Summary of Module 3: Assistance Awards: Focus on Cooperative Agreements

This module provided an overview of different funding mechanisms and the cooperative agreement process from development to closeout. You learned to:

- Differentiate among contracts, grants, and cooperative agreements.
- Describe the impact of legislation on cooperative agreements.
- Describe the three major steps involved in awarding a cooperative agreement.
- Explain post-award administration and monitoring.

Lesson 1: Authorities and Mechanisms for Awarding Federal Funds

Contracts, Grants, and Cooperative Agreements

A **contract** is an acquisition instrument used when the principal purpose of a transaction is an acquisition—by purchase, lease, or barter—of property or services for the direct benefit or use of the federal government.

A **grant** is a financial assistance instrument under which the federal government does not anticipate substantial programmatic involvement with the recipient during performance of the project or activity. The grantee possesses all of the skills and levels of expertise necessary to carry out the award.

A **cooperative agreement** is a financial assistance instrument under which a federal agency anticipates that it will have substantial involvement with the recipient during performance of the project or activity.

"**Substantial involvement**" means that the recipient can expect federal programmatic collaboration or participation in carrying out the effort under the award.

Impact of Legislation on Cooperative Agreements

Before federal agencies can begin to implement a national program strategy, they must legally be authorized to do so. Most CDC programs are authorized in the Public Health Service in 42 US Code. Annual appropriations fund these programs on a continuing basis.

The Federal Grant and Cooperative Agreement Act of 1977 provides the legal criteria to select an award instrument. Sometimes, legislation specifies the type of award instrument you should use and may seem to contradict the Act. In this case, the specific statutory language prevails.

Determining Which Funding Mechanism to Use

To understand the distinction between contracts and grants/cooperative agreements, consider the differences in the terms "acquisition" and "assistance." Contracts acquire goods and services for the Agency. Grants and cooperative agreements assist recipients in accomplishing a public purpose.

To determine which funding mechanism to use, first consider who will benefit from its use.

- **Federal Government Benefit:** If the benefit of the service or goods is for the program or its operations, it should be deemed a contract between the federal government and a vendor or contractor (e.g., technical or training services, procurement of vaccines, statistical analysis, and data collection).
- **The Public:** If the purpose is to assist, support, or stimulate a public need as authorized by statute, the mechanism to provide funding should be a grant or cooperative agreement.

Guidelines for Use of Contracts, Grants, or Cooperative Agreements

Things You CAN Do	Things You CAN'T Do
- Require grantees to receive approval in a program activity stage before they can begin work on a subsequent stage within the performance period. - Provide linkage to or access to data in other CDC-funded programs. - Assist your grantee in identifying skill sets needed to manage the project as proposed in the FOA and grantee's application and work plan. - Collaborate with your grantees to perform their funded program activities. - Monitor performance to provide specific direction or redirection of the work. - Monitor your grantee's work to ensure compliance with the requirements beyond what's considered "normal federal stewardship."	- Halt an activity. - Approve or help grantees select recipients of subcontracts. - Assist grantees in selecting key personnel or manage processes within their organization - Direct a grantee in their daily operations.

Lesson 2: Understanding Cooperative Agreements

Steps in Awarding a Cooperative Agreement
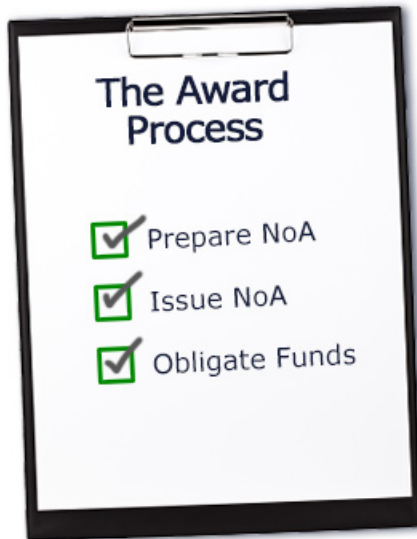
The award process involves three steps: preparing the Notice of Award (NoA), issuing the NoA, and obligating funds.

