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Microsoft

Microsoft Cooperative Incentives

This guidebook for Microsoft CSP partners will introduce and help with co-op claims

Updated: October 2024

What is cooperative (co-op)?

As part of the Microsoft AI Cloud Partner Program (MAICPP) you have access to various incentives programs that reward you for delivering services to customers.

- Co-op marketing funds are funds that you earn through Microsoft incentive programs.

- Co-op funds help you to conduct marketing activities that increase brand awareness and drive growth of your sales pipeline.

- Co-op funds can be used for Partner readiness which includes MAICPP annual membership fee, Microsoft certification training costs and eligible marketing activities that are focused on Microsoft Cloud.
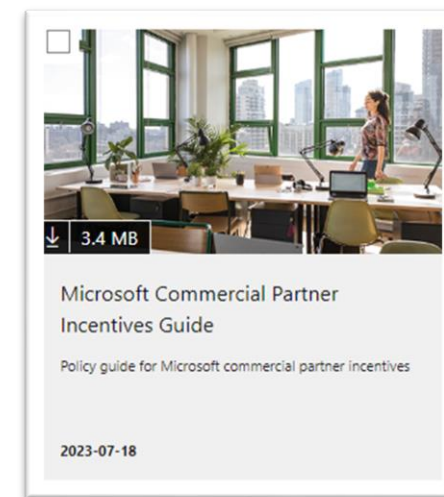
Incentive programs that earn co-op:

- Microsoft Commerce Incentives (MCI) – co-op earnings started November 1, 2022

- CSP Indirect Reseller – this program has concluded, and all remaining incentives have been transferred to MCI

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Incentive programs that earn co-op

Under the Microsoft Commerce Incentive (MCI) program, co-op earnings will accrue across these engagements and levers as one MCI co-op amount per enrolled Partner ID.

MCI	Incentive Structure (lever name)	Rate	Rebate/ Coop
Azure CSP Motion Incentives	Azure consumption CSP motion	4%	60% rebate 40% coop
	Azure Reservation and Savings Plan Incentive (Includes ACR from Reserved Instance and Azure Savings Plan)	10%	
	Azure AI accelerator CSP	7%	
	Azure Workload Accelerator CSP	3%	
	Azure CSP Customer Adds	15%	100% rebate
MCI	**Incentive Structure (lever name)**		**Rebate/ Coop**
M365 new commerce CSP indirect reseller	Core – Modern Work & Security billed revenue	3.75%	60% rebate 40% coop
	Global Strategic Product Accelerator – Tier 1 (Business Premium, M365 E3)	5%	
	Global Strategic Product Accelerator – Tier 2 (M365 E5, Copilot)	7%	
	Global Calling and Conference PSTN Accelerator	20%	
	Customer add - Modern Wok & Security billed revenue	15%	
MCI	**Incentive Structure (lever name)**		**Rebate/ Coop**
Dynamics 365 new commerce CSP indirect reseller	Core – Business Applications billed revenue	4.75%	60% rebate 40% coop
	Global Strategic Product Accelerator – Tier 1 (Finance & Supply Chain)	7.5%	
	Global Strategic Product Accelerator – Tier 2 (Business Central)	10%	
	Customer add – Business Applications billed revenue	20%	

↓ 3.4 MB

Microsoft Commercial Partner Incentives Guide

Policy guide for Microsoft commercial partner incentives

2023-07-18

Download the incentives guide for full program details and eligibility requirements.

Check that you are fully enrolled in MCI and there are no action items flagged.

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How co-op is calculated

Earning/Accrual Period	Usage/Activity Period	Claiming Period Deadline
FY23 H2 Jan – June 2023	July 1 – Dec 31, 2023	February 15, 2024
FY24 H1 July – Dec 2023	Jan 1 – June 30, 2024	August 15, 2024
FY24 H2 Jan – June 2024	July 1 – Dec 31, 2024	February 15, 2025

- Incentives are based on billed revenue and the earning levers under MCI engagements.

- Microsoft calculates eligible incentive earnings using an earning rate and then applying a percentage split (such as 60% rebate, 40% co-op). You receive the rebate portion monthly (at the existing payout cadence for your individual program), and Microsoft accrues the co-op portion of incentive earnings.

