

Procedure for Establishing a Subcontract on Sponsored Projects

If the award includes an outside entity receiving funds, the Subcontractor Checklist should be used to determine if the entity is a subrecipient of the award, or a vendor.

1. A **Subrecipient** is distinguished from a **vendor** in that a **Subrecipient**:
 - a. Performs a substantive portion of the proposed Statement of Work incorporated into the Prime Contract;
 - b. Has responsibility for internal programmatic decision-making and design;
 - c. Is responsible for assisting the Prime Recipient in meeting the goals of the project;
 - d. Is responsible for adhering to applicable Federal programmatic compliance requirements;
 - e. Retains intellectual property and copyright to the work produced