

Regulations of the University of North Texas System	Chapter 08
08.17000 Procurement	Fiscal Management

08.17001 **Regulation Statement.** The University of North Texas System Procurement Office (Procurement Office) serves as the central point for procurements on behalf of UNT World. The Procurement Office assists UNT World departments (departments) with the procurement of goods and services to sustain, foster, and support the educational, health care, and research missions of UNT World by entering into contractual agreements with suppliers and contractors. The Procurement Office helps ensure compliance in acquiring goods or services by a method that provides best value as required by Texas Education Code 51.9335. For goods acquired using federally sponsored funds, the Research Office helps to ensure compliance with procurement standards and methods of the Uniform Guidance (2CFR 200) and/or the Federal Acquisition Regulations (Chapter 1 of Title 48 of the Code of Federal Regulations, 48 CFR 1).

08.17002 **Application of Regulation.** All UNT World

08.17003 **Definitions.**

1. **Chief Procurement Officer.** “Chief Procurement Officer” means the Associate Vice Chancellor for Strategic Sourcing.
2. **Emergency Procurement.** “Emergency Procurement” means a procurement that arises out of an unforeseeable circumstance that may require an immediate response to avert an actual or potential public threat (hazard to life, health, safety, welfare, or property) or to avoid undue additional cost to the state.
3. **Guides.** “Guides” means the published procurement guidance developed and maintained by the Procurement Office.
4. **Historically Underutilized Business (HUB).** “Historically Underutilized Business” means an entity with its principal place of business in Texas that meets the requirements of Texas Government Code 2161.001.
5. **Open Market.** “Open Market” means procurement that requires only one (1) verbal or rewritten bid/quote where the total value is less than the micro threshold.
6. **Procurement.** “Procurement” means purchasing, renting, leasing, or

otherwise acquiring any supplies, services, or construction; includes all functions that pertain to the acquisition, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration. It includes the combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, salvage, and disposal operations.

7. Procurement Office. “Procurement Office” means the office within UNT System Administration that is responsible for all procurements for UNT World.
8. Strategic Sourcing. “Strategic Sourcing” means a systematic and multi-institutional approach for obtaining the best value for the purchasing dollar through market and needs analysis, establishing a sourcing method, and the selection and management of supply partners.
9. University of North Texas System. “University of North Texas System” means System Administration and component institutions. The University of North Texas System is also known as UNT World.
10. University of North Texas System Administration. “UNT System Administration” means the Office of the Chancellor, the Vice Chancellors, and such employees as the Chancellor may require to accomplish the duties and responsibilities assigned to the System Administration by the Board of Regents.

08.17004 Procedures and Responsibilities.

1. Training. Training is required for all UNT World officers and employees who participate, whether directly or indirectly, in the awarding of procurement contracts and/or who execute procurement contracts. Training includes, but is not limited to, training in ethics, selection of appropriate procurement methods, and information resources purchasing technologies.
2. Guides. The Procurement Office maintains Guides that contain the processes and guidelines that support the acquisition process. All procurements for goods and services must be made in accordance with the Guides.

If a question arises that is not covered by the Guides, contact the Procurement Office for assistance.

3. Procurement Rules. The following rules govern all procurements, except as otherwise provided in this Regulation:
 - a. All procurement contracts must be approved prior to execution by the UNT

System Procurement Office.

- b. Purchase orders and contracts are not to be issued verbally to a supplier.
 - c. Purchase orders and contracts must be signed by a UNT World designee having delegated signature authority, prior to product shipment or provision of service.
 - d. Suppliers to UNT World are not authorized to commence work prior to the receipt of a signed purchase order or contract.
 - e. Payment will not be made for goods or services provided without a signed purchase order or contract. UNT World is not obligated to pay invoices for goods or services that have not been properly authorized.
 - f. In determining what is best value, UNT World shall consider:
 - i. purchase price;
 - ii. reputation of the vendor and of the vendor's goods or services;
 - iii. the quality of the vendor's goods or services;
 - iv. the extent to which the vendor's goods or services meet the institution's needs;
 - v. the vendor's past relationship with the institution;
 - vi. the impact on the ability of the institution to comply with laws and rules relating to historically underutilized businesses and to the procurement of goods and services from persons with disabilities;
 - vii. the total long-term cost to the institution of acquiring the vendor's goods or services;
 - viii. any other relevant factor that a private business entity would consider in selecting a vendor; and
 - ix. the use of material in construction or repair to real property that is not proprietary to a single vendor unless the institution provides written justification in the request for bids for use of the unique material specified.
4. Authorized Procurement Methods. Procurement of goods and services requires issuance of a purchase order, the issuance of a contract, and/or the use of a procurement card (Pcard). Procurements under the micro threshold shall be made on the department Pcard unless the type of purchase is on the current listing of Pcard restrictions. Procurements made using personal funds are not authorized.
- a. Open Market Purchases. Departments are responsible for obtaining and submitting all necessary supporting documentation for

