

**FLORIDA A&M UNIVERSITY BOARD OF TRUSTEES**



**NOTICE OF PROPOSED NEW REGULATION**

**Date:** November 7, 2006

**REGULATION CHAPTER TITLE:** Purchasing Program **REGULATION CHAPTER NO.:** Chapter 6

**REGULATION TITLES AND NUMBER:** Sponsored Research Exemptions (6.007)

**SUMMARY OF REGULATION:** The Regulation had been renumbered and amended to delete obsolete statutory references, update statutory references and streamline the research exemptions from statutory procurement requirements and the University's procurement process. The Regulation also prescribes criteria and procedures for granting research exemptions and outlines the roles and responsibilities of the University President, Vice President for Research, Director of Purchasing, University Controller's Office and principal investigators in the process. Although amended and updated, the language is generally consistent with language in the former regulation.

**AUTHORITY FOR REGULATION:** Article IX, Florida Constitution, Board of Governors Regulation Development Procedure dated July 21, 2005, Sections 112.313, 112.3148, 1001.74(4), (5), 1004.22 and 1010.04, Florida Statutes.

**UNIVERSITY OFFICIAL INITIATING THIS REGULATION:** Dr. Grace Ali, Vice President for Fiscal Affairs.

**PROCEDURE FOR COMMENTS:** Written comments concerning this proposed regulation shall be submitted within 14 days of the date of this notice to the person identified below. The comments must specifically identify the regulation you are commenting on.

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED REGULATION IS:** Shira R. Thomas, Office of the General Counsel, Suite 300 Lee Hall, Tallahassee, Florida 32307, (850) 599-3591 (phone), (850) 561-2862 (fax), [regulations@famu.edu](mailto:regulations@famu.edu).

**FULL TEXT OF THE PROPOSED REGULATION:** The full text of the proposed amended regulation follows:

**Regulations of**  
**Florida A&M University**



**6.0286.007 Sponsored Research Exemptions.**

(1) (a) General Information: Section ~~240.241(9)~~ 1004.22(7), F.S., allows the University, in particular instances, to exempt the purchase of materials, supplies, equipment or services for research purposes from the general purchasing requirements of ~~Chapter 287~~, Florida Statutes. In addition, Section ~~240.241(12)~~ 1004.22(10), F.S., allows exemption from Chapters 215 [Financial Matters], 216 [Planning and Budgeting], and 283 [Public Printing and Stationary], subject to Section ~~240.241(9)~~ 1004.22(7), F.S.

(b) The exemption may be exercised when the ~~Director of~~ Vice President for Sponsored Research submits to the President a Division of Sponsored Research Exemption Form, ~~PUR6/88, hereby incorporated herein by reference,~~ available in the Purchasing Department, which will certify that the exemption is necessary for the efficient or expeditious prosecution of a sponsored project.

(2) Exemption Criteria: Exemptions may be granted for transactions that ~~fall under threshold category II according to Chapter 287, F.S.,~~ exceed the University's competitive solicitation threshold of \$50,000 when the conditions as noted exist.

(a) Competitive Bidding:

1. The request to be exempted from the competitive bidding requirements must demonstrate that the exemption is “necessary for the efficient or expeditious prosecution of a research project.” This may be shown by any one of the

following conditions: where a certain vendor is specified in a prime contract or grant award; a certain vendor is approved in writing by the prime contractor or granting agency in accordance with the provisions of the prime contract or grant award; the purchase of specific goods or services from a certain vendor is demonstrated to be more efficient or expeditious based on compatibility, availability, or the current capabilities of the Principal Investigator and staff; the purchase of specific goods or services from a certain vendor is demonstrated to be necessary to meet the time requirements of the prime contract or grant award; the purchase of specific goods or services from a certain vendor is demonstrated to be mandated by scientific or technical requirements; the purchase of specific goods or services from a certain vendor is demonstrated to be at a cost below industry norms, or other conditions which are demonstrated to meet the statutory requirements necessary for expeditious prosecution of a research project.

- (b) 1. The Principal Investigator will initiate the request for an exemption by submitting the request to the Division of Sponsored Research, allowing at least three days for adequate review as well as: a detailed justification for the request; a quotation showing the vendor's price; a statement and/or evidence, that some form of price comparison or determination of price reasonableness has been performed.
2. The request shall be accompanied by the general requisition and by any additional essential documentation.

