

Sub-recipient / Vendor Checklist

Questions	Sub-recipient?	Vendor?
<p>Solicitation and Competition</p> <p>Is the transaction with the lower tier party subject to state or federal procurement regulations (e.g., a RCW that requires advertising for bids or seeking quotes, OFM client services, OFM personal services, GA Public Works, Circular A-102 Common Rule, etc.) that mandate maximum free and open competition (or justification as to why sole source or declaring an emergency is appropriate)? If “yes”, this is an indicator of a vendor relationship.</p> <p>Instead of procuring the goods or services as described above, did your entity announce the “availability of funding” or announce that you were “seeking applications” for funding? If “yes”, this is an indicator of a subrecipient relationship.</p>		
<p>Purchasing Relationship</p> <p>Does the lower tier party provide similar goods or services to many different purchasers?</p> <p>If “yes”, this is an indicator of a vendor relationship.</p>		
<p>Criteria for Selection</p> <p>Which criteria was the most important in selecting the lower tier party:</p> <ol style="list-style-type: none"> 1. Ability to demonstrate a financial or public need for funding in order to carry out a project or provide a service; or 2. Capability to deliver the goods or services to meet your entity’s needs? <p>Answer 1 is an indicator of a subrecipient and answer 2 is an indicator of a vendor.</p>		
<p>Decision-making Authority</p> <p>Does the lower tier party have a substantial amount of authority for making decisions about program delivery and/or does it determine who is eligible to receive assistance or participate in program?</p> <p>If “yes”, this is an indicator of a subrecipient relationship.</p>		

<p>Pricing of the Agreement</p> <p>Which statement best fits the terms of payment:</p> <p>1. The lower tier party is reimbursed only for its actual costs incurred for allowable activities as outlined in the contract and the lower tier party should not earn a profit from the terms of payment; or</p> <p>2. The lower tier party is paid a set fee-for-service or fixed price at increments above its costs (profit) usually in exchange for the risk it assumes in competing with others to offer the needed goods or services.</p> <p>Answer 1 is an indicator of a subrecipient and answer 2 is an indicator of a vendor.</p>		
<p>Cost Sharing / Matching</p> <p>As a condition of receiving the federal funds, is the lower tier party required to contribute its own non-federal resources (or seek third party in-kind contributions) to help pay for the project/service?</p> <p>If “yes”, this is an indicator of a subrecipient relationship.</p>		
<p>Applicable Rules</p> <p>Is the lower tier party required to follow the provisions of OMB Circular A-87 (cost principles for states, local and Indian tribal governments), A-21 (cost principles for colleges and universities), A-122 (cost principles for non-organizations), A-133 (single audit act), and/or A-102 (uniform grant administrative rules)?</p> <p>If “yes”, this is an indicator of a subrecipient relationship.</p>		
<p>Treatment of Property Purchased with Award Monies</p> <p>Under the terms of the award, can the lower tier party use the funding to purchase real property, equipment and/or supplies? And, if disposed of or sold, is the lower tier party required to obtain disposition guidance from you and/or return your percentage of the proceeds if the per-unit fair market value exceeds \$5,000?</p> <p>If “yes”, this is an indicator of a subrecipient relationship.</p>		