

SAM Guide to Understanding Subcontractor, Vendor and Consultant Roles and Responsibilities

	Subcontractor	Vendor	Consultant
Organization Type	Typically this includes universities, hospitals, governmental agencies and non-profit community entities, but can be a company or a consultant	A company or corporation.	May be an individual or an entity.
Involvement	Collaborates in project design/proposal development; provides statement (scope) of work to be performed; involved in programmatic decisions; completes work promised and analyzes results found.	Performs services or provides goods (does not provide analysis or discretionary judgment). Services are part of the vendor's business operations and are offered to many customers. Not involved in determining scope of work.	May perform activities, analyze results, evaluate programs or provide advice. Hired for technical expertise. Similar work performed commercially on a routine basis. May have minor involvement in the scope of work consultant is to perform.
Decision Making	Exercises considerable discretionary judgment.	Makes no decisions regarding project scope; follows instructions provided. Performs services or provides goods.	Limited decision-making according to their specialty and experience.
Compliance	Must adhere to federal sponsor's compliance requirements (IRB, IACUC, re-budgeting restrictions, publication, reporting and intellectual property rights). Subject to A-133.	Typically is not subject to most federal sponsor's compliance requirements, may be subject to a special subset of requirements by law.	Typically is not subject to most federal sponsor's compliance requirements, may be subject to a special subset of requirements by law.
Technology Transfer	Entity typically has the right to retain and protect technology developed during project. Potential for patentable or copyrightable technology.	Typically considered "work for hire" so all intellectual property and copyrightable information developed under the agreement are assigned to the prime recipient. Vendor owns its pre-existing intellectual property.	Typically considered "work for hire" so all intellectual property and copyrightable information developed under the agreement are assigned to the prime recipient.
Publications	Publication of results is expected; subrecipient PI retains rights as a co-author but has to acknowledge the prime sponsor and pass-through entity.	No publications rights.	Minimal to no publications rights.

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Deliverables	Performance is measured against the objectives of the award. Has responsibility to comply with all applicable program requirements.	Provides goods or services during normal business operations. Similar goods and services offered to other purchasers on a regular basis. Operates in a competitive environment. Measured against statement of work and specifications provided by prime recipient.	Provides advice or solutions based on expertise. Cannot be a USC employee. If consultant is employed at a college or university, will not perform work as part of their institutional appointment. If not at an institution of higher education, provides services during normal business operations. Measured against statement of work and specifications provided.
Cost Sharing	May provide cost sharing or matching funds.	Typically does not provide cost sharing or matching funds.	Typically does not provide cost sharing or matching funds.
Facilities & Administrative Costs (F&A) (also called indirect costs or IDC)	USC F&A costs apply only to the first \$25,000 of the subaward regardless of the time it takes to reach the \$25,000 threshold.	USC F&A costs are applied to the total direct costs proposed for the vendor.	F&A costs apply to the entire amount proposed for the consultant.
Location of Costs in the Budget form	Location is based on the sponsor's required budget format. Usually is listed under Other Direct Costs, unless there is a heading labeled "Subaward," or "Consortium costs." Refer to the proposal guidelines.	Location based on sponsor's required budget format. Costs are typically recorded on the "Contractual Services" line in the budget; but may be entered under "Other Direct Costs."	Location based on sponsor's required budget format. Costs are typically recorded on the "Consultant" line in the budget; but may be entered under "Contractual Services" in the Other Direct Costs section of the budget. Consultant should specify in a letter or quote the number of hours/days and the hourly/daily rate; cannot exceed normal market rates for the service.

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USC Requirements for Routing	Budget, budget justification, scope of work, official commitment letter from an authorized representative of the institution, copy of negotiated rate agreement, letter of support for the project from the Subcontractor's/ Consortium's PI, other documents required by the solicitation and completion of a USCeRA Certification form for each subawardee is required.	Complete a Certification form in USCeRA and upload the quote to the USCeRA proposal. If cost will be over \$5,000, ask the vendor for a quote. If the value is over \$10,000 dollars, a quote is required and should be attached in USCeRA. In some cases, a Certification form can be used for items under \$10,000 dollars, so that a sole source document will not need to be completed post-award.	A letter of intent which includes a statement of the services to be performed, hourly/daily rates and the total cost of the work to be performed; complete a Certification form in USCeRA and attach the letter of intent. If providing multiple services, consultant should provide a budget containing the tasks to be performed and the cost for each.
Type of Agreement	Typically the FDP Research Terms and Conditions template is used with the appropriate attachments. Specific attachments and modifications may be applicable depending upon the prime funding agency (NSF, NIH, etc.) and the type of subawardee (domestic, foreign, for profit, etc.) Subawards may be fixed price or cost-reimbursable.	Purchase order issued by the USC Purchasing Department, based on requisition's description of services to be performed. Fixed price.	Purchase order issued by the USC Purchasing Department, based on requisition's description of services to be performed. Fixed price.