

University of Delaware: Provider Category Determination Worksheet

Instructions

UD Principal Investigators must complete this form for any collaborating entities on sponsored programs in order to:

- Determine whether the external entity qualifies as a contractor or subrecipient per [Uniform Guidance 2 CFR 200](#).
- Justify the rationale and circumstances for issuing a resulting contractual agreement to the external entity.

This form should be completed for any anticipated collaborators during the proposal submission process, or for any new collaborators identified after a proposal has been awarded to UD. The Research Office and Procurement Services will utilize this form to complete subsequent actions for resulting subrecipients/contractors as appropriate.

Request Information

External Collaborator/Entity:

Principal Investigator:

Prime Award# (if funded):

Prime Sponsor:

Proposal#:

Contractor v. Subrecipient Determination: Indicate the substantive relationship between UD and the external entity.

1. Is the entity an **individual or organization**?
2. Will the entity perform **substantive programmatic work** under the sponsored program?
3. Does the entity bear responsibility for **programmatic decision making and measurable performance**?
4. Is the entity required to adhere to **compliance requirements** specified for the sponsored program?
5. Is this entity considered an **independent work for hire** without any rights to the end product?
6. Is the entity providing goods or services that they normally offer in a **competitive environment**?
7. Is the entity providing similar goods or services to **many different purchasers**?
8. (Optional) **Use of Judgment:** If a contractor versus subrecipient determination cannot clearly be made via answers to above #1-7, provide additional justification for consideration below:

9. **Determination*** per answers to above #1-8 (see the decision tree on page 2 of this form):
*Please note this determination is subject to adjustment upon final review by the Research Office and Procurement.

10. (Subawards Only) Please attach **all required subaward documents** collected from the subrecipient:

<input type="checkbox"/> Scope of Work	<input type="checkbox"/> Subrecipient Commitment Form**
<input type="checkbox"/> Detailed Budget & Budget Justification	<input type="checkbox"/> Attachment 3B: Contacts (pg 1) & FFATA (pg 2)**
<input type="checkbox"/> UD FDP Letter of Intent*	<input type="checkbox"/> Subrecipient Institution's F&A Rate Agreement**

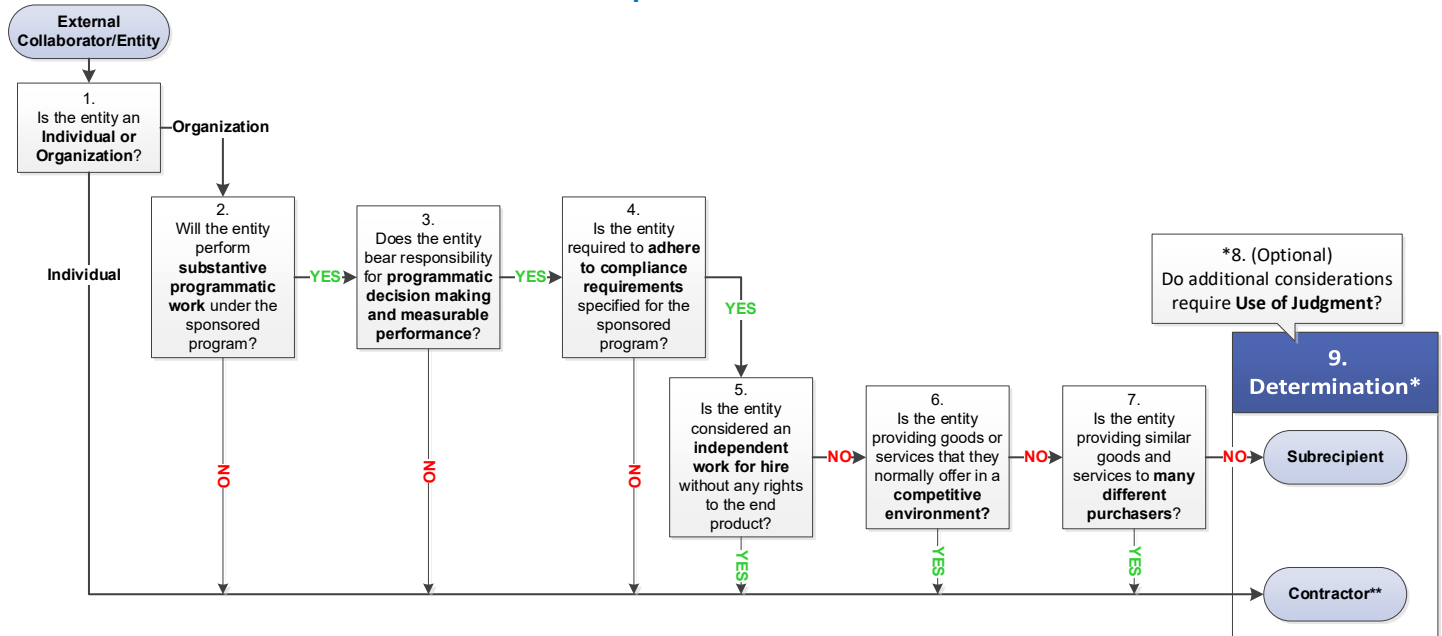
*Provide if the subrecipient [is an FDP member](#). **Provide if the subrecipient is **not** an FDP member.

