start date to have the equipment in place when needed. Include the following:
- a complete description of the equipment or machinery;
- the period the rental is to cover (start and end dates);
- the previous purchase order number (if applicable); and
- the location where the equipment or machinery is to be placed.

Rental cannot be paid for any period prior to the beginning date shown on the order or after the expiration or cancellation date of an order, unless a month-to-month rental is agreed upon. Do not accept any equipment or machinery from a vendor under a rental agreement until you are notified by Procurement Services that an agreement has been approved.

Search in ePro for category codes by "contains rental" or "contains rental/lease". Examples of rentals are listed below.

Classification	ePro Category Code
Rental-Booth, Convention/Exhibits	971-70
Rental-Office Bldg./Office Space	971-45
Rental-Reference Material	981-20

o **Vehicle (not employee travel related)**
Departments should first seek the use of vehicles or trucks from Facilities Fleet. If a vehicle is not available or capable, departments may seek this service from an outside vendor. Renting a vehicle often requires a written contract. See **Contracts** for further processing requirements.

Additional Insurance
Additional insurance is recommended when renting a truck for transporting goods, but Risk Management Services does not recommend additional insurance for passenger vehicles if the driver is already covered to drive a university or UNT System vehicle.

Each requisition should contain the following:

- If value exceeds informal bid limits ($5,000.01), follow **Bid Requirements** and document on the requisition bid tab.
  Note: If historical value exceeded $25,000, contact **Procurement Services** for formal bid instructions, or **bid exception** documentation such as **Contract Pricing.**
- An electronically attached rental agreement contract (unsigned).
- Documentation in the requisition's justification comments section explaining
  - why an outside vendor rather than Facilities Fleet is being chosen;
  - the purpose of the rental; and
  - the benefit to UNT System.
- Identification of additional insurance (**only** if renting a truck to transport goods). Exception: Vehicles rented as part of an employee travel or team travel.

- **Lease of Space**
  The UNT System may process leases of space regardless of the fund source. The designated leasing liaisons for UNT System are the Chancellor, the President of each UNT component university, and their designees. Use one of the category codes below in ePro.

Classification	ePro Category Code
Rental/Lease of Office Space	971-45
Rental/Lease of Storage Space	971-70

3. Services
   - **Legal Services Provided by Outside Attorneys**
     Legal services provided by outside attorneys must be handled through the UNT System Office of General Counsel due to requirements of the Office of the Attorney General (OAG). Please contact the UNT System **Office of General Counsel** regarding these services.

   - **Speakers, Performers, Judges, Officials**
     Speakers, Performers, Judges and Officials are considered Independent Contractors and do not require an **Independent Contractor or Employee Form** to be completed. However, should any have a **prior employment history** with UNT System; they must be paid through the Payroll Office and not on a requisition. Departments should confirm employment history for the last 12 months before creating a requisition.

     While a speaker contract is not a UNT System requirement, Procurement Services can provide a sample agreement that was drafted by UNT System General Counsel. The agreement ensures the terms agreed to between the speaker and the department. Though this agreement is not required, if used, appropriate signature authority must be obtained.

     Departments should **confirm the nationality of the individual before inviting them *to participate***. See **Foreign Vendors** and contact the **UNT System Tax Accountant.** Payment for services and payments on behalf of foreign vendors, including travel expenses, may be subject to IRS withholding, or may not be allowed, due to terms of the individual's visa status. When departments elect to pay travel expenses, prudence should be practiced by setting limitations prior to commitment. It is recommended that travel expenses be paid by the individual, who can then be reimbursed, but departments can elect to pay third party vendors such as airfare and lodging directly. Travel expenses for non-employees and non-UNT System students should be processed on a requisition, not a travel voucher. If reimbursing the traveler, it's recommended that the reimbursement occur after the trip is

taken. If reimbursing before the trip, the department should state on the requisition that they are accepting the risk of loss.

Regardless, IRS withholding may still apply and it will be the department's responsibility to see those services delivered to the individual.

Each requisition should contain

- The name of the person or group.
- Confirmation the individual is a US Citizen (if not, see **Foreign Vendors** for processing requirements).
- Confirmation the individual is exempt from **Independent Contractor or Employee Form**, (if not, see **Independent Contractors** for processing requirements).
- Confirmation the individual is not a prior employee (if prior employee of UNT System within the last 12 months, vendor must be paid through the Payroll Office and not on a requisition). For questions, contact the **UNT System Tax Accountant**.
- The date and location of event.
- The benefit of the event to the UNT System.

Requisitions for travel expenses including airfare or lodging must contain all the above, and also include:

- The third party vendor contact person, phone and fax number and/or email address.
- Electronically attached flight itinerary showing amount for rush payment. If airfare, state contracted rates are not allowable, but departments may use a travel agency.
- Date of travel or expected stay and a confirmation number if available.

Checks for Speakers, Performers, Judges and Officials will be mailed or transferred electronically (EFT) within 30 days after services are performed. The requisition must include the date the services are performed.

4. Employee Specific

   o **Training and Development**

   The UNT System may provide training and development programs related to either current or prospective duty assignments in three areas: in-service training programs, out of agency staff development programs, and internship training programs.

   In-service training includes continuing training programs that are job oriented to equip an individual to properly perform assigned tasks, to develop additional work capabilities, or to increase his/her level of competence.

   If a vendor will be providing training at the UNT System component, submit a requisition following guidelines under **Lecturers.** Use the category code below in ePro.

Classification	ePro Category Code
Lecture, Training (Employees)	924-86

   Training away from the UNT System component or an employee's designated headquarters is handled as a registration or as tuition. Fees for seminars, conferences, and training sessions (except for tuition to institutions of higher education) are processed as registrations. See **Registration Fees**.

   For additional information on training, see Government Code 656.041, which is cited as the State Employees Training Act.

- o **Tuition Payable to the UNT System component**

  Payments for tuition payable to the UNT System component must be routed through Financial Aid instead of Procurement Services. Contact the appropriate UNT System component Financial Aid office for assistance with these payments.

- o **Moving Expenses/Relocation**

  The appropriate Vice President or President must approve Moving/Relocation expense reimbursements for new employees before a requisition is submitted, regardless of the source of funding. Though many of the expenses are travel in nature, moving/relocation expenses should be submitted on a requisition, not a travel voucher. This includes moving/relocation expenses for house-hunting trips and other travel related transactions that are authorized by the hire letter.

  Electronically attach a copy of the new employee hiring letter or employment contract, which clearly authorizes and defines such expenses, to the requisition for processing.

  When the hire letter authorizes moving expense only, recommend new employees identify moving vendor of choice and pay out of pocket and seek reimbursement after the move. Expenses beyond the approved monetary amount included in the hire letter are the sole responsibility of the individual.

  A purchase order may be requested for payment to moving vendors that are part of a group Procurement Services program. Departments should seek the most current list of identified vendors from Procurement Services when the move is requested. The purchase order should not exceed the monetary amount stipulated in the hire letter.

  When the hire letter authorizes relocation expenses, a check is issued to the new employee for the total amount authorized. The amount will be taxed on the following payroll check.

  Mileage reimbursements to employees in excess of the IRS mileage rates will be taxed.

  Requisitions should contain
    - an electronically attached employee hire letter, indicating the authorized reimbursement amount. Total Requisition value must not exceed the total authorized on the Hiring document;
    - an electronically attached proof of payment of approved expenses related to the move, as appropriate for reimbursement requests; and
    - an electronically attached quote from the vendor, in order to approve a purchase order for a moving/relocation vendor.
      Note: Vendors must be a member of an approved group Procurement Services program – see **Moving Contracts** on the UNT System Business Support Services webpage for list of current authorized moving services vendors.

