

# Differences between Federal Grants, Contracts, & Cooperative Agreements

A QUICK REFERENCE TO

## GRANT

## COOPERATIVE AGREEMENT

## CONTRACT

Flexible instrument designed to provide money to support a public purpose.

Flexible instrument designed to provide money to support a public purpose.

A binding agreement between buyer & seller to provide goods or services in return for funds.

Governed by grant agreement terms.

Governed by the terms of the cooperative agreement

Governed by Federal Acquisition Regulations (FAR) clauses.

Conceived by PI. Flexible as to scope of work, budget, and other changes

Conceived by PI. Typically flexible as to scope of work, budget, and other changes

Conceived by sponsor. Relatively inflexible in scope, budget or other changes. Emphasis placed on delivery of results, product or performance.

Annual lump sum award  
Re-budgeting more flexible

Annual lump sum award unless otherwise specified in the cooperative agreement  
Re-budgeting usually flexible

Payment typically based on deliverables and milestones.  
Re-budgeting more restrictive

Annual reporting requirements

Reporting requirements determined by the cooperative agreement

Frequent reporting requirements.

PI has more freedom to adapt the project and less responsibility to produce pre-set results.

Substantial involvement is expected between the executive agency and the recipient when carrying out the activity contemplated in the agreement

High level of responsibility to sponsor for conduct of the project & production of results.