



# Subrecipient vs. Subcontractor 101

National Telecommunications and Information Administration (NTIA)

*This document is intended solely to assist applicants and recipients in better understanding grant programs under the Consolidated Appropriations Act (CAA) and the Infrastructure Investment and Jobs Act (IIJA), and the requirements set forth in the Notices of Funding Opportunity (NOFOs) for those programs. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, the terms and conditions of the award, or the specific application requirements set forth in the NOFOs. In all cases, statutory and regulatory mandates, the terms and conditions of the award, the requirements set forth in the NOFOs, and follow-on policies and guidance, shall prevail over any inconsistencies contained in this document.*



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# Subrecipient vs. Subcontractor 101

The following resource provides NTIA Grant Program applicants and recipients with information on different types of agreements related to NTIA Grant Program management. For more information and guidance, applicants and recipients should refer to NTIA Grant Program Notices of Funding Opportunity (NOFOs) and 2 CFR 200 Subpart D.



## DEFINITIONS

During NTIA Grant Program application and implementation, applicants and recipients may come across terms related to different types of grant agreements, such as those for subrecipients and subcontractors.

A **subrecipient**, per 2 CFR 200.1, is the recipient of a subaward for the purpose of carrying out a portion of the Federal award that creates a Federal financial assistance relationship with the recipient/pass through entity. For more information, please see 2 CFR 200.331.

A **subcontractor or contractor**, per 2 CFR 200.1, is an entity that receives a legal instrument (contract) to provide goods and services for recipient or subrecipient use.<sup>1</sup> The contract creates a procurement relationship with the contractor and the recipient or subrecipient; please see 2 CFR 200.331.



## SUBCONTRACTOR OR SUBRECIPIENT?

The following checklist will help NTIA Grant Program recipients determine if an entity is a subcontractor, in accordance with 2 CFR 200.331(c).



## SUBCONTRACTOR CHECKLIST

### Is the entity a subcontractor?

Does the entity provide goods and services within normal business operations?

☐ Yes ☐ No

Does the entity provide similar goods or services to many different purchasers?

☐ Yes ☐ No

Does the entity normally operate in competitive environments?

☐ Yes ☐ No

Does the entity provide goods or services that are ancillary to the operation of the federally awarded program?

☐ Yes ☐ No

In accordance with 2 CFR 200.331, if you selected “Yes” to **ANY** questions listed, this **MAY** be an indicator that the entity in question is a subcontractor; not a subrecipient.<sup>2</sup>

Determination

<sup>1</sup> For the purposes of this document, “contractor” and “subcontractor” will be used interchangeably.  
<sup>2</sup> 2 CFR 200.331: **Subrecipient and contractor determinations.** In determining whether an agreement between a recipient and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed may not be present in all cases, and recipient must use judgment in classifying each agreement as a subaward or a procurement contract

# NTIA Grant Programs: Subrecipient vs. Subcontractor

The following checklist will help NTIA Grant Program recipients determine if an entity relationship is a subrecipient, in accordance with [2 CFR 200.331](#).<sup>4</sup>



## SUBRECIPIENT CHECKLIST

### Is the entity a subrecipient?

Does the entity determine who is eligible to receive federal assistance under the program guidelines?

☐ Yes ☐ No

Does the entity measure its performance according to whether it achieved federal program objectives?

☐ Yes ☐ No

Is the entity responsible for making programmatic decisions?

☐ Yes ☐ No

Does the entity use federal funding to carry out a program for a public purpose specified in the authorizing statute, as opposed to providing goods or services for the benefit of the award recipient?

☐ Yes ☐ No

Is the entity responsible for adherence to applicable Federal program requirements specified in the Federal award?

☐ Yes ☐ No

*In accordance with [2 CFR 200.331](#), if you selected “Yes” to **ANY** questions listed, this **MAY** be an indicator that the entity in question is a subrecipient; not a subcontractor.*

**Determination**



## SUBRECIPIENT REQUIREMENTS

Each NTIA Grant Program NOFO lists requirements that subrecipients must meet in order to receive grant funds. **Applicants and recipients are encouraged to closely review all guidelines and restrictions.**

Note: Failure to comply with these certification requirements may result in appropriate enforcement action in accordance with [2 CFR 200.339](#), up to and including termination under a NTIA Grant Program award.



## ADDITIONAL QUESTIONS

For additional questions on grant agreements related to the NTIA Grant Programs, please contact your Federal Program Officer or Grants Officer.

<sup>4</sup> **2 CFR 200.331: Subrecipient and Contractor determinations.** In determining whether an agreement between a recipient and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed may not be present in all cases, and recipient must use judgment in classifying each agreement as a subaward or a procurement contract