

MISSISSIPPI PUBLIC UNIVERSITY GRANT PURCHASING GUIDELINES

Before including items in a grant proposal, departments should consult Purchasing and Sponsored Programs to ensure compliance with University, State of Mississippi, IHL, and grant-specific requirements.

GENERAL PROCUREMENT REQUIREMENTS

- All purchases made with grant funds must comply with Mississippi purchasing laws, university policies, and grant restrictions.
- Grant funding does not exempt a purchase from state procurement requirements.
- Purchases may not be divided or split to avoid quotes or bidding requirements.
- Departments should allow sufficient time for procurement processing, especially for large purchases, contracts, and technology acquisitions.

PURCHASE THRESHOLDS

Current procurement thresholds generally include:

- \$5,000 and below – No quotes required; purchasing card may be used when permitted.
- \$5,000.01 to \$75,000 – Minimum of two competitive quotes required.
- Over \$75,000 – Formal solicitation process (sealed bid, RFP, or approved sole source) required.

TECHNOLOGY PURCHASES

The following items often require additional review and approvals:

- Software subscriptions
- Cloud-based services
- Artificial intelligence platforms
- Computer hardware
- Servers and storage systems
- Network equipment
- Telecommunications equipment
- Technology consulting services

Information technology purchases may require review and approval through the University's IT department and the Mississippi Department of Information Technology Services (ITS).

COMMONLY ALLOWABLE PURCHASES

Subject to grant terms and university approval:

- Scientific and research equipment
- Laboratory supplies
- Educational materials
- Computers and technology necessary for the project
- Professional services directly related to project objectives
- Travel when authorized by the grant
- Training materials
- Project-specific software
- Participant support costs when specifically authorized

COMMONLY RESTRICTED OR UNALLOWABLE PURCHASES

Unless specifically authorized by the grant and university policy:

- Alcoholic beverages
- Entertainment expenses
- Personal use items
- Gifts, prizes, and promotional giveaways
- Food and meals not directly permitted by the grant
- Decorative items and artwork
- Memberships unrelated to the project
- Clothing for personal use
- Purchases made after the grant period ends
- Items lacking a direct project purpose

EQUIPMENT CONSIDERATIONS

Departments should identify:

- Estimated cost
- Installation costs
- Shipping charges
- Training requirements
- Maintenance agreements
- Warranty costs
- Ongoing subscription fees
- Space, utility, or infrastructure requirements

Technology and equipment purchases may require competitive procurement even when grant funds are available.

CONTRACTS AND SERVICES

Departments should not sign vendor agreements, software licenses, terms and conditions, or service contracts. All contracts must be reviewed and approved through the University's authorized contracting process.

SOLE SOURCE PURCHASES

If only one vendor can provide the required product or service, a sole-source justification may be required. Departments should not assume a purchase qualifies as sole source simply because a preferred vendor has been identified.

GRANT BUDGET PLANNING TIPS

When developing grant budgets:

- Include realistic procurement lead times.
- Consider quotation and bidding requirements.
- Verify technology approval requirements.
- Budget for shipping, installation, and maintenance.
- Consult Purchasing before finalizing large equipment or software requests.
- Consult Sponsored Programs regarding grant-specific restrictions.

Failure to comply with procurement requirements may result in disallowed costs, delayed purchases, or loss of grant funding.

ADDITIONAL PROCUREMENT CONSIDERATIONS

STATE CONTRACT REQUIREMENTS

- Departments should determine whether requested items are available from a State of Mississippi contract before including them in a grant budget.
- State contracts may offer mandatory pricing or preferred purchasing methods that must be utilized when applicable.
- Grant funds do not exempt purchases from state contract requirements.
- Pricing obtained during the grant application process may differ from awarded state contract pricing at the time of purchase.

ITS AND TECHNOLOGY PURCHASES

- All technology purchases should be reviewed with the University's IT Department during the grant planning phase.
- Technology purchases may require approval through Mississippi Information Technology Services (ITS).

- Examples include:
 - Software and software subscriptions
 - Cloud-based services
 - Artificial intelligence platforms
 - Computer hardware
 - Network equipment
 - Telecommunications equipment
 - Technology consulting services
 - Data storage and hosting services
 - Departments should budget for recurring subscription, maintenance, licensing, and support costs that may extend beyond the grant period.

EQUIPMENT VS. COMMODITY PURCHASES

- Departments should identify whether a requested item will be classified as equipment or a commodity.
- Equipment generally includes tangible property with a useful life greater than one year and a value meeting the University's capitalization threshold.
- Equipment purchases may require inventory tagging, asset tracking, insurance considerations, and additional approvals.
- Installation, freight, training, maintenance agreements, and warranty costs should be included when estimating equipment needs.
- Commodity purchases may still require quotations or competitive procurement depending on the total purchase value.

CONSTRUCTION, RENOVATION, AND MAINTENANCE PROJECTS

- Grants involving building modifications, renovations, construction, electrical work, plumbing, HVAC work, painting, flooring, or other facility improvements should be discussed with Facilities Management and Purchasing before submission.
- Construction and maintenance projects are subject to procurement requirements that differ from standard commodity purchases.
- Professional design services, engineering services, and architectural services may require separate procurement processes.
- Departments should not assume facility modifications can be completed solely because grant funds are available.
- Additional approvals may be required from university administration, IHL, or state agencies depending on the project scope.

PURCHASING CARD (P-CARD) RESTRICTIONS

- Not all grant-funded purchases are eligible for payment with a P- Card.
- Equipment purchases above the University's P-Card limit cannot be made using a Purchasing Card.

- Software subscriptions, contracts, and services may require additional review before payment.
- Grant recipients should not assume that obtaining grant funding automatically authorizes use of a Purchasing Card.
- Departments should consult Purchasing regarding allowable payment methods before making commitments to vendors.

SOLE SOURCE PURCHASES

- A purchase is not considered sole source simply because a department prefers a specific brand, manufacturer, or vendor.
- Sole source procurements must be supported by documented justification demonstrating that only one source can provide the required product or service.
- Sole source requests may require additional review, approvals, and public advertisement requirements depending on the purchase amount and applicable regulations.
- Departments should allow sufficient time for the sole source review process when planning grant-funded purchases.

GRANT PLANNING BEST PRACTICES

Before submitting a grant proposal, departments should contact Purchasing if the project includes:

- Equipment purchases exceeding procurement thresholds
- Technology or software acquisitions
- Facility renovations or construction projects
- Service agreements or consulting contracts
- Proprietary or sole-source products
- multi-year subscription services
- Purchases that may require state contract or ITS review

Early consultation helps ensure budget accuracy, procurement compliance, and timely acquisition of grant-funded goods and services.

Departments should not obtain quotes, request proposals, or discuss purchases with vendors in a manner that implies a commitment to purchase if grant funding is awarded. Any future procurement must comply with applicable competitive procurement requirements, regardless of preliminary discussions that occur during grant development. This issue often arises when departments identify a vendor while writing the grant and later assume they can purchase directly from that vendor.

Updated 6.12.2026