Procurements under the micro threshold as outlined in the applicable Guide.

- b. Competitive Purchases. Departments initiate the procurement process as outlined in the applicable Guide. Different methods that provide the best value to the institution include:
 - i. competitive bidding;
 - ii. competitive sealed proposals;
 - iii. a catalogue purchase;
 - iv. a group purchasing program; or
 - v. an open market contract.

Departments are responsible for obtaining and submitting all necessary supporting documentation for procurements over the micro threshold as outlined in the applicable Guide.

Exceptions to competitive purchases include Sole Source Procurements, Emergency Procurements, and procurements exempted as outlined in the Procurement Guide.

Exceptions must be documented and follow the procedure for processing as outlined in the Procurement Guide. Exceptions must be endorsed at the AVP (Associate Vice President) or AVC (Associate Vice Chancellor) level and can be approved by the Strategic Sourcing Office. Denials of exception requests, if appropriate, will be made by the Chief Procurement Officer.

The Procurement Office is responsible for reviewing, validating, and obtaining all required approvals for any purchase request that exceeds the micro threshold.

- c. Exceptions. The following is a non-exhaustive list of procurements which may have special rules. Questions about these procurements should be directed to the Procurement Office:
 - i. Professional Services, as defined in the Professional Services Procurement Act, Texas Government Code Chapter 2254;
 - ii. Audit Services, as outlined by Texas Government Code 321.020;
 - iii. Outside Counsel Services, as outlined by Texas Government Code 402.0212;
 - iv. Debt Collection Contracts, as outlined by 1 TAC 59.2;
 - v. Consulting Services, as outlined by Texas Government Code 2254.026.

5. Strategic Sourcing. UNT World shall use contracts negotiated by the Strategic Sourcing Office where such contracts exist for the Procurement-related acquisition. Exceptions must be endorsed at the AVP or AVC level and must be approved by the Senior Director for Strategic Sourcing. Denials of exception requests, if appropriate, will be made by the Chief Procurement Officer.
6. Historically Underutilized Business. UNT World is committed to supporting the Historically Underutilized Business (HUB) Program established by the State of Texas through active good faith efforts to involve HUBs in the procurement process in accordance with statute. The HUB Coordinator may designate a particular category or acquisition as uniquely situated to assist UNT World in meeting State of Texas HUB utilization goals. Such designation shall be used in the best value determination. Appeals can be submitted to the Chief Procurement Officer for consideration.
7. Construction Contracts. The Construction Contract Services Team (CCS) is responsible for all construction solicitations from beginning to end with oversight from a procurement representative along with a HUB representative. This process includes drafting solicitations, conducting all solicitation meetings, award of contract, drafting of contract, and execution of contract. The CCS Team also processes the construction contracts from the drafting to the execution of the contracts, along with the processing of any amendments or change orders throughout the construction project. Each institution will identify and maintain a campus coordinator as an extension of the CCS Team to assist with campus processing and campus communications concerning the status of construction contracts for each institution. In addition, each institution will assign and identify a project manager who will be responsible for contract administration throughout the duration of the construction project.
8. Research and Sponsored Agreements. The Vice President of Research for each institution or their designees is responsible for that Institution's sponsored and technology transfer contracting and subcontracting, including research grants, contracts and cooperative agreements entered into with the federal or state government or with private companies, foundations, or any other person or entity. The Procurement Office is not responsible for these types of contracts and subcontracts.