- Co-op has two six-month periods, which are the Microsoft fiscal half-year: H1 (July 1 to December 31) and H2 (January 1 to June 30). Co-op funds are earned and accrued in one six-month period and then used in the following six-month period on eligible activities. Once you are in the usage period, co-op funds are deposited into the co-op management claiming tool for use.

Terms to remember
- H1 – this is the first half of the Microsoft fiscal year, July 1 - December 31
- H2 – this is the second half of the Microsoft fiscal year, January 1 - June 30
- Earning period – this is the timeframe that your funds are accruing.
- Usage period – this is the timeframe you are allowed to execute a marketing activity and access your funds in the claims tool.
- Claiming period – this is the timeframe for submitting co-op claims to be reimbursed on the activities executed.
- POE – proof of execution

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Earning and accruing co-op

If you are earning rebate, then you are earning co-op - it's just that Microsoft has a co-op earning threshold for how you get access to those co-op funds.

Threshold:

The accrued funds must meet the $10,000 USD minimum co-op earning threshold to be available for use in the co-op claims tool. Anything below this threshold will be converted and paid out to the partner as rebate. Funds are not lost they are strictly converted to rebate.

• At the close of each six (6) month earning period, for partners over the $10,000 co-op threshold, Microsoft will deposit the funds into the Partner Center co-op claims tool for use in the upcoming semester.

• Partners under the $10,000 the co-op threshold will receive the withheld co-op funds as part of their rebate payment in the following payment cycle.

Bank and Tax profile:

• Starting November 1, 2022, Partners will need to complete a new bank and tax profile for the MCI co-op earning type in Partner Center. Note, this is separate from MCI rebate earnings. Earnings will not be available for payment until the co-op bank and tax profile is complete and approved.

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Example: Microsoft Commerce Incentive (MCI)

MCI earnings will continue as 60% rebate/40% co-op split, accruing for the H2 (January 1 – June 30) earning period, to be used in H1 (July 1 – December 31).

In this example, the partner will have accrued $32,500 by June 30, 2024, to use in FY25 H1.

MCI Engagement	Lever Name	January 2024		February 2024		March 2024		April 2024		May 2024		June 2024	
		60% rebate	40% co-op	60% rebate	40% co-op	60% Rebate	40% co-op	60% rebate	40% co-op	60% rebate	40% co-op	60% rebate	40% co-op
Azure CSP motion incentive	CSP motion Azure plan	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
D365 new commerce CSP	Core - Business Applications billed revenue	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
	Global Strategic Accelerator - Tier 1	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
	Global Strategic Accelerator - Tier 2	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
D365 cust add new commerce CSP	D365 cust add new commerce CSP	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
M365 new commerce CSP	Core - Modern Work & Security billed revenue	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
	Global Strategic Accelerator - Tier 1	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
	Global PSTN Calling and Conf Accelerator	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
M365 cust add new commerce CSP	M365 cust add new commerce CSP	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600	$900	$600
		$8,100	$5,400	$8,100	$5,400	$8,100	$5,400	$8,100	$5,400	$8,100	$5,400	$8,100	$5,400

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Important – You must be fully enrolled in MCI before you can start to earn

- Enroll in the Microsoft Commerce Incentives (MCI) program through Partner Center.

- Be sure there are no action items flagged as this will impact earnings and payments. After you start earning you still need to check this quarterly.

- Review the MCI program guide and meet MCI engagement qualifications.

Co-op planning guidance

Recommended:

1. Record the amount of your co-op earnings and create a plan for the upcoming usage/activity period.
   - If applicable, be sure you are capturing co-op earnings for each enrolled Partner ID under each participating incentive program.

2. Download the current Partner Incentives Co-op Guidebook.
   - Review the guidebook's eligible co-op activities under Partner Readiness, Market Development, and Demand Generation.
   - Confirm your plan is aligned to the eligible activities.
   - Note any proof of execution (POE) requirements and specific call outs per activity.
   - No pre-approvals are required for your activities - these are your funds to use as your organization desires, but you must attire to the requirements in the co-op guidebook.

3. Don't leave money behind.
   - Monitor and adjust your activities - unused funds will be forfeited.

Optional:

- Creative materials preapproval (applicable prior to execution only)
  - To request preapproval, email commpre@microsoft.com
  - Ensure pre-approved creative materials are not modified in any way after approval

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Planning activities

	Earning/Accrual Period	Usage/Activity Period	Claiming Period Deadline
	FY23 H2 Jan – June 2023	July 1 – Dec 31, 2023	February 15, 2024
	FY24 H1 July – Dec 2023	Jan 1 – June 30, 2024	August 15, 2024
	FY24 H2 Jan – June 2024	July 1 – Dec 31, 2024	February 15, 2025

Your planning can start before or at the beginning of the "usage period". Below is a summary of the types of eligible co-op activities.

	Definition	Qualifying activities		
Demand Generation	Traditional advertising with broad reach that furthers the marketing and promotion of Microsoft offerings. Results and audience size are measurable.	• Print advertising • Migration Services • Best Practice Development • Solution Building with Third Parties	• Digital advertising • Direct mail/email/mobile SMS • Partner website and SEO • Microsoft syndicated content	• Multi-touch digital campaign • Social media marketing
Market Development	Marketing activities designed for a specific customer audience that support the sale of Microsoft software licenses.	• Telemarketing • Customer seminars and bootcamps • Tradeshows and expositions • Customer offers	• Internal incentives and SPIFFs • On-site champs • Proof of concept	• Employee purchase web set-up for customers
Partner Readiness	Expenses related to Microsoft training, technical certification, and program fees for internal partner personnel that promote the development of Microsoft technology expertise.	• Microsoft Cloud Partner Program Participation fee • Microsoft exams and tuition • Internal training and floor days	• On-demand Training • Microsoft hosted conferences • Product seeding and demo units	

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Check your co-op earnings in Partner Center

Navigate to Microsoft [Partner Center](#) home dashboard

To see how much co-op, you are earning:

1. Select "Earnings" workspace from home dashboard.

2. Select "Earning" tab. (on left side navigation)

3. Use the custom date range to set your earning period. (top right of page)

   • Use date range July 1 - Dec 31 (this is your earnings window, and you will need to spend these funds from Jan 1 to June 30)

   • Or use date range Jan 1 - June 30 (this is your earnings window, and you will need to spend these funds from July 1 to Dec 31)

4. Use the filters to select the following and then hit apply changes. (top right of page)

   • Program name "Microsoft Commerce Incentives"

   • Earning type "co-op"

5. You will see a chart "Earnings distributions and trends".

   • The upcoming is how much you have earned.

   • Now select "by earning type" that will show you how much co-op you are earning each month. Hover over each month to see the monthly amount.

