

Grants vs. Contracts

	Grants ¹	Contracts ²
Basic Purpose	A flexible instrument designed to provide money to support a public purpose, on behalf of the service provider. Assistance with few restrictions.	A binding agreement between a buyer and a seller to provide goods or services in return for consideration (usually monetary). Goods or services are procured on behalf of the CTAC.
Terms and Conditions	Guided by CTAC Procurement Policies	
Scope	Conceived by agencies. Flexible as to scope of work, budget, and other changes.	Conceived by CTAC. Relatively inflexible as to scope of work, budget, and other changes.
Solicitation	Guided by CTAC Procurement Policies	
Accountability	Diligent efforts are used in completing research and/or the delivery of results.	Significant emphasis placed on delivery of results, product, or performance.
CTAC Involvement in Program Design and Evaluation.	None or minimal. Program is designed by service provider and evaluation is self-reported.	Approves activity, expects results. Service provisions are more prescribed and CTAC conducts its own evaluation.
Payment	Payment awarded in annual lump sum, unless otherwise specified and paid on a cost reimbursement basis.	Payment based on deliverables and milestones. Payment structure of contracts can use multiple payment structures to align payments to contract performance.
Costs and Budgeting	Flexible. Federal standard is “Necessary and reasonable”	More restrictive.
Reporting	Annual reporting requirements	Frequent reporting requirements
Flexibility	Service Provider has more freedom to adapt the project and less responsibility to produce results.	High level of responsibility to the sponsor for the conduct of the project and production of results.

¹ United Ways, Philanthropic Organizations, and even the BoCC’s CAPP program award funding under the “Grants” model. CTAC’s RFP 20-937 also had the characteristics of a grant program. Florida Statutes also provides for certain grant programs, such as the Criminal Justice, Mental Health, and Substance Abuse (CJMHS) Reinvestment Grant Program (F.S. 394.656).

² Funders of social service delivery systems such as the Department of Children and Families’ funding of Community-Based Care agencies, Managing Entities, the Department of Juvenile Justice’s funding of programs through the Florida Network are typically via the “Contracts” model.