

Subcontractor Approval Process for Health and Human Service Contracts

If a Contractor proposes to engage a subcontractor on a human service contract, the Department requires:

1. Subcontractor to be listed in the City's Payee Information Portal (PIP), and
2. Contractor must identify subcontractor through the budget and invoice process. For contract budgets that the Department manages through HHS Accelerator Financials, Contractor shall identify subcontractor in the "Contracted Services" section.

For any subcontractor of more than \$20,000*, the Department also requires:

1. Subcontractor to be prequalified in HHS Accelerator.
2. Contractor to share the subcontract agreement with the Department.** For contract budgets that the Department manages through HHS Accelerator Financials, Contractor shall upload and attach subcontract to the fiscal year budget.

Subcontractors are approved for work on a human service contract when the Department approves the subcontractor in PIP or in written communication with the Contractor. The Contractor should not engage a subcontractor until the Department has approved that subcontractor. The prime vendor will still be responsible for listing all payments to subcontractors in PIP.

*For determining the value of a subcontract, all subcontracts with the same subcontractor shall be aggregated.

**The Department may require Contractor to share subcontract agreements for subcontractors of \$20,000 or less. For contract budgets that the Department manages through HHS Accelerator Financials, contractors shall upload and attach such subcontracts to the fiscal year budget. Additional requirements apply to subcontracting for discretionary contracts.

Subcontractor Agreement Template for Health and Human Service Contracts

The Department offers a [standard subcontract agreement template](#) for human service contracts that Contractor may use, but is not required to use.

Definitions for Subcontractor, Consultant, and Vendor for Human Service Contracts

- A **subcontractor** hired on a health and human service contract is hired to perform or directly deliver a part of the prime contractor's programmatic contractual obligations.
- A **consultant** hired on a health and human service contract is often a subject matter expert and does not perform or directly deliver a part of the prime contractor's programmatic contractual obligations.
- A **vendor** hired on a health and human service contract provides non-programmatic services or goods.

Subcontractors, consultants, and vendors may be corporations, nonprofit organizations, or individuals.

The City requires subcontractors to be registered in PIP, but does not require PIP registration by consultants or vendors.

Definitions should be applied by looking at the language of the contract obligations.