

## Determining Subrecipient versus Contractor Status

Carleton College sometimes acts as the lead or prime awardee of a federally funded grant: entering into arrangements with outside organizations or institutions being compensated for their involvement in a research project (Carleton is the “pass-through” entity). The nature of these arrangements depends in part on whether a particular outside entity is a *subrecipient* or a *contractor*.

**The following criteria can determine if an outside entity** receiving federal funds from a Carleton College prime award **is a *subrecipient* or a *contractor***. Documentation of determination is required.

The entity has a **subrecipient relationship** with Carleton if... (check all that apply)

- it has an *assistance relationship* with Carleton (in which the entity helps to advance Carleton’s overall grant project).
- its performance will be measured against federal program objectives.
- it has responsibility for programmatic decision-making.
- it adheres to applicable federal program requirements.
- it uses federal funds to carry out a program for a public purpose specified in statute, as opposed to providing goods or services for the benefit of the pass-through entity.

The entity has a **contractor relationship** with Carleton if... (check all that apply)

- it has a *procurement relationship* with Carleton (in which the entity provides a discrete good or service to Carleton).
- it provides goods and services within normal business operations.
- it provides similar goods and services to many purchasers.
- it normally operates in a competitive environment.
- it provides goods or services that are ancillary to the federal program.
- it is not subject to compliance requirements of the federal program.

**As Principal Investigator (PI) on this prime grant, I determine, based on the criteria above, that the award is a \_\_\_\_\_ *subrecipient* relationship or a \_\_\_\_\_ *contractor* relationship.**

---

Signed by Federal grant PI or representative

---

Date

**NOTE: *Since subrecipients are regulated by the government differently than contracts, there are additional considerations for subawards.***

If an entity is determined to be a subrecipient, the PI must send to the Business Office:

- a Statement of Work (SOW),
- the budget,
- the entity’s contact information,
- any special terms or conditions that should go on sub-award.

The Business Office then furnishes the subrecipient various documents to formalize the arrangement. Over the course of the subaward, the PI must also monitor the subrecipient’s progress and performance, using Business Office templates and reports. The Business Office furnishes the PI with additional information and materials.

(10/15/15, reviewed 2020)