

## SUBRECIPIENT/SUBCONTRACTOR VS. VENDOR/CONSULTANT

It is important to determine whether to issue a Subaward/Subcontract (processed by ORS) or a Professional and Artistic Services Agreement (processed by OBFS/Purchasing) for some of the following reasons:

- Subaward/Subcontract may be subject to the Uniform Guidance Audit and Subaward Monitoring if the prime-funding source is federal.
- Subaward/Subcontract flows down the terms and conditions of the prime award, while a Professional and Artistic Services Agreement is not subject to the prime award terms and conditions.
- Subaward/Subcontract F&A and fringe benefits calculations will impact the UIC's total award.

In making the determination of whether to issue a Subaward/Subcontract or a Professional and Artistic Services Agreement, the substance of the relationship is more important than the form of the agreement. It is not expected that all of these characteristics below will be present, and there may be unusual circumstances or exceptions. If you have questions, please feel free to call ORS or OBFS.

SUBRECIPIENT/SUBCONTRACTOR	VENDOR/CONSULTANT
carries out a portion of the programmatic effort of the project	provides goods/services within normal business operations
is responsible for programmatic decision making relative for their portion of the scope of work	provides similar goods/services to many different purchasers
must adhere to sponsored compliance requirements (IRB, IACUC, re-budgeting restrictions, publication, and Intellectual Property rights)	is not subject to compliance requirements of the prime sponsor such as reporting and monitoring
uses the sponsored funds to carry out a program of the organization as compared to providing goods or services	provides services as an individual or sole proprietor
identifies a Principal Investigator to manage the project	person conducting the work may or may not be identified
expected to publish and disseminate the project results	no publications are expected
may be providing cost sharing or matching funds	no cost sharing or matching funds involved
there is a potential for patentable or copyrightable technology created through the project	no potential for patentable or copyrightable technology created through project – work for hire
may participate/collaborate in project design/proposal development	does not participate/collaborate in project design/proposal development