  Moving expenses in excess of the approved monetary amount listed in the hire letter are the sole responsibility of the employee. Use the category code below in ePro.

Classification	ePro Category Code
Moving Services	999-03

- o **Travel**

  Employee and Prospective Employee travel is handled through Travel Services. This includes reimbursements for expenses while in the state of travel, including airfare, meals, lodging, incidentals, mileage and parking. See **Travel Guidelines** on the UNT System website.

  Travel Expenses for Service Vendors

  Reimbursements for travel expenses for consultants, lecturers, speakers, or other non-

employees who are travelling on UNT System-related business must be submitted on a Procurement Services requisition. Please note that travel expenses incurred by consultants or non-employees are considered normal service expenses and are not considered travel by the State Comptroller's Office. Any travel expenses to be paid to the vendor should be included on the requisition submitted to Procurement Services and be coded the same as the service. The vendor may pay their own travel expenses and claim reimbursement after the service is complete. Contact **Payment Services** with questions on payment for these services. Best practice and recommended process is to allow a set amount for travel and include it as part of the fee (as an example, 10% of the service fee, or $500, etc.).

Each requisition should contain
- the purpose and benefit to UNT System;
- the date and location of event;
- an electronically attached proof of payment on itemized receipts for reimbursement (if reimbursement is limited and does not match the receipt amounts, specify such in the requisitions justification to confirm the difference is deliberate); and
- electronically attached supporting documentation from vendor (such as airfare itinerary) if paying a third party, so rush payment can be made.

o **Awards**
Monetary and non-monetary awards should be based on a competitive basis and should not show favoritism. Tokens of appreciation given by a department in honor of retirement or accomplishment are NOT awards. Please refer to the **Gifts** section for additional information. Procurement Services recommends physical awards (e.g. plaques, eagles, etc.) personalized with the individual's name since they are deemed to have $0 fair market value and are not taxable to the individual.

UNT System Human Resource Services handles programs for service awards, safety awards, or other similar awards to be presented to employees for professional achievement or outstanding service.

Award checks will not be disbursed until after the date of the presentation event. It is suggested that a certificate be presented notating the accomplishment with a statement indicating that the check will be sent via US mail or EFT within 30 days. This applies to all classifications of awardees: Faculty, Staff, Students, Non-Employees, and Non-Students.

Payments to employees for monetary gifts and awards must be processed through the Payroll Office via ePAR unless exempted by other institutional policy or procedure. Use one of the following category codes in ePro for awards.

Classification	ePro Category Code
Service Awards greater than $100, Employee	080-65
Service Awards less than $100, Employee	080-65
Trophies, Plaques, Awards, Certificates, etc. – Non-employee	080-78

Awards to non-university students
Follow the same principle, as with employees, and use a competitive basis. Unlike employees, cash awards are allowable, but an **Award Payment Form** must be completed and sent to the **UNT System Tax Accountant** in the Payroll Office to be reviewed for possible withholding.

Awards to UNT System university students should be vetted by the appropriate Student Financial Aid office and may not be processed through a requisition unless grant funds are used. See **Foreign Vendors** and **Gifts**.

Awards cannot be purchased with a departmental purchasing card.

5. Fees

o **Visa Fees**

Visa fees for new hires and visa renewal fees for current employees are coordinated by the UNT System Human Resources Office, and are subject to change. They may be paid with either state or local funds. After departments receive notification from Payment Services that checks to the Department of Homeland Security are ready, they must pick up the checks and take them to Human Resources to be mailed with the proper visa paperwork. Do not send checks directly to U.S. Citizenship and Immigration Services (USCIS), as this will delay processing. The current processing fees for filing an H1B on Form I-129 petition are as follows:

- $325.00 application fee for normal processing (use vendor number 19212);
- $500.00 Fraud Prevention and Detection Fee (must be sent as a separate payment).

The current fee for filing of the H1B under Premium Processing I-907 is as follows:

- $1,225.00 Premium Processing Fee (use vendor number 19212).

All legal services related to visa processing provided by a contracted outside attorney must be handled through the UNT System **Office of General Counsel** (OGC), and will be processed as follows:
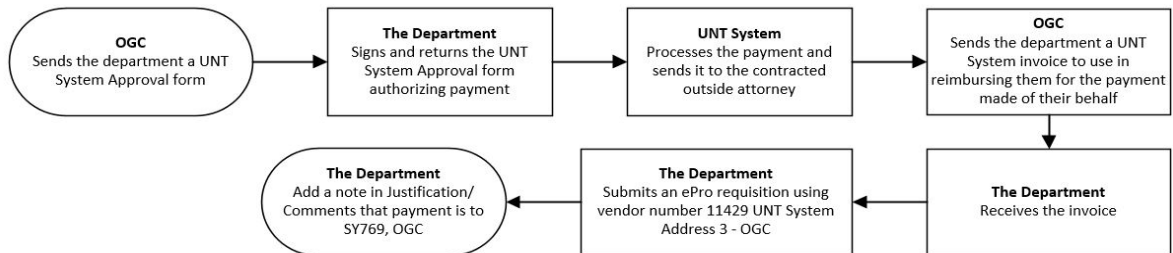
Use the category code below in ePro.

Classification	ePro Category Code
Legal Services, Attorneys	918-74

Human Resource Services will coordinate all payments regarding these services. If you have questions, please contact Human Resources.

o **Notary Fees**

The State of Texas does not require employees designated as notaries to purchase notary bonds. All other notary regulations must be followed. The state provides defense and indemnification to a state employee for damages, attorney's fees, and court costs adjudged against them when the damages are based on an act or omission in the course and scope of the person's employment. *(Civil Practice and Remedies Code Section 104.001)*

When notarizing documents outside the course and scope of your work duties, you will not have protection for your actions unless you personally purchase the notary bond.

The State Office of Risk Management's (SORM) procedures and forms for Notary without Bond can be found on the **SORM website**.

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- o **Course Fees and Special Service Fees**
  Purchases funded with course fees and special service fees must follow institutional policies and procedures. Generally, any equipment purchased with these funds must be necessary to provide the services for which the fee is collected. The DeptID/ProjID holder is responsible for ensuring all purchases meet this requirement. Please refer to the **UNTHSC Fund Group Guidelines** or contact **Accounting** with questions regarding purchases on these funds.

- o **License Fees**
  Some state employees such as certified public accountants, architects, engineers, real estate agents, and attorneys must obtain and/or renew professional licenses or certificates. According to **Opinion Texas Attorney General No. JM-1063** (1989), an agency may pay the fees that are necessary for an employee to obtain or renew a certificate or license if
  - the agency determines payment is directly and substantially related to the agency's governmental functions; and
  - the agency would receive an adequate return on payment.

  A requisition for license fees must include a statement explaining how payment of the license and/or certificate fee meets these two conditions. Also include verification that the license and/or certificate are required for the employee's position at the UNT System component. Use the category code below in ePro.

Classification	ePro Category Code
License Fees	999-50(Fees and Other Charges)

- o **Registration Fees**
  Payment of registration fees and related expenses for state employee training, seminars, and conferences attended by state employees and officials are allowable purchasing card purchases. Use the category code below in ePro.

Classification	ePro Category Code
Registration Fees	963-64

  Note: The purchasing card should be used, except for registrations on Texas Advanced Technology Research Program funds, which appear in the G352XX, G354XX or RS9001-RS9499 range. Submit registrations on these funds to Procurement Services with an ePro requisition.

6. Gifts and Gratuity
- o **Contributions**
  Contributions to other organizations must be supported by a justification on the requisition that indicates the contribution is within the mission of the department. Only funding sources that allow contributions may be used. See **Gifts**.
  Each requisition should contain the following:
  - an invoice or approved solicitation such as requests from student organizations; and
  - justification of how the contribution benefits the UNT System.

