

Section 3.6: Cooperative Agreement

PURPOSE AND POLICY

Nearly all programmatic needs will fall under one of the previously discussed funding scenarios. However, state agencies may employ the use of a cooperative agreement to accomplish specific program goals, much like the federal government does. As the name might suggest, a cooperative agreement implies a closer relationship between the funding entity and the subrecipient.

As defined in Uniform Guidance ([200.24](#)), a cooperative agreement is a legal instrument of financial assistance between a federal awarding agency or pass-through entity and a non-federal entity that has clearly defined purposes and restrictions. A non-federal grantor may also choose to use a cooperative agreement as a funding instrument. The key provisions ensure that a cooperative agreement is not a substitute for a contract (does not acquire property or services that directly benefit the grantor) and provides for “substantial involvement” between the grantor and the entity carrying out the activities designated by the award. This usually results in the grantor providing technical or subject matter expertise or other guidance. The cooperative agreement may also have other requirements (i.e., mandatory use of a research partner, hosting or attending a conference, etc.) that usually would not be included in a grant or subgrant agreement. The cooperative agreement must be signed by the highest-ranking responsible parties and should be uploaded to the corresponding eCivis program folder.

If federal funding is included as part or all of the award, the subrecipient must adhere to all federal laws and regulations. Grant program managers should review [Uniform Guidance Subpart D Post Federal Award Requirements](#) to ensure compliance with applicable federal laws and regulations.

If the cooperative agreement is awarded through a competitive process, the grantor must also adhere to the state’s grant procurement code, contained in Arizona Revised Statutes 41-2701 through 41-2706.