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Microsoft Partner Center

Search

Home >

Earnings

Revenue
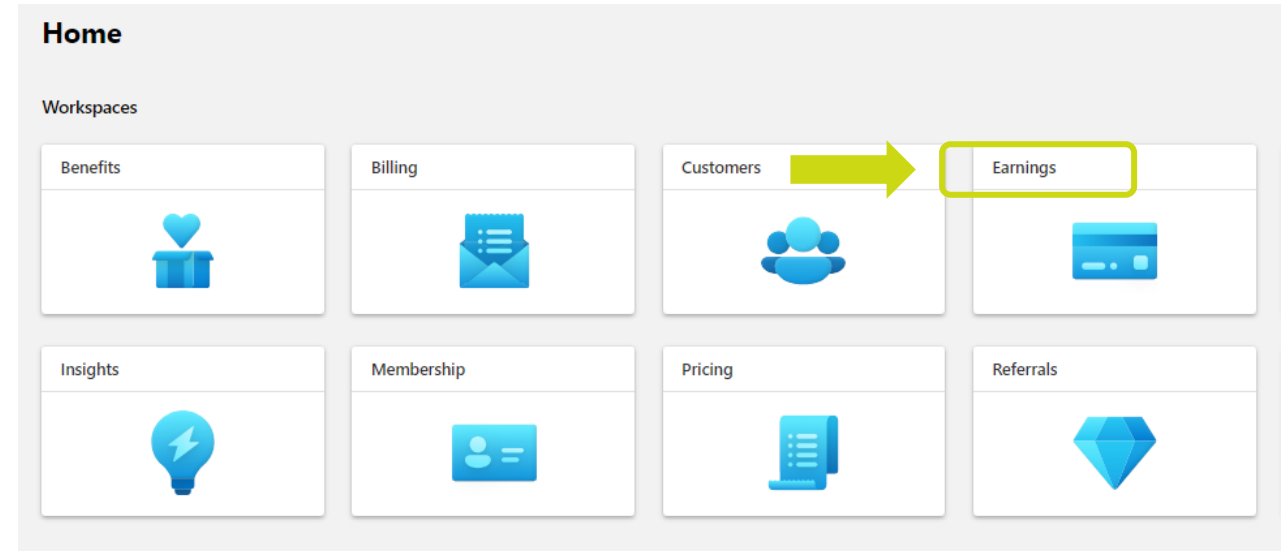
Reports

Earnings | Earnings ↓ Download report ⌄

📅 1/1/2023 - 6/30/2023 ⌄   🔽 Filter

View earnings insights and trace the corresponding payments. Download earnings, payments, and associated transactional details.

Learn how to use the page ⬈

Filtered by: Program name: Microsoft Commerce Incentives ✕   Earning type: Coop ✕   ✕

Earnings
As of 10/11/2023, 2:56 AM

Total for selected period and filters

$

Current and past two months

Oct 2023	Sep 2023	Aug 2023
$	$	$

Payments
As of 10/10/2023, 4:53 AM

Total for selected period and filters

$

Current and past two months

Oct 2023	Sep 2023	Aug 2023
$	$	$

Next estimated payments
As of 10/10/2023, 4:53 AM

No data to show for the current time period and filter selections.

Earnings distributions and trends
As of 10/11/2023, 2:56 AM

By payment status   By lever   **By earnings type**

[line chart showing values from ~65K in 2023, ~65K Feb, ~82K Mar, ~62K Apr, ~72K May, ~80K]

100K
80K
60K
40K
20K
0
2023   Feb   Mar   Apr   May

■ Coop
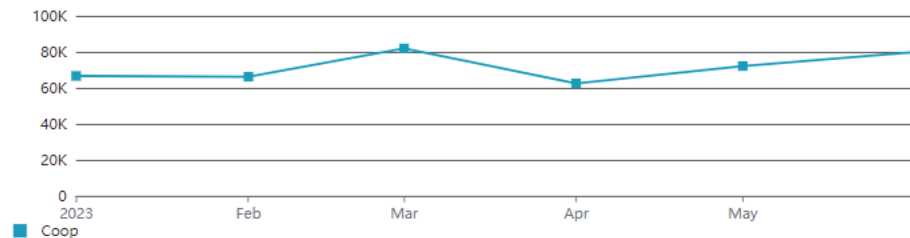
Earning status	Reason	Action required?
Unprocessed	The earning is eligible for payment. It stays in this state for a cooling period as defined in the program guide for the Incentives program.	No
Upcoming	Payment order generated pending internal reviews before payment is processed.	No

Co-op execution and best practice

During the co-op usage period, planned activities should be executed, and proof of execution (POE) materials requirements gathered.

To assist in the execution process, follow these best practices:

- Review the co-op guidebook and pay close attention to core requirements (page 7) and the detailed activity sheets to ensure execution meets requirements.

  - You must be promoting Microsoft cloud content.

  - You must include the correct Microsoft logo.

  - You must include your company details on content, landing pages, social, presentations etc.

  - Date must be visible on any screen shots, photos of events and take screenshots of a live activity.

  - URL must be visible on any web screen shots.

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Execution timeline review

No pre-approvals are required, you can start your activity as soon as you are in the usage period.

- It's important to note, activity start, and end date must be in the usage period and not span into the following six-month period.

- Start collecting POE materials as early as possible in preparation for making a claim.
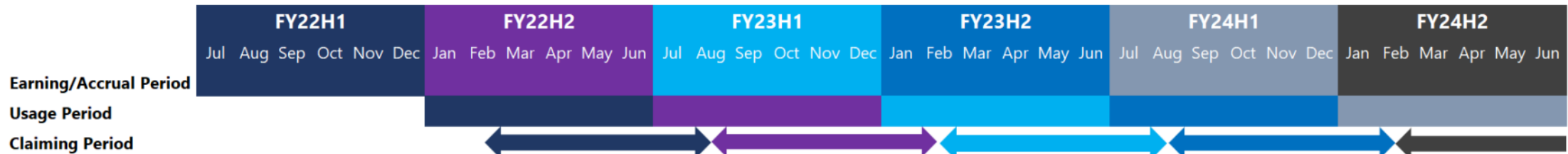
Creating a co-op claim

Once eligible activities have been executed and proof of execution (POE) requirements gathered, co-op claims should be made within 45 days of activity completion and must be submitted by the period claim deadline.