  Use the category code below in ePro.

Classification	ePro Category Code
Awards – Non Employees	080-78

- o **Flowers, Floral Arrangements, and Plants**
  State agencies may not use state funds to purchase flowers, floral arrangements, or plants. A state agency may not use appropriated money to purchase, lease, or maintain live or artificial indoor plants. Local funds have no such restrictions and may be used to purchase flowers, floral arrangements, and plants for employees in celebration of a birth or adoption of a child; for an illness; for the family of an employee who passed away or for an employee who had an immediate family loss; for the family of a student who passed away; for decorations at events such as a luncheon or conference meeting; or for administrative professional's day. Use one of the following category codes in ePro.

Classification	ePro Category Code
Flowers and Floral Arrangements	595-03
Plants, Indoor as office decor	334-06
Plants, Flowers as part of Ground Maintenance	595-28

- o **Tips**
  An employee may be reimbursed for tips associated with official UNT System business and/or travel under the following conditions:
  - Payment/reimbursement is made from local funds. State appropriated funds may not be used for the payment/reimbursement of tips.
  - Amount of tips must be appropriate with a maximum of 20%.
  - Receipt showing the tip amount is required. A copy of the receipt should be submitted electronically with the ePro requisition.

  Contact **Travel Services** for questions on tips related to travel.
  Note: Tips are not allowed on UNTHSC grant funds.

7. Alternate Tender
   - o **Gifts Cards**
     Gift cards in any amount are treated like cash and require extensive cash control documentation for IRS reporting requirements. See **Petty Cash**, **Research Participant Payments**, and **Simulated Patient Payments**. Gift card use is discouraged.

     All cash or cash equivalent gifts and awards including gift cards given to employees must be processed through the Payroll Office and subjected to IRS taxing regulations unless exempted by other institutional policies and procedures.

     Gift cards should **NOT** be used for special purposes for employees, family members of employees, students, volunteers, or other individuals or groups. Any commitment or purchase of gift cards by individuals are considered unauthorized purchases and the individual may incur a personal obligation to the vendor. Use one of the category codes below in ePro.

Classification	ePro Category Code
Service Awards greater than $100, Employee	080-65
Service Awards less than $100, Employee	080-65
Trophies, Plaques, Awards, Certificates, etc. – Non-employee	080-78

- o **Petty Cash**

  Petty cash funds are established by the authority of the Vice President for Finance or their designee. To establish a cash fund, a request should be submitted to the Financial Reporting area of the UNT System component. The funds are used as change funds for sales and/or services provided by the department and for small incidental expenditures that cannot otherwise be paid with UNT System checks or the purchasing card.

  Petty cash fund custodians are responsible for the monies and must be full-time benefits eligible UNT System employees. They are required to routinely balance the account and to request reimbursements. Expenditures must meet the legal requirements for the fund group. The funds may not be used to circumvent current Procurement Services and payment procedures and are subject to surprise reviews by the UNT System Internal Auditors. Detailed instructions will be given to the fund custodian by Payment Services at the time the funds are established.

8. Refunds and Reimbursements

   - o **Reimbursement to DeptID/ProjID Holders (Non-Travel)**

     DeptID/ProjID holders must have their supervisor's approval for reimbursements to themselves, and cannot be processed without the additional approval.

     This approval may be obtained through the EIS ePro system by the ePro coordinator inserting the Ad Hoc approval prior to submitting the requisition. In this case, the approval should be added after the "Department Manager" (DeptID/ProjID holder) in the ePro Requisition Workflow. The alternative is for the department to obtain approval in the form of an email and to electronically attach it to the requisition.

   - o **Refunds from UNT System Funds**

     Refunds for payments made from the UNT System, except for those related to student class registrations or withdrawals, are processed through Payment Services on a Payment Request Form. These are considered a reduction to revenue and cannot be handled on an ePro requisition. Please use the **Payment Request Form**, and forward to **Payment Services**. If you have any questions regarding refunds, please call **Payment Services**.

     Reimbursement to Employees (Non-Travel)

     Employees should **not pay** out of pocket expenses and expect reimbursement from UNT System. Approved purchase procedures should be followed because not all requests for reimbursements will be approved. See **After-the-Fact Orders**.
     However, if an emergency situation occurs that necessitates the employee purchasing goods for reimbursement, the following rules will apply in order to obtain reimbursement:
     - Employees MUST follow all Procurement Services regulations required of the particular type of purchase and fund source being used.
     - Employees will only be reimbursed for sales tax for off-campus business meals on local department IDs.
     - Employees will not be reimbursed for payments to an independent contractor.
     - Employees will be reimbursed for payments to individuals for services, regardless of the source of funds, only if a true emergency exists.
     - Employees should request reimbursements within 60 days from the date expenses were incurred.
       Note: Purchases made in July and/or August should be submitted for reimbursement no later than 30 days after UNT System fiscal year-end, August 31,

so that the expenditures can be charged to the appropriate fiscal year. Under IRS regulations, expense reimbursements that are not made to an employee within a reasonable period of time (60 days) may be reported as income on the W-2 and subject to withholding and all payroll taxes.

- Employees are required to provide explicit receipt documentation which serves as an invoice. The receipts must have all the attributes of a standard invoice (name and location of the vendor, date of purchase, amount paid). Proof of payment will also be required. Copies of receipts may be submitted electronically with the ePro requisition.
- Employees must follow food procedures for food related reimbursements. Exorbitant expenditures for food may be reportable to the IRS as income. See **Food Purchases**.
- The purpose, and reason for the emergency expenditure, must be included on the requisition in Justification/Comments or attached.
- This procedure does not pertain to employee travel items. See **Travel** on the UNT System Business Support Services webpage.
- This procedure does not pertain to student refunds, unless it is a reimbursement for items purchased on behalf of UNT System and the student is also an employee.
- If a non-employee purchases something on behalf of UNT System, file the reimbursement on a purchase order. All items above apply, except/or in addition to the following:
  - If tax issues are involved, the filing will be accomplished on a 1099.
  - A statement explaining why the non-employee made a purchase is required.

This procedure does not apply to refunds for items employee or individuals paid to UNT System.

9. Food and Beverage
   - **Business Lunches/Dinners**

     All requisitions must include documentation complying with campus food policies, regardless if payable to vendors or reimbursements to employees. This expense is not allowed on purchasing cards and most restaurants will not accept a PO. As such, this is an approved out of pocket expense that can be reimbursed, when in compliance with policy. See **Reimbursement to Employees**, **Food Purchases**, and **Alcohol**.

     Business meals are defined as those in which faculty, staff, students, and external parties are present to conduct substantial and valid business. Reimbursement of such business meals are allowable to the extent set forth in the **Travel Guidelines**.

     For a business meal reimbursement, a business purpose with a detailed list of attendees and their business relationship to the UNT System component is required by the IRS regulations (under **IRS publication 463**) and must accompany any request for such reimbursement. Meal tips are limited to 20 percent of the total bill.

     An itemized receipt from a restaurant is required to prove an expense for a business meal including the restaurant name and location, the date of service, and an itemized list of the meals purchased. The reimbursement request must also include all of the following:
     - the purpose of the meal;
     - the number of people served; and
     - a list of participants.

Note: Include participant names for **fewer** than six; if more than six, their university or corporate affiliations are sufficient, e.g.: "Six guests from Stanford University." DeptID/ProjID holder must have supervisor approval for reimbursements to themselves. Approval is through the EIS system as an Ad Hoc approval or as email approval electronically attached to the requisition. Reimbursements to DeptID/ProjID holders cannot be processed without the additional approval. Use the following category code in ePro.

