



Fact Sheet

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Consultant/Contractor Rate Information for FY2023 Awards

Recipient guidelines on consultant rate approval requests

Compensation for individual consultant services procured under a COPS Office award must be reasonable and allocable in accordance with 2 C.F.R. Part 200, Subpart E—Cost Principles and consistent with that paid for similar services in the marketplace.

Unless otherwise approved by the COPS Office, approved consultant rates will be based on the salary a consultant receives from his or her primary employer, as applicable, up to \$650 per day (or \$81.25 per hour). If individuals receive fringe benefits from their primary employer, such fringe benefit costs should not be included in the calculation of consultant rates. For consultant or contractor rates that exceed \$650 per day, the COPS Office requires written justification. **The recipient must provide justification for any consultant rate in excess of \$650 per day and receive COPS Office approval of that rate before drawing down award funds.** An organization may not expend award funds

or drawdown reimbursements for consultant rate increase requests until after the request has been approved by the COPS Office in writing. Any organization that does not provide sufficient written justification as outlined in the following section will be limited to \$650 per day for each consultant or contractor. Please note that this does not mean that the rate can or should be \$650 for all consultants.

NOTE: Consultant and contractor daily rates do not include travel or subsistence costs but may include preparation, evaluation, and travel time.

Compensation for individual consultant services procured under a COPS Office award must be reasonable, allocable, and consistent with that paid for similar services in the marketplace. The recipient must provide justification for any consultant rate in excess of \$650 per day and receive COPS Office approval of that rate before drawing down funds.

Guidance for requesting a consultant rate based on employment

- **Consultants associated with institutions of higher education (including state-run educational institutions).** If representing the academic institution, the maximum rate of compensation that will be allowed is the consultant's academic salary projected for 12 months, divided by 260. These individuals normally receive fringe benefits that include sick leave for a full 12-month period, even though they may only work 9 months per year in their academic positions. This does not apply to individuals

performing consultant work outside of their academic commitments. In such cases, the rate of compensation will be based on reasonable cost principles and requires documentation supporting the requested rate.

- **Consultants employed by state and local government.** Compensation for these consultants will be allowed only when the unit of government will not provide these services without cost. If a state or local government employee is providing services under a federal award and is representing his or her agency without pay from the respective unit of government, the rate of compensation

is not to exceed the daily salary rate for the employee paid by the unit of government. If the state or local government employee is providing services under a federal award and is not representing his or her agency, the rate of compensation is based on the necessary and reasonable cost principles. Please note that under the nonsupplanting requirement of the COPS Office statute, COPS Office funds may not be used to supplant (replace) local funding that otherwise would have been spent on consultants employed by state or local government. The statute bars federal funding of existing consultants and of newly hired consultants that a community is committed to fund in the absence of a COPS Office award.

- **Consultants employed by commercial and nonprofit organizations.** Independent consultant rates will be approved based on the salary a consultant receives from his or her primary employer, as applicable, up to \$650 per day (or \$81.25 per hour). If individuals receive fringe benefits from their primary employer, such fringe benefit costs should not be included in the calculation of consultant rates.

To request approval of a consultant rate in excess of \$650 per day, please submit the signed request on recipient organization letterhead and include the organization DUNS number and the award number for which the approval is being sought.

Please include the following:

- Description of the services to be provided by the consultant or contractor, including the following:
 - The number of days and hours to be worked by each consultant and contractor
 - The daily rate of each consultant and contractor that exceeds \$650 per day (indicate fringe benefits if applicable)

- A resume or curriculum vitae for each consultant or contractor whose rate exceeds \$650 per day
- Documented prior instances when a similar rate has been charged by or paid to the consultant or contractor
- If the consultant is not self-employed and has a primary employer, documentation showing that the requested daily rate is proportionate to the consultant's regular salary (e.g., pay stubs, letter from employer)

You may optionally submit other important information about the consultant or contractor at this time, such as letters of reference; lists of any relevant publications, papers, or honors; advanced experience as a practitioner or academic in the subject area; advanced training relating to the focus of your project; or any unique circumstances that you feel should be considered as the COPS Office reviews your proposed consultant/contractor rates.

To request approval of a consultant/contractor rate in excess of \$650 per day, please return this information to your Grant Program Specialist or Program Manager as soon as possible to expedite the consultant/contractor rate review process.

Contact the COPS Office

For more information about COPS Office programs and resources, please contact the COPS Office Response Center at AskCOPSRC@usdoj.gov or 800-421-6770 or visit the COPS Office website at <https://cops.usdoj.gov>.