

Subaward vs Procurement

Procurement and Business Services

Welcome to the Subaward vs. Procurement resource guide. This information will help you determine whether an agreement is considered a subaward, which is managed by the Office of Sponsored Programs, or a contract or purchase order (PO), which is a procurement action.

Subawards

Subawards are managed by the Office of Sponsored Programs (OSP) and are to be used under the following conditions including, but not limited to:

- When the recipient (vendor) is responsible for a portion of the program work and outcomes.
- When the recipient (vendor) has delegated decision making.
- When there are program deliverables that are integrated into Georgia Tech's deliverable.
- When the recipient is required to comply with Federal Program requirements and statutes (subcontractor).
- When there is significant involvement between recipient and Georgia Tech (design-test-redesign) or technical exchanges.
- When the recipient has lower sub-recipients (Subrecipient Determination) and makes decisions of Federal Assistance.

If it is a cost-based agreement, involves the creation of Intellectual Property, or a classified contract, then it must go to OSP.

For additional assistance with subawards, email subrecipientmonitoring@osp.gatech.edu, or ospinvoices@osp.gatech.edu for support with subaward invoices. Visit the [Subawards and Consulting Agreements Staff Directory](#) for a full list of contacts. Answers to frequently asked questions can be found [on the OSP website](#).



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Contracts and Purchase Orders

Contracts and Purchase Orders are handled by Georgia Tech's Procurement and Business Services department and are subject to criteria including, but not limited to the following:

- Purchase of an off-the-shelf product, perhaps with a one-time change to meet Georgia Tech specifications.
- Work is ancillary to program efforts (web design, curriculum development, or fabrication).
- Materials and services that are within the recipient's (vendor) normal business operations.
- These actions are considered commercial goods and services under the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS). The recipient must meet/accept the applied Federal flow-down clauses for commercial goods and services.
- If the supplier is performing services that are "work-for-hire" (not falling into any of the categories above).

If the contract type is firm-fixed price (FFP), time & materials (T&M), not to exceed (NTE), the purchase of materials or services have clear intellectual property (IP) ownership, and there are definitive deliverables, then it is to go to Georgia Tech Procurement.

NOTE: End users are responsible for determining whether a relationship with a third party should be characterized as that of a subrecipient or an independent contractor (also known as a vendor). Use this excerpt from the [Office of Management and Budget's Uniform Guidance](#) to help make the determination. View this [checklist](#) to determine Subaward vs. Contractor/Vendor.

For any additional questions regarding procurement, please visit [ServiceNow](#).

