

DETERMINATION: SUBRECIPIENT OR VENDOR/CONTRACTOR?

When MaineHealth provides funds from a federal award to a non-federal entity, the non-federal entity receiving these funds is classified as a subrecipient or a contractor based on the nature of the agreement and the criteria in the Uniform Guidance 2 CFR §200.330. The pass-through entity (or “prime” recipient) is responsible for monitoring subrecipients but not contractors.

A **Subrecipient** relationship exists when the entity has several of the following characteristics:

- 1) The subrecipient determines who is eligible to receive what Federal assistance;
- 2) Has its performance measured in relation to whether objectives of a Federal program were met;
- 3) Has responsibility for programmatic decision making;
- 4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
- 5) In accordance with its agreement, 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.
- 6) Substantive, programmatic work or an important or significant portion of the research program or project is being undertaken by the entity.
- 7) The research program or project is within the objectives of the entity.
- 8) The entity participates in a creative way in designing and/or conducting the research program or project.
- 9) The entity makes independent decisions regarding how to implement the requested activities.
- 10) A principal investigator has been identified at the entity and functions as a “Co-Investigator”.
- 11) There is the expectation that the entity will retain ownership rights in potentially patentable or copyrightable technology or products that it produces in the course of fulfilling its scope of work.
- 12) Publications may be created or co-authored at the entity.
- 13) The entity regards itself, and/or is regarded by Maine Medical Center, as “engaged in research” involving human subjects under the [Common Rule](#) and therefore requires approval for its interactions with human subjects.

A **Contractor** relationship (including that of an individual acting as a vendor of consulting services) exists when the entity has the following characteristics:

- 1) Provides the goods and services within normal business operations;
- 2) Provides similar goods or services to many different purchasers;
- 3) Normally operates in a competitive environment;
- 4) Provides goods or services that are ancillary to the operation of the Federal program; and
- 5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.
- 6) The entity is providing specified services in support of the program.

- 7) The entity has not significantly participated in the design of the research program or project itself, but is implementing the plan of the MMC investigator.
- 8) The entity is not directly responsible to the sponsor for the program or for determining results.
- 9) Little or no independent decision-making is involved in the design and conduct of the work.
- 10) The agreement only specifies the type of goods/services provided and the associated costs.
- 11) The entity commits to deliverable goods or services, which if not satisfactorily completed will result in nonpayment or requirement to redo deliverables.
- 12) The entity does not expect to have its employees or executives credited as co-authors on papers that emerge from the research.
- 13) The expectation is that the work will not result in patentable or copyrightable technology or products that would be owned by the entity.
- 14) In the case of an individual vendor of consulting services, the person has no employment relationship with Maine Medical Center, either academic or administrative in nature.