



SUBRECIPIENT VS. VENDOR PROCEDURES

Overview

Reason/Purpose

The Code of Federal Regulations (CFR) Uniform Administrative Requirements ([2 CFR Part 200 Subpart D](#)) provides guidance on determining whether a relationship between the prime recipient of an award and its subcontractor is a vendor or subrecipient (referred to as “contractor” in 2 CFR Part 200). Even though the CFR applies only for federal funding, the University of New Orleans Office of Research is applying this procedure for all subrecipients in order to maintain consistency in handling.

If the relationship is as a vendor, the prime recipient does not have any monitoring requirements. If the relationship is as a subrecipient, the prime recipient has monitoring requirements which are detailed in the circular. This procedure identifies what is to be done to determine the relationship. There is a separate procedure on the subrecipient monitoring.

Definitions

- **Prime:** An agency, company, or individual providing the initial research funds to the recipient, that are sometimes given to another agency, company, or individual by the initial recipient to perform part of the research effort.
- **Subrecipient:** An outside agency, company, or individual receiving funding to perform a portion of a sponsored research activity for which UNO is the prime recipient of the funds, per 2 CFR Part 200.330. A subrecipient is significantly involved in the actual research program. Responsibility for the subcontracted work is assumed fully by the subrecipient.
- **Vendor:** An outside agency, company, or individual who is providing a service that is to be used for UNO to conduct the research effort, per 2 CFR Part 200.330. A vendor is not significantly involved in the actual research program.

Procedure

The Principal Investigator (PI) or someone with knowledge of what the subcontractor will be doing completes the Subrecipient Vs. Vendor form which is based on requirements in 2 CFR Part 200.330. There are 10 questions to be answered. The PI may ask the Office of Research for assistance in completing the form. However, the PI or designee has the knowledge of the nature of work to be conducted and must answer the questions.

After completing the questionnaire, the PI submits the form to the Office of Research for review. The Office of Research will determine the relationship.

The Office of Research will inform the PI of the relationship. If the relationship is a vendor, the PI should contact Financial Services for payment method. If the relationship is a subrecipient, the PI will be directed to follow the procedures in the Subawards procedure, which can be found on the Office of Research's [website](#).

The Subrecipient Vs. Vendor form will be kept in the Office of Research file with a copy sent to the PI.

Roles and Responsibilities

Principal Investigator

- Complete the Subrecipient Vs. Vendor form.
- Complete the appropriate documentation once determination is complete.
- If vendor: Contact Financial Services for method of payment.
- If subrecipient: Request to draft a subcontract.

Office of Research

- Provide guidance for the PI in completing the Subrecipient Vs. Vendor form.
- Make subrecipient versus vendor determination.
- Provide copy of the completed form to the PI.