What is the difference between a "beneficiary" and a "subrecipient" and are there any "subrecipient" relationships if we took the standard allowance for the full amount of our ARPA award?

Copyright Vermont League of Cities and Towns
Current as of: 11/8/2026

A subrecipient is an entity that receives a subaward to carry out a project funded by Fiscal Recovery Funds *on behalf of a recipient*. Individuals or entities that are direct beneficiaries of a project funded by Fiscal Recovery Funds are not considered subrecipients. Households, communities, small businesses, nonprofits, and impacted industries are all potential beneficiaries of projects carried out with SLFRF funds.

The terms and conditions of Federal awards flow down to subawards to subrecipients, requiring subrecipients to comply with all requirements of recipients such as the treatment of eligible uses of funds, procurement, and reporting requirements. ***Beneficiaries are not subject to the requirements placed on subrecipients in the Uniform Guidance,*** including audit pursuant to the Single Audit Act and 2 CFR Part 200, Subpart F or subrecipient reporting requirements.

BUT....

Treasury is not collecting subaward data for projects categorized under Expenditure Category Group 6 "Revenue Replacement." Treasury has determined that there are **no** subawards under this eligible use category. The definition of subrecipient in the Uniform Guidance provides that a subaward is provided for the purpose of "carrying out" a portion of a federal award. Recipients' use of revenue loss funds does not give rise to subrecipient relationships given that there is no federal program or purpose to carry out in the case of the revenue loss portion of the award. (Treasury SLFRF FAQs 13.14)

Copyright Vermont League of Cities and Towns
Current as of: 11/8/2026