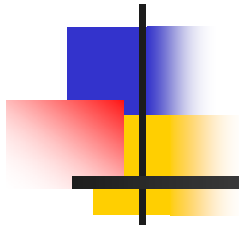


# Consultants on Sponsored Projects: Pre-Award Preparation



Kristine M. Kulage, MA  
Director, Office of Research Resources  
Columbia University School of Nursing

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# Course Objectives

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- Define and Categorize Consultants on a grant application (Key Personnel, Other Significant Contributor, Non-Key Personnel)
- Differentiate between Consultant and a formal Subcontract
- How to properly budget for Consultants



# Consultants

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- Provide expert services to funded projects from outside Columbia University
- An individual who provides professional advice or guidance and/or talk/presentation (e.g., faculty member at another institution)
- A company retained to provide services for a fee (e.g., Pannatech)
- Typically devote time to a project in terms of XX days/year, or XX hours/day @ \$XX/hour x XX days
- If faculty member is affiliated with another institution, services are rendered outside of their institutional time, commitment, and resources



# Consultants

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- How the grant describes consultant duties impacts the set-up process (e.g. if institutional resources, effort, etc. are mentioned, it is not a consultant agreement)
- Important to establish in the pre-award phase whether a Consulting Agreement or Subcontract will be needed
- Individuals with Columbia University appointments typically cannot be listed or paid as Consultants



# Consultants vs. Subcontract

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- The individual can serve as a **Consultant** if:
  - The time they are devoting to your grant is “in addition to” the professional time and effort they normally spend at their university appointment
  - They will be performing the work outside of their own university resources
  - There are no Indirect Costs to be paid associated with their participation on the project
  - They have their own company entity and resources for performing the work
- NOTE:
  - There can always be exceptions
  - It is the individual’s responsibility to verify their eligibility to serve as a consultant on a grant



# Consultants vs. Subcontract

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- A formal **Subcontract** is required for an individual's participation if:
  - The time they are devoting your grant is in lieu of time they would normally spend at their own university appointment
  - Their effort on your project (e.g., 1.2 calendar months effort) is calculated as a part of their 100% "professional time"
  - They will be using a significant amount of resources (office space, supplies, computer, personnel, etc) at their own university when performing the work
  - Columbia University is required to pay the individual's institution Indirect Costs associated with their participation on the project



# Categorizing Consultants

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- How you categorize a consultant on a grant application impacts administrative submission procedures
- Consultants can be listed as:
  - Key Personnel
  - Other Significant Contributor
  - Non-Key Personnel



# Consultants as Key Personnel

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- Consultants should be Key Personnel if they meet the NIH definition:
  - “Individuals who contribute in a substantive, measurable way to the scientific development or execution of the project, whether or not salaries are requested.”



# Consultants as Key Personnel

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- If a Consultant is listed as Key Personnel:
  - They need an NIH Commons ID (required for electronic submissions)
  - A letter of support is required confirming their role on project, # of days of consultation, rate of compensation, etc.
  - Should be either contributing *measurable* "in kind" effort or salaried effort (e.g., \$500/day x 20 days/year)
  - A biosketch must be included in submission
  - Their effort/participation should be justified in budget justification
  - Budget can include their travel expenses
  - Proof of Good Clinical Practices must be shown if participating in human subjects research portion of project
  - Other Support information is NOT needed for either "Just in Time" or Annual Progress Reports



# Consultants as Other Significant Contributors (OSC)

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- Consultants should be listed as OSCs if they meet the NIH definition:
  - “Individuals who have committed to contribute to the scientific development or execution of the project, but are not committing any specified measurable effort (in person months) to the project”
  - These individuals are typically presented at “effort of zero person months” or “as needed”
  - NOTE: If a Consultant is contributing any kind of “measurable effort” to the project OR if they are receiving any compensation, they cannot be listed as OSCs
  - NOTE: Columbia University faculty who will function as an OSC should be referred to as “Collaborators”, not Consultants



# Consultants as Other Significant Contributors (OSC)

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- If a Consultant is listed as an OSC:
  - A biosketch must be included in submission
  - They cannot receive any compensation for their work on the project
  - They should be listed as contributing “in-kind, as needed” effort
  - Letter of support is still required
  - Do not need to be included in budget justification
  - Budget can include their travel expenses
  - Proof of Good Clinical Practices is NOT required
  - Other Support information is NOT needed for either “Just in Time” or Annual Progress Reports



# Consultants as Non-Key Personnel

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- Can be a “To Be Named” consultant position
- Biosketch and eRA Commons ID is not needed
- Their effort and participation should be still be justified in budget justification
- Letter of support is still required (if named)
- Will not need to provide “Other Support” information for “Just in Time” or Annual Progress Reports



# Example:

## External Advisory Board Members

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- If listed as Paid Consultants:
  - Time is listed as “XX days/year”
  - Letters of Support are required
  - Consulting fees can be provided
  - Can be reimbursed for travel costs (airfare, hotel, daily per diem)
  
- If listed as Other Significant Contributors:
  - Time is donated “in-kind”
  - Letters of Support are often included, but not required
  - Cannot receive payment for their time
  - Can be reimbursed for travel costs (airfare, hotel, daily per diem)



# Case Scenario I

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- Dr. Jane Doe at Yale University has agreed to spend 2 weeks/year working on your grant. She will typically perform the work at her campus office during the week in between teaching classes. In addition, the lab she directs will be performing some of the blood sample analyses for your grant.
- Should Dr. Doe be listed as a Consultant or is a Subcontract needed and why?



## Case Scenario II

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- Dr. John Smith at Harvard University has agreed to spend ~1 day/month working on your grant. He will provide guidance on study design and set-up and will meet with the PI once per year at Columbia University. In addition, he will be available for telephone and e-mail consultation as well as assistance with manuscript preparation.
- Should Dr. Smith be listed as a Consultant or is a Subcontract needed and why?



# Budgeting for Consultants

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- Neither the NIH nor Columbia University has an established “standard pay rate” for Consultants
- Terminology to use in grant applications = “Consulting Fee” – NOT “Honorarium” (which is unallowable on federal grants)
- Travel costs for Consultants – whether “Key”, “Non-Key” or OSC – should be budgeted in the NIH “Travel” category



# Budgeting for Consultants

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Consultant Scenario #1 – One time/year consulting fee to provide advice, a talk, etc.

- The typical rate range is \$500 - \$1,000/day; some consultants have their own standard rates
- Any amount >\$600/day is taxable to the individual; therefore \$500/day is often used
- Columbia does have a \$1,000/day maximum allowable for consultants
- Example: Advisory Board Member



# Budgeting for Consultants

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Consultant Scenario #2 – Long-term agreement to provide services to project

- Typically devote time to a project in terms of XX days/year @ \$XX/day
- A Consultant Agreement is established
- Are paid via invoicing or purchase order
- Often have their own company or business and use their own resources to perform the work
- Example: Pannatech, Inc.



# Future Research Seminars

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- “Subcontracts on Sponsored Projects”
  - Thursday, April 24 @ 12 noon
  - K. Kulage to present Pre-Award Perspective
  - R. Torres to present Post-Award Perspective