



## Subrecipient vs. Contractor Determination Worksheet

Prior to awarding funds, entities must make case-by-case determinations whether an agreement creates a subrecipient or contractor relationship. Use the worksheet below, along with legal counsel, to help make this determination. All questions taken directly from [2 CFR 200.331 Subrecipient and contractor determinations](#).

**Instructions:** Check the box that most closely describes the responsibilities the proposed entity will have. Then add the number of checked boxes from each section. The section with more boxes checked can help make the subrecipient vs. contractor determination.

**Name or Subrecipient/Contractor Entity:** (enter entity name)

**Subrecipients:** 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 as a subrecipient include:

- The entity determines who is eligible to receive what Federal assistance.
- The entity has its performance measured in relation to whether objectives of a Federal program were met. i.e. Will they be responsible for some deliverable or other aspect of the SOW?
- The entity has responsibility for programmatic decision-making. i.e. The subrecipient has discretion in making key programmatic decisions.
- The entity is responsible for adherence to applicable Federal program requirements specified in the Federal award.
- The entity 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. i.e. Will their work benefit the public or the agency?

**Contractors:** A contract is for the purpose of obtaining goods and services for the LPHA's own use and creates a procurement relationship with the contractor.

Characteristics indicative of a procurement relationship between the recipient entity and a contractor are when the contractor:

- Provides the goods and services within normal business operations. i.e. Is this a standard aspect of their work rather than a customized project?
- Provides similar goods or services to many different purchasers.
- Normally operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the Federal program. i.e. Will the entity provide goods or services that support the primary work, or will the contract be primarily for their goods and services?
- Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons. i.e. Will the entity need to follow terms and conditions of the Federal award (SOW, deliverables, etc), or will they use a separate contract?

**Total checked for Subrecipient:** (enter total number of subrecipient checked)

**Total checked for Contractor:** (enter total number of contractor checked)

**Use of judgment in making determination.** In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter 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.

Contact the Contract Performance Monitoring Unit, for more questions.  
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