

Checklist to Determine Subrecipient or Vendor/Contractor Classification

OBJECTIVE: Generally, the determination of the relationship with an entity is verified through the review of the proposal narrative, budget justification, and other related proposal documents, as well as through discussions with key personnel prior to proposal submission.

INSTRUCTIONS: Complete sections one and two of the checklist by marking all characteristics that apply to the outside entity. The section with the highest 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. When the relationship remains unclear, section 3 should be used as needed to provide documentation on the use of judgment in determining the proper relationship classification. Attach the checklist to the Internal Approval Form to document the determination of subrecipient or contractor/vendor.

NAME OF OUTSIDE ENTITY: _____

SECTION 1 - SUBRECIPIENT

Description: A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. Characteristics which support the classification of the outside entity as a subrecipient include when it:

- _____ 1. Determines who is eligible to receive what Federal assistance;
- _____ 2. Has its performance measured in relation to whether objectives of a Federal program were met;
- _____ 3. Has responsibility for programmatic decision making; and is an integral part of the scope of work;
- _____ 4. (The subrecipient investigator) will be an author on a publication;
- _____ 5. Will retain ownership rights in potentially patentable or copyrightable technology or products that it produces in the course of fulfilling its scope of work;

Outside entities that include these characteristics are responsible for adherence to applicable Federal program requirements specified in the Federal award.

SECTION 2 - VENDOR/CONTRACTOR

Description: A contract is for the purpose of obtaining goods and services for the University of Kentucky's (UK) own use and creates a procurement relationship with the vendor/contractor. Characteristics indicative of a procurement relationship between UK and a vendor/contractor are when the vendor/contractor receiving the Federal funds:

- 1. Provides the goods and services within normal business operations;
- 2. The entity does not produce publications related to the project;
- 3. Normally operates in a competitive environment;
- 4. Provides goods or services that are ancillary to the operation of the Federal program.
- 5. The entity works on behalf of UK and the UK retains ownership of the product. The entity does not possess ownership of the intellectual property created during the project.

Entities that include these characteristics are not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

FINAL DETERMINATION: SUBRECIPIENT VENDOR/CONTRACTOR

OPTIONAL - SECTION 3 - USE OF JUDGMENT- To be completed by CGO

Description: In determining whether the outside entity is a subrecipient or a vendor/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 UK must use judgment in classifying each agreement as a subrecipient or a vendor/contractor.

Explanation of use of judgment determination:

Post Award Review:

RA Name: _____

Confirmation of Sub vs. Vendor Determination Agree Disagree

If RA has additional information regarding the scope of work that may affect the determination please provide the justification below: