

## 1. Government Funds

### **Notice: Procurement Standards for Purchases with Federal Funds**

The UNT System adheres to procurement standards outlined in 2 CFR 200.320.

#### ○ **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.

#### ○ **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-110, 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.

#### ○ **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.

<b>Classification</b>	<b>ePro Category Code</b>
Grant Subcontracts Under \$25,000	999-01
Grant Subcontracts \$25,000 and over	999-06