|  |  |  |
| --- | --- | --- |
|  | Subcontracts | Consultants |
| General Characteristics | * Institution or company * Investigator(s) and other personnel are identified and assigned a specific level of effort * Perform work as part of their institutional appointment and may use university facilities and resources * Involved in programmatic decisions | * Experts acting outside the University hired to perform a service on the project; UNCG faculty/staff should not be listed as paid consultants on an UNCG project * Do not have use of university facilities and resources * Not involved in programmatic decisions |
| Budget | * Required a detailed budget breakdown and written justification of all direct costs (e.g. salary, fringe, supplies). * Indirect costs applied at the institution’s federally negotiated rate. | * Typically bills by the day or hour and flat rate for deliverables is acceptable. * Includes all costs and paid directly to the consultant. |
| Compliance | * Flow-down of prime sponsor terms and conditions | * Generally not subject to monitoring or reporting requirements of the prime award |
| Prior Approvals | * Formalized agreement that requires a signed letter of intent from the subcontractor institution | * Formalized agreement not usually required |

As a very general guideline, subcontracts are typically set up for collaborations involving greater effort levels and corresondingly larger dollar amounts (e.g. >$20,000 total, for the subcontract). In contrast, consultants are typically paid to complete focused tasks that require smaller total support (e.g. $400 to $600 per day). The exact amount of support for any external work will depend on the scope of the project and the rules of the sponsor; for example, the NSF caps consultant pay at no more than $634/day (<https://www.nsf.gov/about/career_opps/salary_ad_rates.jsp>).