UNIVERSITY OF MIAMI  
SPONSORED PROGRAMS POLICIES AND PROCEDURES  

Section B: Proposal Preparation  
Policy B4: Negotiations  

Approval: April 26, 1996  
Reviewed: December 2006  

PURPOSE:

To establish the offices and individuals who are responsible for negotiating with the sponsoring agencies.

Prior to accepting a sponsored award, the university may need to negotiate the terms and conditions of the award with the sponsoring agency. Negotiations are a way of ensuring the terms and conditions of the award can be adhered to by the university.

The negotiation of sponsored awards is important in that it allows the university to continue providing quality research without placing undue demands on university funds. The following areas must be carefully negotiated: the scope of work, the protocol to be followed, the report or product to be delivered, and the amount to be awarded by the sponsor.

A sponsored award that has been properly negotiated will allow the principal investigator (PI) to perform the project with the funds provided by the sponsor.

DEFINITIONS:

Negotiation: The process through which two or more parties reach an agreement on a proposed project, including the cost of the project and the scope of work to be performed.

Negotiator: An individual who has the authority to represent the university in negotiations regarding the estimated cost of a project, the scope of the effort to be performed, and the terms and conditions of the award.

Protocol: The methodology or approach used to achieve the stated objectives of a project.

Business Official: The university official designated in the proposal as being the individual authorized to negotiate on behalf of the university.

POLICY:

The university will ensure all negotiations are conducted by individuals with appropriate authority to represent the university. Therefore, the PI will be involved in negotiations regarding the work, the protocol to be utilized, and the report or product to be developed. For negotiations in regards to the budget or other administrative issues, the university will be represented by the business official. The business official is normally a representative of the Research Administration (RA) - Pre-Award Administration Office.

REFERENCES:
PHS Grants Policy Statement.

PROCEDURES:

Negotiation Process

1. The PI prepares the proposal for submission to the sponsor. (For more information, see Policy/Procedure B1, “Technical Proposal Preparation and Review”, and B2 “Proposal Budget Preparation and Review.”)

2. The sponsor expresses interest in funding the proposed project and contacts either the university’s business official (RA) or the PI. The office or individual receiving this notification from the sponsor must contact the other.

3. As a general rule, the PI will maintain contact with the sponsor’s program official while the university’s business official will maintain contact with the awarding official (Grants Management Officer, etc.). Close and continuing coordination must be maintained between the PI and the business official during this stage of the awarding process.

4. The negotiation process often results in changes to the proposed budget. If adjustments are made, the revised budget will be submitted for approval following the same procedures as outlined in Policy/Procedure B2 “Proposal Budget Preparation and Review”.

5. The negotiation process related to industry-sponsored clinical trial agreements should, in addition to the above, include a review of provisions regarding public rights, confidentiality, intellectual property, indemnification, and insurance requirements.

6. Once negotiations have been completed, the award will be received by the university and notification will be submitted to the PI and the business official. (See Sponsored Programs Policy/Procedure D3, “Notification of Award.”)

Note: Agency program officials do not have the authority to obligate federal funds and cannot agree to increase or decrease the funds committed to a project.