Procurement Considerations: Provide supporting detail and justification for UD engagement of the external entity.

11. Provide examples of the entity's proven **professional or technical competence** to be provided to UD:
12. Does the entity expect to retain **intellectual property rights** in the proposed work?
13. Is the entity owned/controlled by, an affiliate of, or a close relation to a **UD employee**?
14. Were **competitive bids, quotes or proposals** solicited by UD Procurement Services? If "No", explain:
15. Please **attach below items to reflect rationale for the price to be paid** under this proposal:
 - Itemized budget justification for related costs (for subawards, use budget attachments per above #11)
 - Copies of bids, quotes or proposals solicited (if applicable)

University of Delaware: Provider Category Determination Worksheet

Contractor v. Subrecipient Determination: Decision Tree



**Note: Common “Contractor” examples include an external Consultant, Vendor, or Service Provider relationship.

Key Concepts and Definitions

Determination of UD’s substantive relationship with the external entity (subrecipient vs. contractor) and associated budget distinctions should be made at time of proposal. This will expedite subsequent processes if award funding is received (e.g. subaward execution) and prevent budget revisions which may require the sponsor’s prior approval.

Subrecipient	Consultant	Vendor / Service Provider
<ul style="list-style-type: none"> Performs substantive programmatic work Bears responsibility for programmatic decision making and measurable performance requirements Must adhere to compliance requirements if the source is a Federal award 	<ul style="list-style-type: none"> Provides a proven professional or technical competence to UD Is not controlled with regard to the manner of performance or the result of the service Considered a work for hire and does not retain any rights to the end product or potential intellectual property 	<ul style="list-style-type: none"> The organization provides the goods and services to many different purchasers as part of its normal business operations within a competitive environment Not subject to the same compliance requirements as a subrecipient if the source is a Federal award
Budget Implications		
<ul style="list-style-type: none"> Subawards are charged indirect (F&A) costs on only the first \$25,000 of related expenses incurred. Consultants, Vendors or Service Providers are charged indirect costs for all related expenses. 		

Substantive Programmatic Work: “Substantive programmatic work” is beyond mere analytical work-for-hire normally conducted by a routine service provider. This includes participation of the external entity in the preparation of results, publication, presentation, or other activities beyond routine analytical work.

Programmatic Decision Making: The external entity bearing responsibility for “programmatic decision making” maintains control of the work to be performed under the subaward and is accountable for measurable performance requirements set forth for the award. For example, if UD provides funds to an entity to conduct an independent research project, the agreement would be characteristic of a subaward, because the subrecipient would be responsible for designing the research and determining how to carry out that research. The subrecipient’s research areas must be consistent with the scope of work that the prime sponsor approved for UD.

Use of Judgment: In determining whether an agreement between UD and an external entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement (per Uniform Guidance 2 CFR 200.330). As such, UD must use judgment in classifying each agreement as a subaward or a procurement contract, as certain characteristics outlined above may not be present in all cases.