Classification	ePro Category Code
Food, Meals, Business Related	999-53

o **Alcohol**

All requisitions involving events serving liquor must contain the certification statement, "no one under the age of 21 who attended the event consumed alcohol." For personal consumption see **Food Purchases**, **Business Lunches/Dinners**. Include a benefit statement on requisitions explaining how the expenses directly related to conducting business.

Note: Do not use purchasing cards for the purchase of alcohol without an approved exception request on file with Procurement Services, and State funds **cannot** be used to purchase alcohol.

Some Vice-Presidents and/or DeptID/ProjID holders may place additional restrictions on the use of university funds to purchase food and/or alcohol.

Holiday or celebratory events should use discretionary or gift funds. Alcohol purchased for these events **must use gift funds**. Use the following category codes in ePro for alcohol.

Classification	ePro Category Code
Alcoholic Beverages, All Types	660-05

o **Food Purchases**

Payments to vendors or reimbursements to employees for meals or food purchases will normally not be made unless individuals who are neither employees nor students of the UNT System also participate and UNT System business is transacted. **Only local funds may be used for these payments**.

In situations involving only employee and/or student participation, reimbursement for the meals may be made from (**only local funds**) if one of the following conditions exist:

  o meal expenses are directly related to business meetings; or
  o meals are provided to employees on the campus for the UNT System component's convenience, meaning there must be a substantial business reason for providing the meals.

Documentation must be provided with the requisition (if reimbursing an employee) supporting claims that the expenses are directly related to conducting official UNT System business.

This procedure does not affect reimbursements related to travel or classroom academic activities. Please contact **Travel Services** for additional travel-related information.

A list of attendees **must** be provided which identifies the participants by name and designation sufficient to establish business relationship to the UNT System. In situations involving large groups of people, such as a reception for an event, a general description of the category of guests (i.e. faculty, staff, alumni, ticket holders, etc.) may be included in lieu of an itemized list. **Note**: State funds **cannot** be used to purchase business meal related food or alcohol, and some Vice-Presidents and/or DeptID/ProjID holders may place additional restrictions on the use of

university funds to purchase food or alcohol.

Holiday or celebratory events should use Designated, Auxiliary, Endowment, Foundation or other local funds not specifically prohibited in the Fund Group Guidelines or other institutional policies or procedures.

On most local funds, payments or reimbursements may be made if the meal or food is associated with official UNT System business. However, food purchases are generally not allowed on federal grants because of specific restrictions. Please contact the **Office of Grant and Contract Management at UNTHSC** or the **Office of Grants and Contract Administration at UNT**, with any questions regarding food purchases on these funds. See **Reimbursement of DeptID/ProjID Holders (Non-Travel)** and **Reimbursement to Employees (Non-Travel)**.

Food for official events to be held at UNT System components or other authorized locations is an allowable purchase on the purchasing card; this does not include meetings or events at restaurants. The purchasing card should be used for purchases up to the cardholder's single purchase limit. Please contact the **Procurement Card Administrator** with any questions.

If the total is over the cardholder's single purchase limit **or** if it is over $5,000.00, use a requisition. The requisition should follow the proper procedures for the total amount of the order, and must be submitted **prior** to the event. Orders over $5,000.00 require competitive bids or a **Proprietary/Sole Source Purchase Justification Form** if the specifications limit consideration to one service provider. Bids may be based on an estimated number of attendees.

Business Meals

Requisitions for reimbursement to employees for business meals must include the business reason for the expenditures and should contain sufficient documentation to satisfy the Internal Revenue Service's "five W's": *who, what, where, when, and why*.

Who

Must include who ate the meal.

What, When, and Where

Must include a detailed receipt which shows the date, the name and location of restaurant, and the amount of the expense.

Why

Must include the business necessity for the meal. Use the following category codes in ePro.

Classification	ePro Category Code
Food, Beverages, and Business Meal Purchases	999-53
Catering, Coffee Service	961-16

10. Promotional Items

o **Promotional Materials**

Promotional items are used for marketing the UNT System and/or its components. Depending on the mission of a department, the purchase of promotional items may be authorized on appropriate **local funds only**. Individual promotional items should be nominal in cost and must comply with the UNT System component's branding guidelines. Use of the purchasing card for promotional items is not allowed unless the items are offered through University bookstores or an approved and authorized exception has been granted. Use the following category code in ePro.

Classification	ePro Category Code
Promotional Items-Local Funds	037-52

Each requisition must include
- an attached URCM email approval, see **Branding/Logo**;
- individual promotional items, which must be under $50.00 and use approved UNT System logos; and
- documentation on the requisition bid tab following **Bid Requirements** if value exceeds informal bid limits ($5,000.01).
  Note: If historical value exceeded $25,000, contact **Procurement Services** for formal bid instructions, or **bid exception** documentation such as **Contract Pricing**.

o **Branding/Logo Items**
  UNT specific: UNT University Relations Communication and Marketing Department (URCM) must review all items (promotional, communications, advertising, and business cards) with university's brand for compliance with the **trademarks & licensing policy**. To obtain approval
  1. Send an email with a PDF version of the item to **UNT Brand Approvals**. Include
     - a description of the item;
     - the intended audience; and
     - any time constraints you may have.
  2. Await a response from URCM to arrive within 24 hours with an approval, or additional direction for approval.
  3. Follow any additional directions for approval.
  4. Await an email response confirming approval.
  5. Attach that approval electronically to the requisition.

  Purchases for branded items cannot be made using a purchasing card, except for those sold at the University bookstore.

  UNT requisitions for promotional items (category 037-52) will also route through **Printing Services** who have vendor partners that help ensure the university receives the best price and that the items meet brand standards.

  UNTHSC specific: Category 037-52 requisitions automatically route for UNTHSC Marketing approval.

o **Advertisements**
  Advertisements for faculty or staff employment positions must be approved by UNT System Human Resource Services before being processed by Procurement Services.

  UNT University Relations, Communication, and Marketing Department (URCM) must review all advertising, whether print, online, TV, radio, or other that includes logos and/or word marks for content and branding approval in compliance with the branding policy. See the **UNT Identity Guide** for more information. Evidence of the approval (can be in the form of an email) should be electronically attached to the requisition.
  Note: Text only advertisements with no branding are exempt from URCM approval.

  UNTHSC Marketing and Communications must approve all non-employment advertisements placed in local, state, and national media representing UNTHSC and/or its departments, programs, and organizations. Marketing & Communications handles all non-employment planning, writing, designing and placing of advertisements. Advertising without proper

approval is strictly prohibited. See **Printing/Publications** for UNTHSC printed publications or the **Office of Marketing and Communication website** for UNT Dallas branding information.

Attach the complete advertisement or draft artwork in the ePro requisition. In the description, include the date or issue number of the journal or magazine to indicate when the ad will run.

For on-line advertisement, provide information on the requisition that will allow a Procurement Services Buyer to finalize payment information. All information about the website (web address, user name established, and contact name available to assist Procurement Services with completion of the ad, etc.) should be included with the requisition. Attach screen prints of the site to the requisition if desired. Procurement Services will not re-type the ad for compliance reasons, but can copy and paste, if necessary.

Proof of publication (a tear sheet; copy of printed ad; or printed listing) along with the invoice must be provided to Payment Services for appropriate payment for advertisements and listings. Use the following category codes in ePro for advertising.

