

## Checklist to Determine Subrecipient or Contractor Classification

**Principal Investigator:** \_\_\_\_\_ **Proposal Routing Form # or Grant #:** \_\_\_\_\_

**Outside Entity:** \_\_\_\_\_

**Prime Funder:** \_\_\_\_\_

**OBJECTIVE:** Generally, the determination of the relationship with an entity is verified through the institutional review of the proposal narrative, budget justification, and other related proposal documents, as well as through discussions with key personnel prior to proposal submission. When the relationship remains unclear, this form may provide assistance in making an accurate determination.

**INSTRUCTIONS:** This form is to be used for both Federal and Non-Federal Prime Funders. *Complete sections one and two of the checklist* by marking all characteristics that apply to the outside entity. The section with the greatest number of marked characteristics indicates the likely type of relationship the entity will have with the University. On occasion there may be exceptions to the type of relationship indicated by the completed checklist. In these situations, the substance of the relationship should be given greater consideration than the form of agreement between the University and the outside entity. Section 3 should be used to provide documentation on the use of judgment in determining the proper relationship classification.

### **SECTION 1 - SUBRECIPIENT**

**Description:** A subaward is for the purpose of carrying out a portion of a Prime Funder/Federal award and creates a Prime Funder/Federal assistance relationship with the subrecipient. Subrecipients are subject to compliance requirements of the Prime Funder/Federal program as a result of the agreement. Characteristics which support the classification of the entity as a subrecipient include:

- 1. Determines who is eligible to receive what Prime Funder/Federal assistance;
- 2. Has its performance measured in relation to whether objectives of a Prime Funder/Federal program were met;
- 3. Has responsibility for programmatic decision making;
- 4. In accordance with its agreement, uses the Prime Funder/Federal funds to carry out a program for a public purpose specified in authorizing statute.

### **SECTION 2 - CONTRACTOR**

**Description:** A contract is for the purpose of obtaining goods and services for Western Washington University's (WWU) own use and creates a procurement relationship with the contractor. Contractors are not subject to compliance requirements of the Prime Funder/Federal program as a result of the agreement, though similar requirements may apply for other reasons. Characteristics indicative of a procurement relationship between WWU and a contractor include:

- 1. Provides the goods and services within normal business operations;
- 2. Provides similar goods or services to many different purchasers;
- 3. Normally operates in a competitive environment;
- 4. Provides goods or services that are ancillary to the operation of the Federal program.

### **FINAL DETERMINATION:**

**SUBRECIPIENT**

**CONTRACTOR**

### **OPTIONAL - SECTION 3 - USE OF JUDGMENT** (use only when the determination cannot clearly be made using the above criteria)

**Description:** In determining whether an agreement between a pass-through entity and another entity creates an ambiguity as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

*Explanation of Use of Judgment Determination:*

**Prepared By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

### **DEFINITIONS:**

#### **Federal (FROM UNIFORM GUIDANCE (2 CFR, PART 200))**

##### **Subrecipient:**

*§200.93 Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency*

##### **Contractor:**

*§200.23 Contractor means an entity that receives a contract as defined in §200.22 Contract.*

*§200.22 Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award.*

#### **Non-Federal**

##### **Subrecipient:**

*Subrecipient means an entity that receives a subaward from a pass-through entity to carry out part of a Prime Funder's program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of awards from the Prime Funder.*

##### **Contractor:**

*Contractor means an entity that receives a contract as defined below.*

*Contract means a legal instrument by which an entity purchases property or services needed to carry out the project or program under a Prime Funder*