For goods acquired using federally sponsored funds, the Research Office at each institution is responsible for compliance with procurement standards and methods of the Uniform Guidance (2 CFR 200) and/or the Federal Acquisition

Regulations (Chapter 1 of Title 48 of the Code of Federal Regulations, 48 CFR 1). The Procurement Office shall be responsible for making procurement purchases in accordance with sponsored research and technology transfer contracts and subcontracts.

9. Restricted Purchases. The purchase of certain goods and services may require special approval(s), compliance with restrictive terms and conditions of a related contract, grant, or cooperative agreement, or may be prohibited altogether. Restrictions may come from a variety of sources including, but not limited to, terms or conditions of grants, contracts or cooperative agreements, Regents Rules, UNT System regulations or institutional policy, or state or federal law. If a UNT World employee or department is aware of a restriction applicable to a particular purchase, that information must be provided to the Procurement Office prior to the purchase being made.

10. Vendor Performance Tracking System.

Prior to execution of a procurement contract/purchase order valued over one hundred thousand US dollars (\$100,000.00), the anticipated awarded vendor shall be checked against the State of Texas Vendor Performance Tracking System (VPTS) database. The VPTS shares vendor performance with State of Texas entities. If any unusual information is revealed, the Procurement Office will determine if an award can be made to the vendor in question.

Additionally, the VPTS shall be updated for every contract with a cumulative value over \$100,000.00 on at least an annual basis during the lifetime of the contract. The Procurement Office will request feedback from departments on all purchase orders that are over \$100,000.00. Departments shall provide input on vendor performance to Procurement Services in writing for each procurement over \$100,000.00, and Procurement Services shall submit the feedback to the VPTS, and ensure the information becomes part of the UNT World file.

11. Distribution of Supplier Payments.

All procurement-related supplier payments are required to be in an electronic form (either EFT/ACH, Single Use Account (SUA), or PCard) with limited exceptions, on a case by case basis, as approved by the Director of Purchasing and Accounts Payable.

Payments, including state warrants, are issued directly to the payee and are sent to the remit address indicated on the billing document. The Procurement

Office will review the request for payment to ensure the payment is in compliance with state regulations.

- i. Electronic funds transfer is the preferred method of payment made through the State Comptroller's Office for purchases using state funds. This service may be activated by contacting Supplier Management in the Procurement Office.
- ii. Check Pick-Up. If a department or company requests to pick up a check from the Procurement Office, instructions, including a contact name and phone number, must be provided on the Payment Special Handling Form.
- iii. Proper identification is required before disbursement of a check or warrant.
- iv. In accordance with Texas Government Code 403.055, the University of North Texas System is prohibited from making payment to any person or firm indebted to the State of Texas, regardless of the source of funds.

12. Conflicts of Interest.

- a. Conflict of Interest Disclosures. Refer to System Regulation 08.1600, Transparency and Avoidance of Conflicts of Interest in Contracting and Procurement of Goods and Services
- b. Gratuities. UNT World employees should neither solicit nor accept money, loans, credits, entertainment, favors, services or gifts from current or prospective suppliers. Such gratuities, even if of seemingly low value, which can give rise to a conflict of interest or the appearance of a conflict of interest. In particular, employees should never accept gratuities from a current or prospective supplier that has submitted or may submit a bid.
- c. Confidentiality. UNT World employees must handle confidential or proprietary information with due care and proper consideration of ethical and legal ramifications and governmental regulations. Employees may not tell outside parties the prices, terms, or conditions quoted by other suppliers during the bid process.

13. Compliance. The Procurement Office will report an alleged violations of this

regulation to the Chief Procurement Officer of the System Administration or respective institution, as applicable. The Chief Procurement Officer will inform the respective institutional Chief Compliance Officer to determine whether the alleged violation has also violated any institutional policy. If it is determined that there has been a violation of the regulation and/or a related institutional policy, disciplinary actions will be taken as delineated in this regulation and/or institutional policy.

References and Cross-references

Regents Rule 03.900, Delegation of Authority for Contracts and Agreements

System Regulation 08.1600, Transparency and Avoidance of Conflicts of Interest in Contracting and Procurement of Goods and Services

System Administration Policy 03.701, Ethics and Standards of Conduct

System Administration Policy 03.702, Dual Employment with Other Texas State Agencies or Public Institutions of Higher Education

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