



**USAID**  
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## *An Implementing Partner's Guide to* **ASSISTANCE AWARD REMEDIES**

When an issue arises under an assistance award, it is always preferable for USAID and the recipient to reach an agreement on a mutually agreeable solution. However, there may be occasions when a remedy may be necessary.

### **What is an Assistance Remedy?**

A remedy under assistance is a means to ensure an activity remains on track and that the recipient of a USAID award remains compliant with applicable laws and regulations. The goal of the remedy is to protect the interest of USAID resources while ensuring the successful completion of an activity.

Remedies can be specific conditions included in the schedule by the AO, a letter from the AO citing non-compliance by the recipient and directing compliance, and in an extreme case it can be the early termination of an assistance instrument.

Remedies under assistance can include:

- Withholding funding for failure to meet the cost-share requirement;
- Withholding funding or disallowing costs that are not allowable or allocable to the activity;
- Withholding funding or disallowing costs that required prior AO approval and it was not obtained;
- Inclusion of specific conditions in the schedule; and
- Change of payment method from advance payment to cost reimbursement during the life of the award.

The most severe remedies are suspension and termination of an award. This can be the result of the recipient's willful non-compliance with the terms and conditions of an assistance agreement or the result of unforeseen events where the activity is being implemented.

### **Who is Responsible for Applying These Remedies?**

The AO is responsible for applying all formal assistance remedies and award suspensions and terminations, except those based on national interest. The goal will always be to ensure a successful activity while minimizing the risk to USAID.

The AO will consult with a variety of individuals while deciding on a remedy with the AOR playing an integral part of these discussions. It is imperative that the AOR has complete knowledge of the status of the activity and that he/she maintains excellent records of any communications with the recipient throughout the award implementation.

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