

# Consultants + Subawards

The following text contains a description of consultant services and subaward collaborations. You may also visit the [Subaward page](#) from the SPARCS website for additional information regarding the differences between these two cost categories.

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## Consultants

Consultants on a sponsored project are individuals or entities that provide services within normal business operations to many different customers. These services are secondary to the operation of the project. For example, a project may need to hire an evaluator, in order to receive an unbiased analysis of the project's results. Consultants will be budgeted as a "Contracted Service". When budgeting for a consultant, it is important to incorporate all of his/her, or the company's, charges. Therefore, we should include the consultant's hourly rate, number of hours estimated, travel costs, materials & supplies costs, etc. in this cost category. Federal agencies often have limitations on a consultant's daily rate ([Maximum Consultant Rates](#) – list created by San Diego State University). Please note that Consultants are NOT subject to project compliance. Therefore, the University's awarded terms and conditions will NOT flow

down to the individual or company.

Please visit [NCSU's Purchasing website](#) for additional information regarding the selection of and accounting for consultants.

## Subawards

Subrecipients are entities that will contribute to the programmatic portion of the project. Their performance will be measured against whether the objectives of the project are being met. Subrecipients ARE subject to project compliance. Therefore, subrecipients must adhere to the University's awarded terms and conditions. Subrecipients should provide a detailed budget similar to NCSU's budgeted categories (i.e. salary, fringe benefits, travel, equipment, materials & supplies, consultants, indirect costs, etc.). Please note – if there is a sponsor restriction on F&A then our subcontractors must also adhere to said restriction in their budgets.

Subawards are issued to entities outside of NCSU when the subrecipient will collaborate with our investigator in a scholarly effort. A subrecipient must adhere to applicable Federal program compliance requirements. One good indicator is that the PI for the subrecipient will normally be named as an author of any resulting publication. The subrecipient PI may also be identified as a co-investigator. Subawards made to foreign entities will be issued in US Dollars at the time of the award. Keep in mind that wire transfer fees may be applicable and therefore should be added to the terms of the award.

For Federal Grants, Contracts and Cooperative Agreements, the sponsor must approve all subawards. The easiest way to gain that approval is to incorporate a complete stand-alone proposal from each subrecipient's institution or business in the original proposal to the sponsor. Obtain a Letter of Intent signed by an authorized official of the subrecipient, a statement of work, a detailed budget and budget justification. Review these proposal documents to ensure that they are accurate and that the costs proposed are fair and reasonable. The sponsor will conduct a similar review for fair and reasonable budget entries.

Request for new subawards (not included in the original proposal and approved by the sponsor) must be submitted with the same documentation as above to The Office of Contracts and Grants (C&G) through the electronic Prior Approval Request (ePAR) system. The request will be forwarded to the sponsor as required.

Subaward actions (initial issuance or modification) are initiated through the [ePAR System](#). A [Subaward Action Request form](#) must be completed & signed then uploaded into the ePAR action. SPARCS is responsible for negotiating and executing subawards/subcontracts once the ePAR is approved by C&G. Please note that SPARCS will not issue subawards without written direction from the PI.

PIs must monitor Subrecipients' performance through direct contact with the subrecipient's PI and interim technical reporting. PI must approve all invoices submitted by subrecipients before they can be paid. The Department and College must retain all documentation relating to each subaward for a minimum of 3 years following the end date.

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For specific guidance on this matter call SPARCS at 515.2444 or email [sps@ncsu.edu](mailto:sps@ncsu.edu).

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