Subrecipient vs Contractor (Vendor) vs Consultant

1. A Subrecipient is distinguished from both a Contractor and a Consultant in that a Subrecipient:
   a. Performs a substantive portion of the proposed Statement of Work incorporated into the Prime Award;
   b. Has responsibility for internal programmatic decision-making and design, identified by a separate scope of work, budget, and organization approval;
   c. Has a director of the subaward who is considered the Principal Investigator (PI) and who may be considered a Co-PI on the Prime Award;
   d. Is responsible for assisting the Pass-through Entity in meeting the goals of the project;
   e. Is responsible for adhering to applicable Federal programmatic compliance requirements (i.e. IRB/IACUC approvals, FCOI, etc.);
   f. Retains intellectual property and copyright to the work produced by the Subrecipient’s personnel; may co-author an article in a professional research journal.
   g. Carries out the work for a public purpose as opposed to providing goods and services;
   h. Note: ORA does not issue Subawards to individual persons; only to a company or organization.

2. A Contractor (Vendor) is issued a Purchase Order based on a request sent by an administering unit to the UMD Department of Procurement and Strategic Sourcing. The purchase of goods and services, including “Consulting Services”, are obtained from a commercial vendor.
   a. A Contractor provides similar goods and services to multiple customers as part of their routine business operations;
   b. A Contractor competes for customers with other like providers;
   c. Cost sharing is not normally required of a Contractor;
   d. Joint authorship of publications is not sought by Contractors;
   e. The expectation is that the work will not result in patentable or copyrightable technology or products that would be owned by Contractors;
   f. The agreement only specifies the type of goods/services provided by the Contractor and the associated costs;
   g. Contractors commit to deliverables, which if not satisfactorily completed will result in nonpayment or requirement to redo deliverables;
   h. The general terms of the Prime Award do not flow down to the Contractor.

3. A Consultant may be an individual or a commercial entity and is a type of Contractor paid through a Purchase Order issued by the UMD Department of Procurement and Strategic Sourcing.
   a. A Consultant’s deliverable may be intermittent throughout the project, is not clearly defined and similar other work is performed by that Consultant commercially on a routine basis;
   b. A Consultant’s deliverables do not ordinarily generate patentable or copyrightable results of an original or substantive nature;
   c. A Consultant is not subject to the compliance requirements of the Prime Contract;
   d. A Consultant’s fee is based on an hourly or daily rate which is provided and explained in a Consultant rate proposal;
   e. A Consultant’s services are on a “work for hire” basis and all intellectual property or copyrightable rights are assigned to UMCP by the Consultant;
   f. A Consulting Firm is a commercial entity whose regular business activity is to provide services similar to those proposed under the current project.
   g. An Individual Consultant is a non-UMD employee hired to provide technical expertise in support of a sponsored project. As a general rule, the activities performed by a non-UMD faculty member who is named as an individual Consultant in a proposal must fall outside of the individual’s normal academic duties and cannot make use of his/her institutional facilities, personnel or students. If these criteria are not met, then the faculty member’s home institution should appear as a Subrecipient in the UMD Proposal rather than an individual Consultant.