To assist in the claiming process:

- Starting June 1, 2022, Microsoft is simplifying POE requirements by reducing the requirements to submit POE for low dollar claims. This update aims to simplify POE requirements and processes.

  - During the claim submission in Partner Center, if your claim is under the low dollar threshold you will not be asked to upload POE at submission.

  - Microsoft reserves the right to request the original POE documentation so Partners must retain the original POE documentation for 24 months after the incentive earning period or end of claiming period, whichever is later.

Microsoft

The claiming experience
Partner incentive programs

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Check for available co-op dollars in Partner Center

Log in to https://partner.microsoft.com/. Navigate to the "Incentives" workspace.

1. Choose "Co-op management"
2. Then "Program view"
3. Pick "Microsoft Commerce Incentives"

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4. Adjust the fund filter to "Cloud Solution Provider"

5. Review each location to determine the availability and balance of your co-op funds

6. Any available/remaining dollars will be displayed here

To start a co-op claim

Creating a Co-op Claim

1. Create a claim
2. Select the following
   - Program = Microsoft Commerce Incentives
   - Fund category = Default non surface funds

Creating a Co-op Claim con't

3. Select the type of activity you are submitting - the list of activities corresponds to the co-op guidebook

4. Complete the activity start, end and currency, give your claim a meaningful name that is easily identifiable to you and enter the value of your claim

Once you have completed all the required information the create a claim button becomes available.

create a claim button when POE is required.

create and submit a claim button will only become available if NO POE is required.

Creating a Co-op Claim con't

5. The new claim page displays - you can see all the information you have just entered related to the claim. If you select edit you can change some details of your claim like: Name of the claim, Activity, and Activity date range

6. Claim status provides you with more details on what stage your claim is at.

Collecting & Uploading Proof of Execution (POE)

Invoice or CSR

7. If you are submitting a third-party invoice, then upload document here, add the invoice number for the document and skip step 8

8. If you are not submitting a third-party invoice, then complete the Certification Statement and Report (CSR)

Note: The Claim amount cannot exceed the 'Max co-op funds for the activity'. A single claim may contain many expenses.

Collecting & Uploading Proof of Execution (POE)

CSR

If you are not submitting a third-party invoice, then complete the Certification Statement and Report (CSR)

8. Select CSR and add invoice & expense info to claim

    a) The currency of the claim

    b) The expense type & amount

    c) Select +Add expense if you have multiple expenses

    d) You can enter optional notes for the reviewer

    e) Once completed, the option to save becomes available -select Save to proceed

9. Once the CSR has been created, it can be deleted by selecting More options

Collecting & uploading proof of execution (POE).

POE documents

10. Now add communication material and metrics to support the claim - browse and locate the required documents to upload for your claim - drag the file into the cloud icon

11. Selecting the View link within the claim entry, opens a new window Here you can add any additional information that supports your claim - once complete, select Save to proceed

Submitting a Claim

Comments for auditor

12. The option to add any additional comments is available

    Once all the required documents are uploaded and correct, the Submit claim option becomes available

You can do the following using the button at the bottom of the page:

• Submit claim

• Delete claim

• Save comments

Collecting & Uploading Proof of Execution (POE)

Claim status

The Claims Status will be updated to reflect the uploaded communication and metric documents.

Claiming checklist

- Be sure to have all the required POE at hand.
  - Communication material: copy of event agenda, eblast, invite, screen shots etc.
  - Metrics: number of registrations, open/click rates, number of views/clicks etc.

- Name your claim well so you can easily reference back to them. If you have an internal invoice or campaign number #, use it in the claim description along with activity name and timeframe.
  (example: INV5645 M365 BP upsell web ad May).

- Is this a low dollar claim? (standard vs auto-approved)
  - A claim below the threshold amount will not require POE but you still need to keep POE for 24 months+ incase of audit.

- After the claiming deadline, unsuccessful co-op claims or unused dollars are forfeited. There are no exceptions for this.

