

## Rhode Island Grants Management Office Sub-Recipient / Contractor Determination Tool

Office of Management and Budget guidance (2 CFR 200.330) requires federal award recipients to make case-by-case determinations as to whether each agreement entered into for the disbursement of federal program funds casts the entity receiving the funds in the role of a sub-recipient or a contractor based on the following definitions:

- A **Sub-Recipient** receives federal funds from a non-federal entity to carry out part of a federal program. The legal agreement between the two parties creates a federal assistance relationship commonly known as a **sub-award**.
- A **Contractor** is an entity (dealer, distributor, merchant, or other seller) who has a legal agreement with a non-federal entity to provide goods and services needed to carry out the program under a federal award.

### 1. Enter State Agency, Entity, and Federal Award Information\*

State Agency:						
Receiving Entity Name and UEI/TIN:						
Federal Grant Name/Project Name:						
Project Code:						
Federal Program CFDA Number:			-			
Federal Award Identification Number:						

\* If the agreement is funded with more than one federal award, use GMO Form 16-01A to list additional awards funding agreement.

### 2. Answer each question with “Yes” or “No” as it applies to the agreement that the agency is entering into with the entity.

The questions below are designed to assist in determining the nature of the relationship with the receiving entity. Agencies should determine if the federal funding agency has supplied additional guidance regarding these determinations. The substance of the relationship drives the determination, rather than the form of the agreement (e.g. contract, grant, etc.).

Yes	No	Characteristics Indicative of a SUB-RECIPIENT	Basis for Determination
		Will the entity have the authority to make decisions about the delivery of the program, in accordance with federal regulations?	
		Will the entity have the authority to determine who is eligible for the program?	
		Will the entity use the funds to carry out a public project and/or provide a public service?	
		Did the state agency make an announcement that funding was available or that it was “seeking applications” for funding, even if funds were to be awarded on a competitive basis?	
		Will the entity be required, as a condition of receiving federal funds, to contribute match or in-kind funds to the project?	
		Will the entity be reimbursed for actual costs incurred for allowable activities outlined in the agreement and generally not earn a profit as a result of the agreement?	
		Will the entity be required to follow federal requirements specified in the federal award?	
		Will the entity have its performance measured against the goals and objectives of the federal program or program as outlined in the federal award letter?	

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Yes	No	Characteristics Indicative of a CONTRACTOR	Basis for Determination
		Will the entity provide goods or services that are ancillary to the operation of the federal program?	
		Does the entity provide similar goods and services to many different purchasers within the normal business operations?	
		Does the entity operate in a competitive environment, i.e., compete with other organizations to provide a similar good or service?	
		Was the entity selected based on price alone subsequent to a request for quotes?	
		Will the entity be paid a set fee or fixed price above its costs (profit) for the goods and services outlined in the agreement?	
		Will the entity have its performance measured against whether it meets specific contract deliverables rather than the program outcomes?	
		Will the entity assume all financial risk if they fail to deliver the agreed upon good and services?	

### 3. Make a Determination.

Review the “Yes / No” responses to questions and related notes. One “Yes” or “No” answer in response to any single question does not necessarily make the entity a sub-recipient or a contractor. Make a final judgment after reviewing all responses. Based on the above analysis, the relationship with this organization has been determined to be a:

	Sub-Recipient Relationship
	Contractor Relationship

Summary of Basis for Determination

### 4. Complete Required Signatures and Dates.

\_\_\_\_\_  
Printed Name of Agency Representative Making Determination

\_\_\_\_\_  
Signature of Agency Representative Making Determination

\_\_\_\_\_  
Date of Determination

\_\_\_\_\_  
Signature of Chief Financial Officer of Designee

\_\_\_\_\_  
Date

### 5. File completed, signed form in associated agreement file.