PURPOSE:
The purpose of this policy is to establish guidelines for the procurement of supplies, other expendable property, equipment, real property, and services with sponsored funds in a manner consistent with requirements set forth in 2 CFR 200, Federal and State regulations, as well as agency specific guidelines. Failure to comply with UM’s policies and procedures may result in audit findings, suspension of sponsored activities, closer monitoring by the sponsor, delays in final payments, and/or other enforcement actions imposed by the sponsor. This policy applies to all Federal and non-Federal sponsored activities, including all externally funded clinical trials.

SCOPE:
All UM personnel must be aware of the complex and detailed rules provided under Federal and non-Federal regulations as well as the terms and conditions of the individual sponsored activity. While compliance with all applicable requirements is essential, it is equally important to maintain an open research environment that welcomes the participation of researchers from around the world as part of UM's mission. To maintain this balance, UM personnel must be familiar with this policy in addition to the Federal and non-Federal regulations on restricted sponsored activities.

This policy applies to all UM personnel, namely:

- Faculty, including voluntary faculty.
- Faculty emeriti engaged as active researchers on UM research activities.
- Researchers, including research staff, postdoctoral fellows, and research associates.
- Graduate students, undergraduate students, and interns involved in research programs.
- Staff in departments, centers, institutes, and administrative offices charged with responsibilities under this policy.
- Consultants, agents, and volunteers associated with research and scholarly activities, as well as in departments and offices charged with responsibilities under this policy.

POLICY:
It is the policy of University of Miami (UM) to ensure that all purchases and disbursements related to sponsored funds are made in accordance with existing UM purchasing guidelines and policies, disbursement policies and guidelines, specific terms and conditions, the sponsor’s policies, and if Federally funded, 2 CFR 200.
Transactions related to sponsored activities require the highest degree of public trust to protect the interests of UM.

Conflict of Interest

Except as may be permitted by the rules of UM, it shall be a breach of ethical standards for any employee of UM to participate directly or indirectly in the purchasing process when the employee knows that:

- He/she or any member of his/her immediate family (spouse, domestic partner, children, parents, grandparents and siblings) will benefit from a UM purchasing transaction;
- A business or organization in which he/she, or any member of his/her immediate family has a financial interest, will benefit from a UM purchasing transaction; or
- Any other person, business or organization with whom he/she or any member of his/her immediate family, is negotiating or has an arrangement for employment, will ultimately benefit from a UM purchasing transaction.

All employees having a financial interest in a private entity shall disclose this information with UM in accordance with policy BSJ-025 (Purchasing’s Conflict of Interest Policy). All individuals taking part in the development or selection of criteria for evaluation, the evaluation process, and the contract award process in any purchase shall be independent of, and have no conflict of interest in the entities evaluated and selected.

Purchases for the Institution or Program

All purchases on sponsored activities shall support the needs of the sponsored project or program, and shall not be personal in nature unless expressly referenced in the grant, or sponsored award. Examples of personal items include business cards, coffee pots, microwaves, and refrigerators for personal use, etc.

Purchases on Federally funded projects will meet the following procurement requirements:

- All possible effort is made to ensure that small business, minority-owned firms, and women’s business enterprises are utilized to the fullest extent possible.
- Utilize a procuring instrument (i.e. fixed price or cost reimbursable contracts, purchase orders, incentive contracts) that is appropriate for the particular procurement and promotes the best interest of the sponsored activity involved. The cost-plus-a-percentage-of-cost or the percentage of constructions cost methods cannot be used.

All UM agreements will include clear payment and deliverable terms, including milestones where applicable, and deliverables which shall be approved by the administrator of the contract (Principal Investigator or his/her designee) prior to any payment(s) being made.

Leases

When appropriate, an analysis should be made of lease and purchase alternatives to determine which one would be the most economical and practical alternative. All leases on sponsored projects will be subject to policy E090 (UM Treasury Lease policy).

Basis for Contractor Selection
The Purchasing Department has the authority to develop specifications, selection and solicitation of sources, and prepare award of contracts for commodities and services, often working in tandem with the Principal Investigator or his/her designee.

**Fair Competition**

Unless otherwise exempt, UM purchases shall ensure free and fair competition. UM requires a minimum of three quotations or bids for purchases with a value of $25,001 or more as per BSJ-015 (Purchasing Competitive Bids Policy).

**DEFINITIONS:**

Please refer to UM’s ORA website for a list of acronyms and terms commonly used in sponsored/ research administration grants, contracts, and cooperative agreements: [https://www.ora.miami.edu/_assets/pdf/ora-policies/glossary.pdf](https://www.ora.miami.edu/_assets/pdf/ora-policies/glossary.pdf)

**PROCEDURE:**

UM personnel are to use UM’s ORA website for guidance on matters pertaining to sponsored activities.

UM personnel are to follow the Standard Operating Procedures (SOP) outlined, as well as utilize the various required forms and templates that have been implemented for the activities related to this policy.

UM personnel should contact the Pre or Post Award staff for consultation if additional information is needed. Contact information can be found on UM’s ORA Contacts Webpage.