## Section 3.1: Federal Funding Instruments

One of the predominant manners through which the Federal Government accomplishes its mission is through awarding funds to States, territories, local governments, and other organizations using a Grant or a Cooperative Agreement. Regardless of the procurement vehicle used to allocate the funding each of the transactions is referred to as an award and recipients referred to as awardees.

These funding instruments provide the means for defining the terms, conditions, nature, and scope of the agreement between the Federal Government and the awardee; in this case, the State of Arizona. The instruments are intended to be different in purpose and application. Each one creates different relationships between the Federal Government and the state. Each funding mechanism invokes a particular level of control or participation by the Federal Government. Current legislation and appropriations may dictate the funding mechanisms available to the state.