Classification	ePro Category Code
Advertising: Print, Radio, Television	915-04
Advertising: Outdoor Billboard	915-04
Faculty Recruitment	915-13
Advertising: Staff Recruitment	915-13
Advertising: Clinical Trials	915-71

11. Equipment

o **Vehicles**

Vehicle purchases are coordinated through the Fleet Manager, and requisitions must include

- the following statement on vehicle deliveries: **"MSO (manufacture statement of origin), U 130 (Texas application for title), and an Odometer;"** and
- documentation on the requisition bid tab following **Bid Requirements,** if value exceeds informal bid limits ($5,000.01).
  Note: If historical value exceeded $25,000, contact **Procurement Services** for bid instructions, or bid exception documentation such as **Contract Pricing**.

Vehicle requisitions automatically route to the appropriate responsible parties for approval.

o **Computers, Computer Hardware, and Software**

The UNT System has established standards and a policy for the acquisition of computers. Purchase of computer hardware and software must meet the **Personal and Tablet Computer Standardization policy**. Some frequently used ePro categories for computer hardware and software are below.

Classification	ePro Category Code
Computers: Desktop less than $5,000	204-52
Computers: Desktop greater than $5,000	204-56
Computers: Laptop less than $5,000	204-52
Software: Cost greater than $100,000	208-80
Computer Servers greater than $5,000	204-56
Computer Servers less than $5,000	204-68

Note: Computers, including tablets and iPads, and software over $1,000.00 are restricted from purchase on the purchasing card.

- o **Telecommunications**
  All UNT System departments share a data communications network. The introduction of communication devices that might affect the behavior or performance of the network without proper planning may result in disruption of services to everyone. Therefore, all devices that communicate over the UNT System network must be approved prior to ordering, using the **Telecommunications Customer Service Center**. Coordinate Telecommunication services, including cell phones and Personal Computing Devises (PDA, IPads, etc.), with **Telecom Services**. A partial list of items requiring approval is below:
    - multicasting;
    - services that answer broadcast messages, such as DHCP and BOOTP;
    - firewalls operating a level higher than a single machine in the network hierarchy;
    - routers;
    - bridges;
    - switches;
    - proxy servers;
    - wireless access points;
    - high bandwidth devices (averaging more than 1 GB/day for a week);
    - cell phones & Personal Computing Devises (PDA, IPad, etc.); and
    - devices that answer ARP requests as servers (such as security and network management tools)

  Each requisition should contain the following:
    - electronically attached approval from Telecom Services Department;
    - the purpose for the item(s) and the benefit to UNT System; and
    - documentation on the requisition bid tab following **Bid Requirements** if value exceeds informal bid limits ($5,000.01).
      Note: If historical value exceeded $25,000, contact **Procurement Services** for formal bid instructions, or documentation supporting a bid exception such as **Contract Pricing**.

12. Used Items, Samples, and Donations

- o **Donated Equipment**
  If equipment/supplies will be donated to your department, contact the Advancement area of your respective UNT System component in writing including the donor name, address, and a list of donated items. This is for recording and acknowledgment purposes. Forward a list of the items to Property Management to be reviewed for inventory status. For each item, include
    - a description;
    - a serial number;
    - an acquisition date; and
    - fair market value for each item.

  The donation may need to be approved by the Safety Office, Risk Management Services and/or the Board of Regents.

- o **No Charge Items Offered by Vendors**
  Some vendors and manufacturers offer "no charge" or "free" items with certain purchases. If you are interested in such a purchase, evaluate the purchase using the criteria outlined in the **Best Value** section. If it is the best value and you take advantage of the offer, the items must be considered property of UNT System and used for official business purposes. The department is responsible for maintaining documentation for the transaction, whether by purchasing card or ePro requisition, that details the best value evaluation and how the items were used.
  Using an ePro requisition
  If using an ePro requisition for the purchase, include any "no charge" or "free" items on a separate line(s) and include full description and quantity. Use the same category code as you would if purchasing the item(s).
  Using a Purchasing Card transaction
  If using a purchasing card transaction, maintain the documentation with the Transaction Report for the Purchase. Contact the Purchasing Card Administrator if you have any questions.

- o **Trade-In of Existing Equipment**
  Requisitions requesting the purchase of new equipment may offer trade-in of old equipment of the same or similar type. The trade-in must be in the same category class and item as the new equipment requested. If you are requesting a trade-in, the following must be stated on the requisition as an individual item:
  - "trade-in at state's option to be picked up by the successful bidder where is, as is;" and
  - equipment must be fully identified with the following information:
    - o make, model number, serial number (if applicable);
    - o UNT system component property tag number;
    - o age and condition;
    - o location;
    - o realistic estimate of the used equipment's current value; and
    - o a contact person for question clarification.
  Proprietary purchases offering trade-in of old equipment must have acceptable justification. It is recommended that the old equipment be retained and not released to the vendor until the new equipment arrives and is accepted.

- o **Samples**
  Unless otherwise specified, all samples submitted by vendors will be at no cost to the UNT System and will become the property of the UNT System component upon receipt. Upon specific request of the vendor, samples will be returned at the vendor's expense. UNT System reserves the right to subject such samples to tests and inspections as are deemed necessary and does not guarantee that samples returned to the vendor will be in the same condition as when submitted.

- o **Used Equipment**
  Departments should seek to purchase new equipment to meet their needs. However, under some circumstances the purchase of used or demonstrator equipment can be authorized with proper justification and documentation. Departments interested in purchasing used equipment should contact **Procurement Services** for specific processing requirements for each contemplated purchase. Procurement Services must approve all purchases of used equipment **prior** to an order being placed with a vendor.

If it becomes necessary for a department to secure used or demonstrator equipment due to the inability to purchase new equipment, or because of lack of adequate funds for new equipment, a requisition must be submitted to **Procurement Services** with the documents and data below:

- a requisition fully describing the equipment;
- a minimum of three (3) signed bids which have been properly prepared whenever possible (contact **Procurement Services** for assistance);
- a statement explaining why no competition exists (if only one bid is received);
- a letter or signed statement from bidder(s) guaranteeing quality and condition of the merchandise offered; and
- a letter from DeptID/ProjID holder stating that the equipment or supplies have been personally examined. The letter should also describe the condition and current value of the equipment or supplies.

13. Repairs

o **Warranties**

The responsibility for ensuring the full benefit of a manufacturer's warranty lies with the department maintaining custody of the equipment. The department should maintain records on all warranted items including

- item description;
- manufacturer's serial number;
- UNT System component property tag number;
- warranty period; and
- a copy of the warranty agreement.

The warranty period for most equipment begins when the material is delivered to the UNT System component. This is standard with most vendors. The only exceptions may be in the area of fabricated equipment or where installation and calibration are a part of the original contract. In these instances, there is an acceptance clause that clearly indicates that the warranty is not to begin until the equipment has been accepted by the UNT Health Science Center per the terms and conditions of the contract.

Warranties may be for any period of time as stated by the manufacturer. Typical warranties range from 90 days to 12 months. When equipment is delivered to your department, it is important for you to be aware of the warranty period. The equipment must be checked for operational flaws prior to the end of the warranty period. If this is not done, there is little that can be done for you should you encounter problems with the equipment. Therefore, it is imperative that departments check for concealed damage as soon as possible upon receipt of materials or equipment.

o **Equipment Repairs**

Repairs of equipment handled on campus, taken to a local dealer, or shipped to a vendor for repair may be purchased using a purchasing card, as long as there are no contracts or terms and agreements. Orders under $5,000 can be processed with one bid. For orders over $5,000, we must attempt informal or formal bids depending on the dollar amount. If one manufacturer or exclusive distributor is the sole repair source, attach a **Proprietary/Sole Source Purchase Justification Form** with complete details.

Note: State and local funds can be used to repair only UNT System component owned items.

