

Office of Sponsored Projects Subrecipient vs. Contractor/Vendor Determination Checklist

This checklist will assist you in determining whether a lower-tier entity is a subrecipient or a vendor. Note that the characteristics listed below may not be present for all cases. The PI should use his/her best judgment when determining the proper classification for the work to be performed.

Subrecipient: A legal entity that receives a subaward from Yale under an award made to Yale. A subrecipient is accountable to Yale for the use of the funds in *carrying out a portion of the programmatic effort* under Yale's award.

Characteristics that support the non-federal entity as a subrecipient:

- Determines who is eligible to receive what federal assistance
- Has its performance measured in relation to whether objectives of a federal program are met
- Has responsibility for programmatic decision-making.
- Is responsible for adherence to applicable federal program requirements specified in the Federal award
- In accordance with its agreement, uses the federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass through entity.
- Has responsibility for the design, conduct or reporting of the research
- Publications are anticipated from the lower-tier entity and individuals at the lower-tier organization will be co-authors on articles.
- There is the potential for patentable or copyrightable technology created or reduced to practice from the activities of the lower-tier entity.

Contractor/Vendor: A dealer, distributor, merchant, or other seller *providing goods or services* during normal business operations and are required for the conduct/completion of a sponsored project.

Characteristics of a procurement relationship:

- Provides the goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Normally operates in a competitive environment
- Has no responsibility for the design, conduct, or reporting of the research
- Provides goods or services that are ancillary to the operation of the federal program
- Is not subject to compliance requirements of the federal program as a result of the agreement, though similar requirements may apply for other reasons
- The activity to be performed is a series of repetitive tests or activities requiring little or no discretionary judgment on behalf of the entity.

For additional guidance, contact your OSP proposal manager.