

SUBAWARD / VENDOR DETERMINATION

Per OMB Circular A-133 Section B.210, a subrecipient/subcontractor relationship exists when a portion of the scope of work is transferred to another entity.

The following criteria is used to determine if an award is to be made to a **subrecipient/subcontractor** (for purposes of applying F&A costs to only the 1st \$25,000 of the subaward)

or

to a **vendor**, i.e. a provider of goods and services (use professional services or operating services object codes). (F&A costs are applied to the entire amount.

An organization is a subrecipient/subcontractor when:

- It must meet the objectives of the program,
- It has decision making responsibilities,
- It must adhere to program compliance requirements, and
- It must use the funds to carry out the program as compared to providing goods or services for a program.

Characteristics of an organization providing goods and services (i.e. vendor) are when the organization:

- Provides the goods and services within their normal business operations,
- Provides similar goods or services to many different purchasers,
- Operates in a competitive environment,
- Provides goods and services that are ancillary to the program, and
- Is not subject to compliance requirements of the program.

SUBAWARD GUIDELINES

Definition:

Subcontracts are awards made by the institution for the performance of a portion of the work of a sponsored project. The proposed institution's efforts must involve collaborative or substantive contribution to the research project.

They have an active research role in the project.

They have direct input in or preparation of deliverables or final reports.

Budget:

Indirect Costs are charged on the first \$25,000 of each Subaward at the approved/allowed overhead rate.

Required Documentation: All items must pertain to the subaward institution and/or PI from that institution i.e., name, address, FEIN, DUNS #, etc.

All forms should be true to the sponsor if available.

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| <ol style="list-style-type: none"> 1. Cover Page completed for subcontracted institution and signed by their PI and Authorized Representative. 2. Letter(s) of support and/or commitment 3. Scope of Work 4. Budget 5. Budget Justification | <ol style="list-style-type: none"> 6. Facilities and Equipment* 7. Biographical Sketch/Curriculum Vita* 8. Current and Pending Support* 9. Certifications – Depending on sponsor, it is not necessary to include individual forms as signing the Proposal Cover Page will suffice |
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A subaward is treated like a regular proposal as far as the budgetary, signature and routing form requirements. The difference being that the subawarding institution submits to UMCES as part of a larger submission instead of submitting directly to the sponsor. UMCES is required by the sponsor to obtain the necessary documentation to award and to manage the subaward – even though those documents may not be included in the formal proposal to the sponsor.

*Generally, all aspects of the proposal as required from the sponsor should be submitted to the applicant as a subaward package, however, the **minimum required to submit a subaward through CA:**

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| <ol style="list-style-type: none"> 1. Letter of support and/or commitment, 2. Approved budget 3. Budget justification, | <ol style="list-style-type: none"> 4. Cover page with signatures (CA template or sponsor form) 5. Scope of work. |
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Subcontracted institutions are still required to follow their home institution's internal procedures for routing proposals.

When UMCES is submitting as subaward to another institution, Cayuse is used to route the subaward information as listed above to the lead using the "other proposal option".

Bj/5/7/12

CONSULTANT GUIDELINES

Definition:

Consultant Agreements or Purchase Orders are used to obtain services required on a sponsored project. These include services for analytical and logistical support.

These individuals are hired to perform a specific task or service.

They **do not** have an active research role in the project.

They **do not** have direct input in or preparation of deliverables or final reports.

Budget:

Indirect Costs are charged on the entire fee of each Consultant at the approved/allowed overhead rate.

Some sponsors, i.e. NSF, have a not-to-exceed Consultant Rate of Pay. This rate should be referenced and adhered to when the consultant is preparing their proposed budget

Consultants under **\$5,000** are within UMCES delegated purchasing authority. A competitive search is not required.

Consultants **between \$5,000 and \$100,000**: If the proposal is funded, before the consultant agreement is prepared, a *Sole Source Justification* will be required from the PI to support the unique circumstance or service for using a specific individual or company. Competition shall be sought to the extent practical as determined by the USM Procurement Officer unless he/she determines the PI's recommendation is the only source that will satisfy the project requirements and/or circumstances based on the PI's justification.

Consultants **over \$100,000** require sole source justification, additional approvals beyond USM Procurement and take 60-90 days to process.

Required documentation:

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| <ol style="list-style-type: none"> 1. Letter(s) of support and/or commitment
- From individual or company 2. Scope of Work 3. Budget – Itemized | <ol style="list-style-type: none"> 4. Budget Justification – Detail of Tasks, Rates and Schedule 5. Biographical Sketch/Curriculum Vita – I/A (some sponsors require the CV of the main consultant providing the service) |
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There is no specific page or format requirement as long as the above sections are covered by the documentation.