When submitting a requisition for a repair of any kind, include the following information:
- manufacturer of the equipment;
- model number;
- serial number;
- building and room number of equipment location;
- departmental contact person and phone number;
- itemization of parts and labor;
- description of problem and estimated cost;
- purchase order number used when equipment was purchased, if available; and
- an internal repair statement, an internal inspection required to determine extent of needed repairs (if applicable). See **Internal Repair Purchases**.

Note: If the item being repaired is an accessory to a major piece of equipment and does not have a model, serial, and tag numbers of its own, provide these numbers from the equipment to which it is an accessory.

On-Site Repair
If the technician makes a service call to your department to repair the equipment, follow these steps:
1. Submit a requisition with information as shown above.
2. State the type of repair: warranty, upgrade, calibration, overhaul, etc.
3. Add a note if the amount of repair could exceed budget or is an amount that would make replacement a better alternative. The note should read: "NOTE TO VENDOR: Not to exceed (amount of purchase order) for repair services unless prior authorization is provided by the Procurement Services Department."
   Note: If a repair exceeding the estimate is approved, a PO Change Request should be submitted in EIS.
4. Note the PO # on the invoice if the vendor leaves an invoice with the department, and electronically forward it to **Payment Services** immediately.

Off-Site Repair
If the equipment is shipped or hand-delivered to the vendor for repair to be made and is returned to the UNT System component, follow the steps below:
1. Submit a requisition with information as shown above.
2. State type of repair: warranty, upgrade, calibration, overhaul, etc.
3. Add note to Procurement Services in Justification/Comments requesting it be processed as a "Will Call."
4. Ship or hand carry equipment and vendor copy of purchase order to vendor.
5. Note on the requisition if item(s) will be delivered or picked up by the department.
6. Contact the appropriate UNT System component's Central Receiving area if the item is to be shipped.
7. Add a note to the vendor if the amount of repair could exceed budget or is an amount that would make replacement a better alternative. The note should read, "NOTE TO VENDOR: Not to exceed (amount of purchase order) for repair services unless prior authorization is provided by the Procurement Services Department."
   Note: If a repair exceeding the estimate is approved, a PO Change Request should be submitted in EIS.
8. Note the PO # on the invoice if the vendor leaves an invoice with the department, and electronically forward it to **Payment Services** immediately.

Warranty Repairs

If the equipment is still under warranty and repairs will be made at no charge, but it must be shipped or taken to a vendor for repairs, follow the guidelines below:

1. Contact Asset Management.
2. Identify the purchase order number used to purchase the equipment.
3. Provide Asset Management the tag numbers and serial numbers before the item is shipped or taken from the UNT System component. This ensures that any exchanges done by the vendor without the agency's knowledge can be identified.

Internal Repair Purchases

An internal repair is a repair to state-owned equipment that cannot be reasonably defined prior to the actual repair and the extent of which cannot be determined until the equipment is disassembled. Internal repairs are usually the result of an unexpected, basic service outage. For example, the unexpected failure of a building's air conditioner may result in unanticipated repair to electrical circuitry, which would constitute an internal repair. Internal repairs must contain labor and may also include parts. For internal repairs, follow the steps below.

1. Add "Internal Repair" to Justification/Comments.
2. Include the following on the purchase order: "Not to exceed *(amount of purchase order)* for repair services unless prior authorization is provided by the Procurement Services Department." This will limit the institution's liability.

    Note: Competitive award is not required for an internal repair.

14. Print Materials

- o **Subscription**

    Subscriptions to magazines, newspapers, professional journals, educational and/or learned publications are, in general, payable from local or state funds, provided that the document remains on reference and as property of the UNT System component. If state funds are used, the subscription must be in the name of the UNT System component. Individual subscriptions are considered a personal expenditure, and are not payable from state funds.

    Individual subscriptions may be paid using appropriate local funds if

    - documentation is provided that indicates a savings by purchasing the subscription as an individual rather than as an institution, **or**
    - documentation is provided indicating only individual subscriptions are available, **and**
    - the document remains on reference and as property of the department.

    Subscriptions are allowable and should be purchased with the purchasing card.

    If the payment is processed on a purchase order, the department must submit a requisition.

    The description section of the requisition must include:

    - Designate if it is a renewal or a new subscription.
    - A subscription renewal number (if renewal).
    - Effective dates.
    - The mail to address. Subscriptions must be mailed directly to the department rather than to the appropriate UNT System component's Central Receiving area. Example of correct wording:

        University of North Texas Component
        Attn: Dr. John Doe
        Department of XXXXX
        Street Address or PO Box
        City, State, Zip

Paying with State Funds

When paying with state funds, subscription payments cannot be made more than six weeks in advance, and the service length cannot exceed two years. However, if the agency will receive a benefit from paying more than six weeks in advance, Payment Services may be able to submit the payment to the state. Contact **Payment Services** regarding subscription payments.

o **Direct Publications**

Direct publications are publications only available from a single source. Any publication that could be purchased using a competitive process is not considered a direct publication. For example, publications that are available through subscription services are not direct publications. Examples of direct publications include, but are not limited to

- subscriptions only available directly from the publisher;
- foreign publications;
- back issues of magazines, journals, and newspapers;
- publications produced by professional societies;
- audio, visual or audiovisual materials (films, audio presentations, etc.) that are only available directly from the publisher;
- computer software and software maintenance which is only available directly from the publisher;
- electronic data service directly from the publisher (not to be confused with internet service providers such as EarthLink or AOL, which are not direct publications);
- collections of any of the foregoing items, including microfilm or microfiche copies of the collection;
- library of Congress cards; and
- theses, dissertations, research findings and academic publications.

If you need to purchase a direct publication and the total dollar amount requires informal or formal bids, submit a requisition to the sole vendor that publishes the publication and include the following statement in Justification/Comments: "Direct Publication: Not available from any other source." Direct Publication orders are then processed to the single provider without soliciting competitive bids. Use the following category codes in ePro.

Classification	ePro Category Code
Publications, Not Advertising	966-59

15. Research

o **Research Participant Payments**

This guidance provides the requirements and the mechanisms for making payments to human subjects and participants. Payments to research participants may be in the form of checks, cash, gift cards, or gift certificates and paid on a grant or other local funds. Departments utilizing sponsored projects for research payments are encouraged to coordinate with their post-award office for the best method to request funds in compliance with grant terms.

How to request funds?

For gift cards, departments must process an ePro requisition to the vendor from whom the cards are to be purchased. To request cash for research participant payments, departments must process an ePro requisition with the UNT System component as the vendor. In the justification, state the name and telephone extension of the individual designated as custodian of the cash/gift cards. The custodian must be a full-time benefits eligible employee who will be designated as the responsible party for custody of the cash/cards at all times and are required to maintain a Research Participant Disbursement Log as the cash/cards are distributed. The custodian will be notified when the check or cards are available.

At all times the total value of the cash or gift cards being held and the value of the payments on the disbursement log must equal the amount of the Purchase Order or the Purchase Order line used for the disbursement. Use the following category codes in ePro.

Classification	ePro Category Code
Research Participants when using grant funds	961-99
Research Participants when using non-grant funds	962-99

Researchers are advised to work with the university grants office to help facilitate the best method for their award.

Research participant payments to the University faculty and staff

Payment to university faculty and staff participating as research subjects represents taxable income to the recipient, regardless of the payment amount or method used and payments are taxable on employee paychecks and subject to taxes.