The GMO, who is responsible for issuing the NoA and obligating funds, distributes a copy of the NoA to your grantee and a copy to you, while maintaining the official grant award file in PGO. Once the NoA is issued, the GMO can obligate funds.

Keep in mind that, as the project officer, you can't change the terms or conditions of a cooperative agreement. If your grantee requests a change to the terms and conditions, the GMO, in consultation with your program, will be responsible for making the changes and keeping you informed.

Remember: The NoA describes all terms and conditions of the award, including reporting requirements. An NoA binds the government and the recipient to the terms and conditions to ensure the success of the activity.

Post-Award Administration and Monitoring

Your role in the post-award process includes

- Establishing rapport with your grantee.

- Providing technical assistance on programmatic and scientific or technical aspects of grants.

- Conducting and documenting conference calls and site visits for the official PGO file.

- Providing linkage to resources and coordinating with other project officers to ensure uniform guidance and assistance is given to grantees within the scope of the FOA.

- Approving changes to work plan or activities within the scope of the award.

- Collaborating with the GMO and the GMS to ensure adherence to government standards.

- Ensuring the best and most current science and practices are available for program implementation.

Closeout

Closeout is the process by which CDC determines that all performance within the cooperative agreement and all applicable administrative actions have been completed by CDC and the grantee.

During closeout, you will:

- Facilitate the cooperative agreement closeout.
- Review and certify that programmatic objectives have been met.
- Work with PGO to resolve any known business management issues.
- Forward any pertinent documents, including emails and other correspondence, to PGO to ensure that the cooperative agreement file is complete.
- Consult with PGO at the time the final performance report is submitted.
- Provide the closeout certification document to PGO.

Closeout Responsibilties

- ☑ Facilitate closeout
- ☑ Review objectives
- ☑ Resolve issues
- ☑ Forward documentation
- ☑ Consult with PGO about final report
- ☑ Provide closeout certification

Module 3 Resources

Links with this icon (⧉) indicate that you are leaving a CDC Web site. The link may lead to a non-federal site, but it provides additional information that is consistent with the intended purpose of a federal site. The Department of Health and Human Services (HHS) cannot attest to the accuracy of a non-federal site. Linking to a non-federal site does not constitute an endorsement by HHS or any of its employees of the sponsors or the information and products presented on the site. You will be subject to the destination site's privacy policy when you follow the link.

1. **US Code Title 42**
   http://www.gpo.gov/fdsys/pkg/CFR-2002-title42-vol1/content-detail.html ⧉

   Title 42 of the United States Code authorizes CDC to award funds within the limits of its authority as an operating division of the Department of Health and Human Services (HHS).

2. **The Federal Grant and Cooperative Agreement Act of 1977**
   http://uscode.house.gov/statutes/1978/1978-095-0224.pdf ⧉

   The Federal Grant and Cooperative Agreement Act of 1977 (the "Act") provides the legal criteria to select an award instrument.

3. **Federal Budget Process: Phase, Timeline and Activities**

   This document provides a timeline of the Federal Budget Process.

4. **The Congressional Appropriations Process: An Introduction**

   This document was prepared for members and committees of Congress to explain the congressional appropriations process.

5. **Example: Program Legislation**
   http://www.cdc.gov/cancer/nbccedp/legislation/law.htm

   The Breast and Cervical Cancer Mortality Prevention Act of 1990(Public Law 101-354) established the CDC's National Breast and Cervical Cancer Early Detection Program, which provides breast and cervical cancer screening exams to underserved women.

Note that this list is not all-inclusive; you should check with your center, division, or branch for additional resources that may be available.

Check the Project Officer Portal for any documents not linked above:
http://intranet.cdc.gov/ostlts/projectofficerportal/.