

**NEW COLLEGE OF FLORIDA
REGULATIONS MANUAL**

CHAPTER 4 - Academic Affairs

4-6303 Sponsored Research, Exemptions from General Accounting and Purchasing Procedures

This policy was designed to describe New College of Florida procedures for the administration of Sponsored Research Exemptions as provided in Florida Statutes. References include the Board of Education Standard Practices, and Exemptions from General Accounting and Purchasing Procedures found in Chapter 1004.22, Florida Statutes.

(1) General Procedures

- (a) Chapter 1004.22(7), Florida Statutes, allows the College in particular instances to exempt the purchase of materials, supplies equipment or services for research purposes from general purchasing requirements. Florida Statute also provides that: "The operation of the divisions of sponsored research and the conduct of the sponsored research program are expressly exempted from the provisions of any other laws or portions of laws in conflict herewith and are, subject to the requirements of subsection (7), exempted from the provisions of Chapters 215, 216, and 283."
- (b) The exemption may only be exercised when the Provost certifies to the President/designee that in a particular instance, the exemption for the purchase of materials, supplies or equipment is necessary for the efficient or expeditious prosecution of a sponsored project. The certification will be in the form of a memorandum. Such memorandum will:
 - 1. State the necessity for exemption.
 - 2. Specify the legal or procedural requirements to be set apart.
 - 3. Define the purchase, contract, award, project, or interrelated activities for which the exemptions are being given, specifically identifying the project title and number, contract title and number, etc., as appropriate.
- (c) Payments made for purchases or other actions under a sponsored research exemption may not subsequently be reimbursed from other College funds.

(2) Exemption Criteria. The Provost may exempt a contract from certain general requirements of law and practice by certifying to the President that one or more of the following conditions exist:

- (a) Competitive Bidding. The Principal Investigator must submit a memorandum to the Provost requesting a sponsored research exemption. The memorandum must contain a detailed justification for the request and evidence that some form of price comparison or determination of price reasonableness has been performed. If the vendor is a governmental agency, the acquisition is excluded from competitive bid requirements. The request may be considered when:
 - 1. A certain vendor is specified in a prime contract or grant award.
 - 2. 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.

**NEW COLLEGE OF FLORIDA
REGULATIONS MANUAL**

CHAPTER 4 - Academic Affairs

3. The purchase of specific goods or services from a certain vendor can be demonstrated to be more efficient or expeditious based on compatibility, availability, or the current capabilities of the Principal Investigator and staff.
 4. The purchase of specific goods or services from a certain vendor can be demonstrated to be necessary to meet the time requirements of the prime contract or grant award.
 5. The purchase of specific goods or services from a certain vendor can be demonstrated to be mandated by scientific or technical requirements.
 6. The purchase of specific goods or services from a certain vendor can be demonstrated to be at a cost below industry norms.
 7. Other conditions which can be demonstrated to meet the statutory criteria of "necessary for the efficient or expeditious prosecution of a research project." The specific condition must be fully explained.
- (b) Confidentiality. The prime contract, grant award, or subcontract contains a confidentiality clause requiring the research materials to be exempt from public scrutiny, or if it is determined that, pursuant to Subsection 240.241(2), Florida Statutes, the research activity necessitates an exemption from public scrutiny.
- (c) Documentation and Advance Payments
1. Documentation
 - a. The level of detail and documentation for reporting and payment required by the prime contractor or granting agency in the provisions of the prime contract or grant award (or approved in writing by the sponsor) is less than that required by the State of Florida.
 - b. When an exemption from the general provisions of Chapter 215, Florida Statutes, and related rules and practices is authorized, subcontractors' invoices shall contain a level of detail that is commensurate with the level of detail and reporting required of the College by the prime contract or grant award.
 - c. It is not necessary for copies of receipts to be obtained or submitted with the voucher to the State Comptroller for the payment of such invoices, if the invoice contains a statement certifying that receipts in support of the itemized invoice are maintained in the contractor's records and may be inspected by officials of the State of Florida.
 2. Advance Payments
 - a. The subcontractor or vendor requests an advance payment and it can be demonstrated that the advance payment is 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.

**NEW COLLEGE OF FLORIDA
REGULATIONS MANUAL**

CHAPTER 4 - Academic Affairs

- b. The College shall retain the documentation justifying advance payments in the Provost's Office. The Principal Investigator is responsible for determining that all goods/services, for which an advance payment has been made, are satisfactorily received.
- c. When an exemption from the general provisions of Chapter 215, Florida Statutes, and related rules and practices for documentation or advance payment is authorized, the provisions of a contract between the College and the subcontractor must include essentially the following language: "The Contractor agrees to return to the College any over payments due to unearned funds or funds disallowed pursuant to the terms of this Contract or by the College, such funds shall be considered within 45 days following the time the overpayment and/or disallowance is discovered unless otherwise authorized by the College 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 the College in accordance with the terms of this Contract."
- d. Travel. Non-State of Florida personnel performing travel under a sponsored research subcontract may be reimbursed for travel expenses in accordance with the provisions of the applicable prime contract or grant and the travel allowances established by the subcontractor.
- e. Other conditions which can be demonstrated to meet the statutory criteria of "necessary for the efficient or expeditious prosecution of a sponsored project." The specific condition must be fully explained.

(3) Execution and Distribution

- (a) If the request is for an exemption from the competitive bid requirements, the Principal Investigator will submit the request for the sponsored research exemption. This should be accompanied by the requisition and any additional essential documentation, and sent to the Provost, allowing sufficient time for adequate review of the request.
- (b) Request for other sponsored research exemptions may be initiated by the Principal Investigator, the Provost, or others as appropriate.
- (c) The Provost will review the request for sponsored research exemption to determine if all of the required conditions have been met. The certification will be prepared by the Provost, signed by the Provost and forwarded to the Controller.
- (d) Prior consent to a sponsored research exemption by the Controller is not required, although the Director's advice and counsel may be sought.
 - 1. The Controller will be responsible for compliance with State of Florida and College rules and regulations. Further, if the Controller has knowledge of any information that would impact the use of a sponsored research exemption, the Provost should be contacted prior to issuance of the purchase order.
 - 2. Any purchase orders issued under a sponsored research exemption will contain a statement to this effect.

**NEW COLLEGE OF FLORIDA
REGULATIONS MANUAL**

CHAPTER 4 - Academic Affairs

3. The Controller will forward a copy of the certification, along with a copy of the contract and/or purchase order to the College Controller's Office. The College Controller's Office will forward a copy of these documents to the State Comptroller as an attachment to the voucher for the payment of the first invoice.
- (e) A copy of the Sponsored Research Exemption Certification and any supporting documentation will be maintained in the Provost.

Authority: Article IX, Sec. 7, Fla. Constitution; Fla. Stat. 1004.22; Fla. Board of Governors Regulation 1.001

History: Adopted 04-27-02, as Policy 0-303; Revised and renumbered 05-15-10, 06-29-10; Revised 03-11-17 (technical amendment)