

## Section 3.3: Memorandum of Understanding

### PURPOSE AND POLICY

A memorandum of understanding (MOU) technically is not a funding instrument (MOUs do not authorize funding or payment). An MOU outlines responsibilities between a grantee and an outside entity that provides goods or services under the grant agreement. The outside entity may be another unit of government, a non-profit organization or a private entity. MOUs are usually included in the original grant application and supports the applicant's scope of work as outlined in the grant application. MOUs can be found in the appendix section of the application. In other cases, an MOU may be developed after funding is awarded.

Elements of an MOU include:

- Description of the partners
- History of the relationship among the partners
- The roles and responsibilities of each entity
- A project timeline that details when the work will be completed
- A statement of commitment to the partnership.

Other miscellaneous provisions might include:

- A termination clause that specifies the circumstances under which the MOU might be terminated prior to the deadline.
- Indemnification clause
- Terms under which modifications to the MOU may be made
- Industry-specific requirements (i.e., confidentiality of research subjects).

The MOU is signed by the responsible parties from each entity. The signed MOU should be uploaded to eCivis.

Only eCivis or an agency's legacy grants management solution may be utilized for soliciting grants applications or posting notices of funding availability (NOFA). Agencies are not allowed to use procurement systems such as the Arizona Procurement Portal (APP) for grants solicitations.