Earning/Accrual Period	Usage/Activity Period	Claiming Period Deadline	Claim Resolution Deadline
FY23 H1 July - December 2022	January 1 - June 30, 2023	August 15, 2023	September 30, 2023
FY23 H2 January – June 2023	July 1 – December 31, 2023	February 15, 2024	March 31, 2024
FY24 H1 July – December 2023	January 1 – June 30, 2024	August 15, 2024	September 30, 2024

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Ensure claims are approved

Manage your co-op claims to resolution:

- Partners have 45 days after the co-op claiming deadline to close out any claims with a status of "Pending POE", "Request More Proof", or "Action required".

  - When a claim is flagged for action required it might be just the auditor requesting clarification or additional POE

  - Remember to resubmit the claim after updating - if not resubmitted, it will not be sent back to the POE validation team

- If any such claims are not closed out, the claim will be moved to a status of "Non-compliant" and payment will not be processed.

- Unsuccessful co-op claims and unused funds will be forfeited at the end of the grace period (45-days after the end of the usage period).

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Payment Process

Once co-op claims are approved, they will be paid as part of the participating program's regular payment cycle.

Payouts:

- Rebates and co-op payments are separate payment cycles.
    - Rebates are paid 45 days from last day of the earning month.
    - Example: October 2022 earnings are paid December 15, 2022.

- Co-op claims approved by the 15th of the month will be paid out the same month. If the co-op claim is approved after the 15th; it will be paid out the following month.
    - Claim approved by October 15; payment will be made October 20-25.
    - Claim approved by October 16; payment will be made November 20-25

- Payment details can be found in Partner Center in the "payouts" workspace.
  Learn more: https://learn.microsoft.com/partner-center/payouts-overview

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Tips

- What activities should you start claiming with co-op right away?
    - Your MAICPP annual membership fee
    - Microsoft Certification training and exam costs
    - In-person or virtual events to promote Microsoft solutions (can be internal readiness or customer facing events)
    - Digital marketing (eblasts, web ads, social ads)

- Need help with creating Microsoft Cloud content?
    - Use the available Microsoft marketing resources referenced in this guide. Microsoft makes content available for partners to use and co-brand with your company logo. Use any portion of the content and then to make it your own.

- Need a little help getting started?
    - Register for one of the TD SYNNEX MAICPP Clinics for live Q&A
    - Clinics are bi-weekly for partners looking for more guidance on incentives, benefits, partner center navigation, solution partner designations and their partner capability score
    - Register here: https://ecosystem.tdsynnex.com/practice-builder/mcpp-clinics/

