

Subawards vs. Service Agreements: Comparison Chart

Criteria	Subaward	Service Agreement
Purpose	Collaborating on a sponsored project	Purchasing specific, routine services
Entity Type	Subrecipient (typically another university, non-profit, or research institute)	Vendor or contractor (business or individual)
Programmatic Contribution	Yes – responsible for project goals or deliverables	No – provides service with no intellectual contribution
Scope of Work	Participates in design, research, data collection/analysis	Performs defined services per scope
Federal Flow-Downs	Must include federal terms (Uniform Guidance, etc.)	Typically, not subject to federal flow-down terms
Monitoring Required	Yes – includes risk assessment and invoice review	No formal monitoring required beyond contract management
Budget Line Item	“Contractual-Subawards”	“Contractual”
Indirect Costs (F&A)	Applied only to first \$25K or \$50K Check MURC Guidelines	Full indirect costs apply (based on MTDC)
PI Oversight	Responsible for technical review and approval of invoices	Confirms services were rendered as described
Example	A university conducting part of a research study	A company providing lab sample testing