MEMORANDUM

TO: Financial Managers

FR: Ruth Sabian
    Robyn Steve
    Richard Scammell

RE: Consultant Agreements and Payments under Sponsored Programs

Similar to the new process of no longer sending subcontract agreements and payments through Purchasing, the process for handling consultant agreements and payments under sponsored programs has also changed.

Effective immediately, we will no longer be utilizing requisition/purchasing processes to contract with and pay consultants. Since, relative to the individual consultants, there is no bid process or other best price information being utilized, we believe there is no value added to running the paperwork through the Purchasing Department.

For all consultants changed to sponsored programs, Sally Harrington in Contracts & Grants will be your primary contact. She will ensure that you have already obtained approval from the Office of Human Resources that the particular party should, in fact, be classified as consultant and not an employee, and that the agreement has been appropriately signed. All invoices related to consultant changes should be sent to Sally who will approve and forward them to Accounts Payable for payments.

All other consultant agreements should follow the normal process of consulting Human Resources for consultant/employee determination and processing instructions.

We believe that this will simplify processing of consultant agreements and payments.

**Note:** Since we will no longer utilize Requisitions and Purchase Orders, the accounts for the consultant charges will no longer be encumbered on Banner. The appropriate amount will be budgeted under the consultant account code, 025, (one or more of these agreements will be under this code together) ad monitoring of the balance remaining on that line should provide enough information for financial managers and principle investigators. For consultants on sponsored programs, make sure all invoices are submitted timely as projects terminate to avoid audit issues relative to when the work was performed.

Any questions concerning this change in process should be directed to Ruth, Robyn, or Richard.