



Section 500: Award Management

OSR Policy 500.12 — Consultants

Responsible Officer: Director
Responsible Unit: Award Management
Effective date: July 1, 2008
Last revised on: November 4, 2008

Policy Statement

Consultant costs are permitted by the federal government if budgeted in advance and supported by documentation of the essential nature of the service. In addition, the application must show such services will be obtained from the most qualified person/s at reasonable and normal rates.

It is essential to budget contractual services and justify them in the proposal budget, as prior approval by the sponsoring agency is required before actual work can begin.

The University is exempt from requiring certain North Carolina approvals and [State of North Carolina purchasing policies](#) when expending contract and grant funds for instructional services, curriculum development or academically-oriented research. However, [additional University policies](#) and procedures regarding contractual services and purchasing still apply.

Department administrators are responsible for monitoring expenditures and collecting invoices from consultants for payment. A written contractual agreement between the award administering department and each consultant is strongly encouraged. PIs are required to review and sign each invoice to indicate approval of the expenditures prior to forwarding the invoice to OSR for payment processing.

I. Consultant Travel Reimbursements

Consultants traveling on behalf of a research project are subject to University and state travel subsistence allowance limitations. Professional fees and travel expenses may be combined in one payment to consultants, as long as the sponsor permits and travel and associated allowances can be reasonably estimated.

However, separation of consultant travel allowances is necessary on the request for payment of an independent contractor to substantiate compliance with award limitations or guidelines as to acceptable consulting fees.



Reason for Policy

This policy assists faculty and staff in ensuring that independent contractors conduct their portions of research projects in compliance with applicable regulations and their expenses are reasonable and allowable.

Exclusions/Exceptions

As independent contractors unaffiliated with the University, consultants are hired to provide specifically defined services on a given sponsored research project for a limited period of time. UNC Chapel Hill employees are not eligible to receive compensation as a "consultant" to a sponsored project conducted on behalf of the University.

Consultants differ from Service Agreements, which are products or services that indirectly support sponsored research without affecting its components.

Procedures and Related Policies

Consultants at UNC Chapel Hill are subject to policies and procedures found on the following websites:

- [The Office of Human Resources](#)
- [Material and Disbursement Services](#)
- [Travel Services](#)

Payments to consultants are made through the University Check Request System in [Finance Central](#) which also generates an individual contractor form. A copy of the independent contractor form and the original invoice from the contractor signed by the PI must be received by OSR, prior to disbursing a reimbursement.

In addition, the following policies are directly related to this policy:

- [Policy 300.8](#) [Direct Costs: Non-Personnel](#)
- [Policy 500.10](#) [Travel](#)

OSR Research Tool Kits

[Proposal Development and Submission](#)

Contacts

Questions and concerns can be submitted online at [Ask OSR](#) or by using the [OSR staff directory](#). Within [RAMSeS](#), the “*Speak to Someone*” option assists in locating the staff member best suited to address project-specific issues.



References

 [Research Administration Glossary at Carolina](#)

1. North Carolina General Statutes, § 116-13. Powers of Board regarding property and services subject to general law.
2. UNC-Chapel Hill Human Resources Division. *Employee vs. Independent Contractor*.

Revision History

Prior Revisions: The policies in the *Office of Sponsored Research Policies & Procedures Manual* supersede any OSR policies, procedures and appendices previously included in the *University Business Manual*, a publication of UNC Chapel Hill's [Division of Finance](#).