Custodian must submit a research participant disbursement log containing Employee ID, Employee Name, and amount paid to UNT System Tax by emailing at BSC-GA@Untsystem.edu after each event or disbursement date to serve as supporting payment documentation for expensing the funds disbursed, i.e. to serve as receipts and taxes are imputed on employee paychecks

Research participant payments to the non-university employees

Per IRS guidelines, annual payments of $600 or more to non-employees require UNT System to issue a Form 1099 at the end of the calendar year. Custodian must submit the following information about the participants by sending an encrypted email to UNT System Tax at tax@untsystem.edu after each event or disbursement date to serve as supporting payment documentation for expensing the funds disbursed, i.e. to serve as receipts

Name
SSN
Amount paid
Mailing Address

The above requirements for Custodians to maintain and submit payment information also apply to the research participants payments administered through third party service providers. Custodians must submit the payment information as instructed above.

- o **Research related Products and Services**

  Research Related Products and Services State funds may be used to support general research. Once a project has been awarded and assigned a DeptID/ProjID number, state funds may no longer be used for anything related to the project. The selected DeptID/ProjID or other appropriate local funds must be used. o Texas Advanced Technology Research Program The Texas Advanced Technology Research Program was created by the Texas Legislature in 1987 and is administered by the Texas Higher Education Coordinating Board. The Coordinating Board through a competitive process awards two-year grants. These grants appear within 3 DeptID/ProjID ranges: G352XX, G354XX or RS9001-RS9499. Orders on these DeptID/ProjIDs must include the following exemption statement: "Exempt from CPA - Research in Higher Education; Cha

16. Additional Purchases Requiring Special Handling

- o **Foundation Fund Purchases**
  UNT Foundation orders are processed through Procurement Services following the UNT Foundation Procurement Services guidelines.

  Procurement Services serves as a pass through for these orders so they may be paid by Payment Services. These orders are reviewed for approval of the Institutional Advancement Office and federal tax issues. Payments for cash or cash equivalents must follow institutional policies and procedures, and payments to individuals for services must follow institutional procedures. See **Individuals as Vendors**.

  Contracts on Foundation funds for the UNT System must follow the **University of North Texas System Regents Rule 03.900 Delegation of Authority for Contracts and Agreements**. Please contact the appropriate advancement office for the institution if you have questions regarding orders on these funds.

- o **Hosted Events**

  Departments are encouraged to utilize in-house services provided by the UNT System component (Gateway, Student Union, Avesta, etc.). If in-house services are not available or adequate, departments may elect to seek services outside the UNT System component. These services often exceed bid limits, but are generally not biddable by nature. Good faith should be practiced based on comparisons of availability, capability, and **best value**. This information must be documented on the requisition bid tab.

  Hotels and caterers, generally, require separate contracts that must be reviewed by the Business Support Services Contracts Area. See **Contracts** for additional processing information.

  Required deposits are not considered a pre-payment. Requisitions must reflect the same payment elements as identified in the contract. For example, contracts for convention hotels that include room rental, presentation equipment, banquets, and a deposit, should have those same elements identified on the requisition as separate line items.

  Note: State funds **cannot** be used to purchase business related food or alcohol.
  Some Vice-Presidents and/or DeptID/ProjID holders may place additional restrictions on the use of university funds to purchase food or alcohol.

  Holiday or celebratory events should use discretionary or gift funds. Alcohol purchased for these events must use gift funds.

  Things to remember:
  - The event date, purpose, and benefit to UNT System are required on the requisition.
  - Compliance with the Food Policy is required.
  - A certification statement "no one under the age of 21 attending the event consumed alcohol" or "no alcohol was served" (if applicable) is required.
  - You must electronically attach the unsigned contract and necessary documentation to the requisition.
  - List each component on a separate line (e.g. deposit, banquet, room rental, etc.).
  - Include contact information for department and vendor, including full phone number (not just office extension) and fax numbers.

  Note: Some Vice-Presidents and/or DeptID/ProjID holders may place additional restrictions on the use of university funds to support social events.

- o **Sponsorships, Community Service, and Community Support**

  Payments for sponsorships, community service, and community support may only be made with local funds. In the Justification/Comments include a statement as to how the payment benefits the UNT System component.

1.11. Procurement Methods

1. Procurement Methods

- **Overview**

  The purchasing card program and the ePro requisition process are the two methods used by departments to purchase goods and services. If the purchase involves an agreement or contract, it must be reviewed and approved by the Business Support Services Contracts Area. UNTHSC contracts must be reviewed by the UNTHSC Contracts area.

  Purchases of $25,000 or more require competitive procurement methods to be completed by Procurement Services. The ePro requisition for such requires either a **Proprietary/Sole Source Purchase Justification Form** or a **Request for Formal Solicitation Form**.

  The methods used by Procurement Services to meet the requirements of competitive bidding and competitive sealed proposals include the following:

  Informal Bids

  Price quotes may be taken by phone, by fax, or email.

  Invitation for Bids (IFB)

  The IFB uses the competitive sealed bid method. The bid is requested by sealed envelope in accordance with a prescribed format and will be opened at a specified date and time. This method is used when the requirements are clearly defined, negotiations are not necessary, and price is the major determining factor for selection.

  Request for Qualifications (RFQ)

  Request for Qualifications (RFQ) is generally used for Professional Services wherein the respondents are evaluated based solely on their qualifications. Price is not considered until after selection is made by the agency based on qualifications. Professional Services are covered under **Texas Government Code 2254**.

  Request for Information (RFI)

  An RFI is used primarily as a planning tool. It is an optional method that may be used to gather information to prepare a complete and accurate solicitation document when the institution does not have the necessary information to prepare the document. A preliminary solicitation document providing an initial description of the program objectives and specifications usually accompanies an RFI for review by potential respondents. A state agency may use the information derived from the responses to finalize their solicitation document. Agencies are not required to incorporate any or all of the comments or suggestions made by the respondents, but the hope is vendors will provide useful information in the RFP development process. RFIs do not include pricing, nor obligates the institution to an order.

  Request for Proposals (RFP)

  Request for Proposal (RFP) uses the competitive sealed proposal method and is chosen when competitive sealed bidding is not practicable or advantageous. Generally this is when factors other than price are to be considered or when objective criteria cannot be defined. One of the key differences between an IFB and an RFP is that negotiations are allowed in an RFP. Discussions are allowed with the respondents and best and final offers are permitted. State statutes give specific guidelines concerning documentation, procedures, and handling requirements for using the competitive sealed proposal procedures.

2. Purchasing Cards
    o **Application Guidelines**
    Use the purchasing card for items under the cardholder's single purchase limit unless restricted. The purchasing card program is offered to simplify the way in which you order and pay for some goods and selected services. The purchasing card contract was specified and awarded by the Texas Comptroller of Public Accounts for the State of Texas, and UNT System must comply with the terms and conditions of this state contract. The program is not intended to avoid or bypass appropriate Procurement Services or payment procedures and approval processes.

    Cards are issued in an employee's name and not to a department. Only the person whose name is on the card may use that card. Each DeptID/ProjID holder and cardholder will be held responsible and accountable for the appropriate use of the cards.

    The Application Guidelines are as follows:
    - Any full-time benefits eligible employee delegated authority by a department head or project director with signature authority may obtain a purchasing card.
    - Approvers must be senior to cardholder and not directly supervise them.
    - The cardholder cannot be the approver for payment of his/her own purchases.

    The card may be used for purchases of non-restricted commodity goods costing less than the cardholder's single purchase limit. Examples include: office supplies, registrations, research supplies, subscriptions, small office equipment, and computer supplies. The card may not be used for purchases of restricted items or to purchase from restricted vendors. See the **Purchasing Card Program Guide** on the UNT System Business Support Services webpage for lists of restricted vendors and items.

    Each department is encouraged to have at least one cardholder to expedite small dollar and emergency transactions for non-restricted items. If you would like to add additional cardholders for your department or if you have a question regarding the program, please contact the Purchasing Card Administrator at 940-369-5500 or toll free at 1-855-868-4357.

    o **Restricted Items**
    Use a purchasing card for items under the cardholder's single purchase limit, unless restricted.

