

Definition of “Professional” and “Consulting” Services

Use the following definitions to determine how to categorize services that are budgeted in class/object code 6200. Included in these categories are professional services, consulting services, and contracted services rendered by firms, individuals, and other organizations not on the grantee’s payroll. All items requested must be allowable under the authorizing program statutes, regulations, rules, and guidelines.

All professional and consulting services require specific approval.

Contracted Services Provided by an ESC

The following contracted services provided by an ESC are generally **not** defined as professional services or consulting services and do **not** require specific approval unless otherwise specified:

- Accounting or bookkeeping services
- Printing services
- Media services
- Data management
- Special education services
- Career and technical education services
- Staff development
- Curriculum development
- Drug prevention training

Professional Services

Professional services (6219) are limited to the following specific professions:

- Architecture
- Landscape architecture
- Land surveying
- Medicine
- Optometry
- Professional engineering
- Real estate appraising
- Professional nursing
- Accounting (i.e., certified public accountant)

These professions are required to be licensed or registered with the state. Professional services are delivered by an independent contractor (individual, entity, or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of your organization.

Consulting Services

Consulting services (6291) are those services delivered by an independent contractor (individual entity or firm) who is not on your organization’s payroll and who offers its services to the public. “Consulting services” refers to the practice of helping districts to improve performance through analysis of existing problems and development of future plans. Consulting

may involve the identification and cross-fertilization of best practices, analytical techniques, change management and coaching skills, technology implementations, strategy development, or operational improvement.

Consultants often rely on their outsider's perspective to provide unbiased recommendations. They generally bring formal frameworks or methodologies to identify problems or suggest more effective or efficient ways of performing tasks. Consulting services cover all functional areas such as instruction, curriculum, and administration. Consultants must be selected based upon demonstrated competence, qualifications, experience, and reasonableness of proposed fees.

Consulting does not include routine service/activity that is necessary to the functioning of a school district's programs, such as hiring additional people on contract to supplement present staff. It also does not apply to services provided to conduct organized activities such as training, professional development, or other similar educational activities.

Consulting services does not include contracted services provided by an ESC, including data management/data processing services, accounting or bookkeeping services, printing services, media services, special education services, career and technical education services, staff development, curriculum development, and drug prevention training, which are contracted services that do not require specific approval unless otherwise specified.

All subcontracts that are not awarded competitively must be awarded as **cost reimbursement contracts** (i.e., budgeted by object of expenditure and reimbursed at actual costs) and not as fixed-price contracts. The same federal cost principles apply to all professional services or consulting services subcontracts when the subcontract is a cost reimbursement contract. All subgrants must be awarded as cost reimbursement grants.

Travel costs for consultants will be budgeted in 6200 and must be reasonable and necessary. Consultant costs must also include costs for any materials provided by consultants.

Professional and contracted services funded from payments to SSA member districts are also budgeted in 6200.

For procurement contracts under which a contracted person will have critical influence or substantive control over the transaction, contract only with persons not debarred or suspended from receiving financial assistance under federal programs.