Best Practices

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Recap of key co-op resources
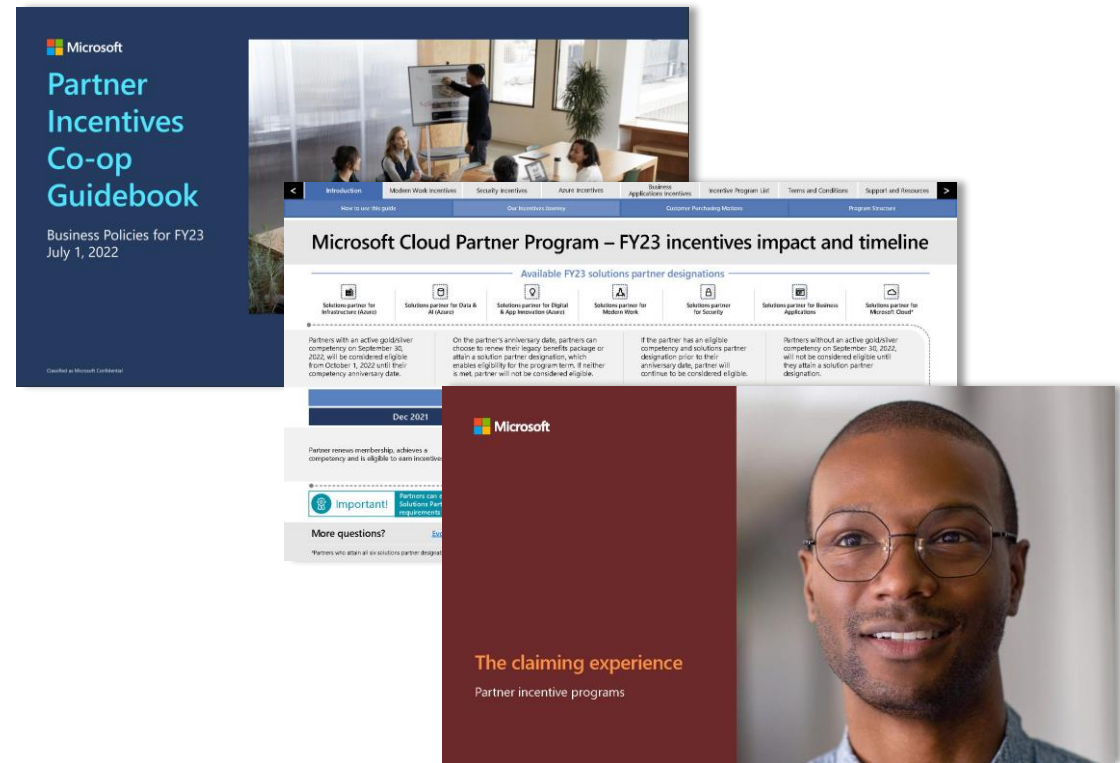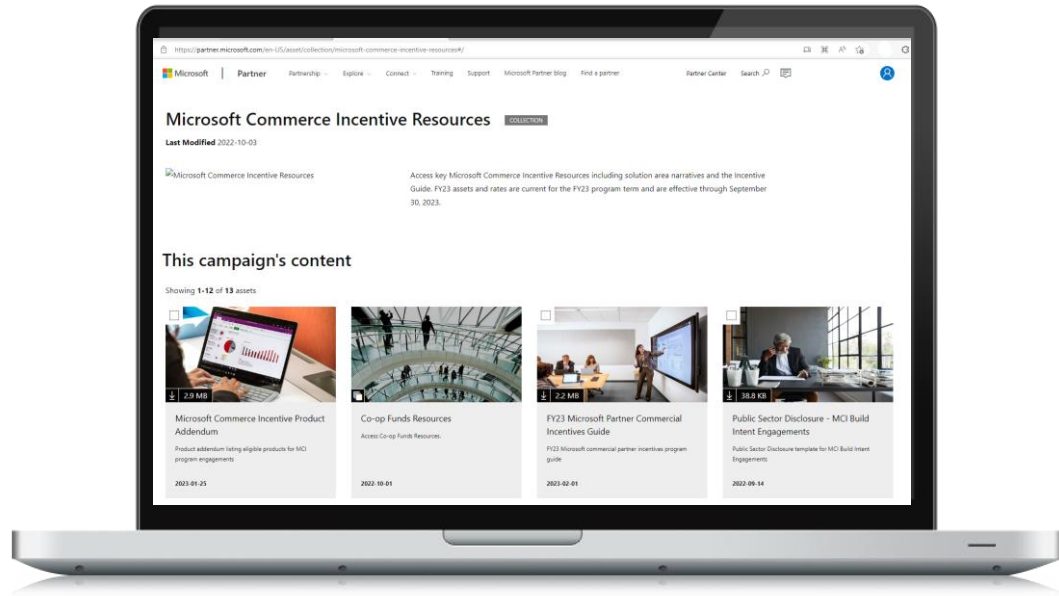
1. [Co-op guidebook](#)
2. [Incentive guidebook](#)
3. [The claiming experience guide](#)

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Marketing ready resources

1.   Partner Marketing Center

Find powerful solutions for a successful go-to-market plan when you explore our collection of customizable digital content and resources, including a comprehensive content library with sales presentations, infographics, web images, and more.

2.   Partner Go-To-Market Toolbox

Partner Go-To-Market Toolbox is an online tool that allows you to grow your business through an actionable marketing plan, and a set of easy-to-build, high-quality, and solution-specific, co-branded materials in 10 different languages.

3.   Digital Marketing Content OnDemand

Connect with customers online and generate demand with always-on digital marketing content delivered to you in weekly campaigns for use throughout your social media, company blogs, email, and more.

4.   DemandSolv Content OnDemand

Available exclusively to you, for free, by TD SYNNEX. This service streams fresh marketing materials to you every week from your favorite vendors.

With just a few clicks per week, drip campaigns can integrate with your social media outlets to truly empower your marketing and sales teams. You can even set it on autopilot to make your weekly marketing tasks truly effortless.

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Support

- To contact support, select the "?" icon at the top right of the screen from any page in Partner Center.

- Click on "contact support" and select "incentives" as the workspace and pick the most appropriate option for problem type from the dropdown selection.

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