Restricted Items
✕ **Airlines**
✕ **Animals**
✕ **Awards**
✕ **Consulting services**
✕ **Dine-in restaurants**
✕ **Hotels**
✕ **Postage**
✕ **Professional services**
✕ **Radioactive materials**

- o **Vendor Check for Purchasing Card Purchases**

  UNT System may not purchase from vendors who are not in good standing with the State of Texas. Vendor status checks are required on all purchasing card purchases of $500 or more. When requisitions are submitted through EIS, Vendor status checks are automatically completed.

  Purchasing cardholders can link to the website through the Texas CPA **Vendor Hold Search**. The site allows users to search by vendor name. The search will display vendors **currently on hold with the State of Texas and who cannot be used for purchases**. Purchasing cardholders should continue to confirm the vendor status was verified through the designation on the monthly account summary report. Purchasing cardholders are required to maintain search records.

  Vendor status checks must be completed prior to the purchase and documentation must be maintained with the appropriate purchasing card billing cycle.

- o **Office Supplies**

  Office supplies are available through the preferred vendor contract. For more information, visit **Cooperatives and Contract Pricing** on the UNT System Business Support Services webpage. **Note:** Office supplies are an allowable purchase on the purchasing card, and the purchasing card is a required payment for the preferred vendor contract.

3. E-Procurement

- o **ePro Help Desk**

  For questions about the correct entry of ePro requisitions, email **Procurement Services,** call 940-369-5500 or toll free at 1-855-868-4357, or review **Purchasing Resources** on the UNT System Business Support Services webpage. Submit questions/comments regarding requisitions through the **Knowledge Base** on the UNT System Business Support Services webpage.

- o **ePro Ad Hoc Approval**

  The electronic routing of ePro requisition for approvals automatically includes the DeptID/ProjID holders, Research/Grant Services and Procurement Services. Additional approvers can be added using the Ad Hoc feature in the approval process. Coordinators are encouraged to include Ad Hoc routing when indicated by specific requirements. Ad Hoc approvers must have training and security access.

- o **ePro Proxy**

  On occasion, DeptID/ProjID holders may not be available to approve requisitions because of vacation or other events that keep the approver away from a computer with web capability for extended periods of time. In these situations, the DeptID/ProjID holder can request another individual who has approval authority be set up in EIS with Proxy by submitting through the **Approver Proxy Form** located on the UNT System website.

- o **Category Codes**

  The category in EIS eProcurement is a numeric code associated with a general product description based on the National Institute of Governmental Purchasing (NIGP) Commodity Codes used by the State of Texas.

  In EIS, the category drives the Account and Alternate Account expenditure codes. See **Purchasing Resources** located on the UNT System Business Support Services webpage for a list of common category codes.

4. Wire Transfers
   o **Wire Transfers Overview**
   UNT System cannot issue checks in currency other than US Dollars. Foreign vendors may require payment in their own currency. In these cases, attempt to purchase items with the department purchasing card or with a Buyer's purchasing card. When the vendor does not accept purchasing cards and/or US dollars, the only option available is a wire transfer.
   Wire transfers are not functionally processed by Procurement Services, but between banking institutions. Each transaction is reviewed and must be approved by the UNT System Treasury before processing. Departments are responsible for obtaining complete wiring information from the vendor using the instructions on page 2 of the **Special Handling Form**. Withholding may affect processing; see **Foreign Vendors** for additional information.
   Each requisition should contain
   - Documentation on the requisition bid tab, following **Bid Requirements**, if value exceeds informal bid limits ($5,000.01).
     Note: If historical value exceeded $25,000, contact **Procurement Services** for formal bid instructions, or bid exception documentation such as **Contract Pricing**.
   - Electronically attached screen print of a **currency conversion** website showing the estimated US Dollar equivalent used for the encumbrance amount.
     Note: The department may be charged wire fees in addition to current market rates when the wire transaction is complete. The final amount charged to the department will generally not match the encumbrance amount.
   - Electronically attached **Special Handling Form** with required information for wire payments. Blank lines are not accepted on wire transfer information. If not applicable, the block must state "Not Applicable."
   - Electronically attached invoice from the vendor showing the payment amount in their own currency. Departments may be asked to get confirmation from the vendor if the invoice does not specify payment methods.
   - Electronically attached vendor invoice if payment methods are not specified.
   - Explanation for using this vendor and the availability of other possible vendors.

   Departments can Ad Hoc to the UNT System Tax Accountant for approval. The coordinator should insert Ad Hoc after DeptID/ProjID approval. If approval was gained prior to submitting the requisition, the approval email and tax instructions must be attached.

1.12. Purchase Orders
1. Purchase Orders Overview
   o **Status of Purchase Orders**
   Use the Life Cycle under ePro "Manage Requisitions" to track requisition status and subsequent purchase orders. If you lack the requisition number, search by the purchase order number in the "PO" field in the upper right hand corner of the "Manage Requisitions" page.
   If delivery has not been made on orders under $5,000, contact the vendor directly regarding status of delivery. Give the vendor the entire purchase order number; e.g., HS763-0000012345, NT752-0000012345 and the purchase order date. Also, make it clear to the vendor that you are checking on the status of an existing order and that they are not to duplicate the order. If the vendor indicates that they have no record of the order, contact your department Buyer, and provide the name of the individual you spoke with and conversation date.

- o **Change Orders and Purchase Order Change Notices (POCNs)**
  If it becomes necessary to make any changes in a purchase order, submit a PO Change Request in EIS. The PO Change Request routes through EIS for approval. Once changes are made to the purchase order, a revised PO will be sent to the supplier.

  The Category in EIS eProcurement is a numeric code associated with a general product description based on the National Institute of Governmental Purchasing (NIGP) Commodity Codes used by the State of Texas: e.g., 204-52 for Computers: Desktop <$5K. The first three digits are considered a "Class," and the second two, an "Item".

  In EIS, the Category drives the Account and Alternate Account expenditure codes. Codes in the "005" to "898" range are considered "Goods", and codes beginning with "9" are "Services".

- o **Requests for Corrections on Purchase Orders**
  Requests for cancellation or deletion of purchase orders must be submitted to Procurement Services in an **Encumbrance Inquiry Form**.

2. Blanket Purchase Orders
   - o **Standing Blanket Purchase Orders**
     A standing order is a repetitive order for a fixed quantity on a specified delivery schedule over a specified period of time (not to extend past the fund's ending date). To request the initiation of a standing purchase order, submit a properly completed requisition and include the additional information listed below:
     - Proposed effective start and end dates not to exceed one fiscal year's duration
     - Expected total amount to be spent during the proposed period
     - Schedule of delivery to include
       - o a specified delivery time schedule, and
       - o a fixed quantity to be delivered.
     - Purchase order number on previous requisition (if applicable, for renewals only)
     - Statement: "30 day written notice of cancellation by either party voids this PO."

   - o **Small Repetitive Orders**
     Small repetitive orders should be increased in quantity and decreased in frequency so suppliers are not continually asked to handle transactions which are unprofitable. Frequent small orders are costly to UNT System as a result of increased handling by multiple departments.

3. Group Travel
   A purchase order may be used to pay for group travel engagements for university-sponsored groups. If the department desires to use the Procurement Card to pay for these engagements, such requests must be approved through an exception request processed through the Procurement Card Area. If the exception request involves an employee participating in the travel, it must be accompanied by an approved Travel Budget Authorization (TBA). In either case, employees participating in the travel may not seek reimbursement for expenses that have already been paid through either the purchase order or the procurement card.