(c) Advance Payments and Documentation. The request for ~~an exemption from provisions of Chapter 215, F.S.~~ an advance payment, must meet the following conditions:

1. Advance Payments: The request for an advance payment must be necessary to: fund extensive start-up costs; realize discounts or cost savings; or create adequate cash flow in order to provide required goods or services.
2. The Principal Investigator must be responsible for determining that all goods/services, for which an advance payment has been made, are satisfactorily received.
3. Documentation: To insure the availability of adequate records for the review of fiscal records, subcontractors' invoices shall contain a level of detail that is, at a minimum, commensurate with the level of detail and reporting required of the University by the Prime Contract or grant award.

(d) When an exemption under Section (2)(c), ~~F.S.~~ is authorized, the contract will contain the following provision: "The Contractor agrees to return to the University any over payments due to unearned funds or funds disallowed pursuant to the terms of this Contract or by the prime agency that were disbursed to the Contractor by the University. Such funds shall be considered University funds and shall be refunded to the University within 45 days following the time the overpayment and/or disallowance is discovered unless otherwise authorized by the University in writing. In addition, the Contractor agrees to exclude from its expenditure reports and any other claims for reimbursement any amounts disallowed by the prime agency and/or the University in accordance with the terms of this Contract."

(e) Miscellaneous Exemptions: Other exemptions provided for in Section ~~240.241~~ 1004.22, F.S. may also be authorized if it can be demonstrated that they are necessary for the efficient or expeditious prosecution of a project. Exemptions may include:

1. Travel: A subcontractor may be reimbursed for travel expenses of non-State of Florida personnel performing travel under a sponsored research subcontract in accordance with the provisions of the applicable prime contract or grant and the travel allowances normally provided by the subcontractor. The exemption will accompany the Travel authorization Request (TAR) to the University Travel Office. In addition, documentation on the travel allowance provided by the subcontractor must also accompany the TAR.

2. Confidentiality: Where the conditions of Section ~~240.241(2)~~ 1004.22 (2), F.S., are met, some information may be protected from disclosure as a public record pursuant to Chapter 119, F.S., if the research activity necessitates an exemption from public scrutiny.

(3) Certification by ~~Director~~ of Vice President for Sponsored Research: To execute an exemption, the Division of Sponsored Research shall deliver to the University President a notarized Sponsored Research Exemption form signed by the ~~Director~~ Vice President for Sponsored Research. The certification shall contain the following: requisition number, name of grant, grant number and other information as appropriate; description of item(s) requested; and statement of the purpose of the purchase.

(a) Distribution: The distribution of the certification shall be as follows:

1. The original certification will be sent to the University President;
2. A copy of the Sponsored Research Exemption Certification memorandum provided to the President, the general requisition and a copy of the other documentation listed above will be sent to Purchasing.

3. The general requisition and a copy of the other documentation listed above will be sent to Purchasing. The Director of Purchasing will be consulted, as necessary in the issuance of an exemption. However, prior consent to a Sponsored Research Exemption by the Director of Purchasing is not required. Upon reviewing the documentation provided with the exemption, any information that Purchasing has that would impact the use of a sponsored research exemption, should be transmitted to the Division of Sponsored Research prior to issuance of the purchase order. Purchasing will be responsible for compliance with all other State of Florida and University ~~rules and~~ regulations. Any purchase order issued under a sponsored research exemption will contain a statement indicating that a sponsored research exemption was given.

4. Purchasing will forward a copy of the certification, along with a copy of the contract and/or purchase order to the University Controller's Office. The University Controller's Office will forward a copy of these documents to the State comptroller as an attachment to the vendor for the payment of the first invoice.

(4) Other requirements:

(a) A sponsored research exemption may only be used when the purchase of goods or services is fully funded from sponsored research funds. Payments made for purchases or other actions under a sponsored research exemption may not be reimbursed subsequently from other University funds.

(b) A copy of the Sponsored Research Exemption Certification and any supporting documentation will be maintained in and obtained from the Office of Sponsored Research.

Specific Authority 1001.74(4), 1010.04 F.S. Law Implemented 1001.74(5), 1001.75(5),  
1004.22, F.S. History – New 12-07-06, Amended \_\_\_\_\_.