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## ADS Chapter 308

# Agreements with Public International Organizations

Full Revision Date: 08/24/2018  
Responsible Office: GC/A&A  
File Name: 308\_082418

Series 300 – Acquisition and Assistance  
 ADS 308 – Agreements with Public International Organizations  
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***This chapter has been revised in its entirety.***

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## ADS 308 – Agreements with Public International Organizations

### 308.1 OVERVIEW

Effective Date: 08/24/2018

This ADS chapter sets forth USAID’s mandatory policies and required procedures with respect to the designation of, and agreements with, Public International Organizations (PIOs), which are defined in section **308.6**. Although USAID provides funding to PIOs under various types of arrangements, the single term "agreement" as used in this ADS chapter is considered to include cost-type agreements, project contributions, general contributions, Regional Development Objective Agreements (RDOAGs), fixed amount agreements, simplified agreements, and other types of implementing mechanisms through which funding is provided to PIOs. Within this ADS chapter and its supplements, the reference to awards will be construed to mean a type of agreement.

[Section 635\(b\) of the Foreign Assistance Act of 1961, as amended \(FAA\)](#), provides as follows: “the President [or USAID Administrator as designee] may make loans, advances and grants to, make and perform agreements and contracts with, or enter into other transactions with...international organizations...in furtherance of the purposes and within the limitations of this Act.” Because both PIOs and USAID must adhere to legal and policy requirements informed by their respective sovereignty and/or established intergovernmental procedures, agreements with PIOs will generally be executed applying FAA Section 635(b) “other transaction” authority. In some instances, agreements may rely on other statutes, e.g., agreements made by the Bureau for Democracy, Conflict and Humanitarian Assistance, Office of Food for Peace (DCHA/FFP) pursuant to the Food for Peace Act. This ADS chapter incorporates legal and regulatory requirements for all agreements with PIOs regardless of statutory authority.

This ADS chapter operationalizes the Agency’s commitment to donor coordination and multilateralism, consistent with and in furtherance of the spirit of the [Paris Declaration on Aid Effectiveness](#), the [Accra Agenda for Action](#), the [Busan Partnership for Effective Development Cooperation](#), the [Nairobi Outcome Document](#), and the [Department of State-USAID FY 2018-2022 Joint Strategic Plan](#). It promotes the practice of pursuing development strategies in close harmony with PIOs and in alignment with partner country and regional priorities. An agreement with a PIO should be the exception, not the rule, for our programming, and agreements with PIOs must provide a greater benefit to the U.S. Government and the people we serve than any other available transaction, as determined by USAID’s Senior Obligation Alignment Review for an agreement (see [ADS 300.3.4](#)).

[ADS Chapter 220, Use of Reliable Partner Country Systems for Direct Management and Implementation of Assistance](#) covers the use of reliable partner country systems for direct management and implementation of Government-to-Government (G2G) assistance; [ADS Chapter 350, Grants to Foreign Governments](#) covers grants to host country governments; and [ADS Chapter 351, Agreements with Bilateral Donors](#) covers agreements with bilateral donors.

## 308.2 PRIMARY RESPONSIBILITIES

Effective Date: 08/24/2018

- a. Agreement Officers (AOs)** have legal responsibility for the agreement. Therefore, only the AO can take action on behalf of USAID to enter into, amend, or terminate an agreement.
- 1) Except as otherwise noted in this ADS chapter, for all ADS 308 agreement types besides RDOAGs (including Cost-Type Agreements, Project Contributions, General Contributions, Fixed Amount Agreements, and Simplified Agreements), the following persons are designated as **Agreement Officers (AOs)** for the purpose of signing agreements with PIOs:
    - **Assistant Administrators (AAs)** for programs within their respective areas of responsibility under [ADS 103, Delegations of Authority](#), section 103.5.1(c)(1)(a); and
    - **Deputy Assistant Administrators (DAAs)** and **Office Directors in USAID/W, Mission Directors**, and **other principal officers** who have been delegated 103.5.1(c)(1)(a) authority.
  - 2) The **Director, Bureau for Management, Office of Acquisition and Assistance (M/OAA)** and warranted **GS-1102/BS-93 Agreement Officers (M/OAA Backstops)** have been delegated agreement officer authority for the following types of PIO agreements: Cost-Type Agreements, Fixed Amount Agreements, and Simplified Agreements commensurate with their Assistance warrant thresholds. They have not been delegated agreement officer authority and are not authorized to sign agreements for General Contributions, Project Contributions, or RDOAGs.

Only Regional Bureau Assistant Administrators and Regional Mission Directors, and other principal officers who have been specifically delegated 103.5.1(c)(1)(a) authority for RDOAGs are authorized to serve as AOs for RDOAGs. Any AO may execute sub-obligating documents under an RDOAG as authorized in **308.2** according to PIO agreement type. For other, non-ADS 308 sub-obligating instruments, e.g., contracts, grants, and cooperative agreements, the approving authority will be the AO/CO who has delegated authority pursuant to the relevant ADS chapter requirements.

- b. The Agreement Officer's Representative (AOR)**, as designated in writing by the AO, provides programmatic and administrative oversight of the agreement after it has been executed. The AOR ensures that USAID exercises prudent management over the agreement and monitors or oversees the recipient PIO's compliance with the requirements of the agreement. This authority is not re-delegable. An AOR must be designated for all Cost-Type Agreements, Fixed Amount Agreements, and Simplified

Agreements. An AOR is not required, but as appropriate, may be designated for Project Contributions, General Contributions, and RDOAGs.

Within their delegated authorities (see [ADS 103](#)), Bureaus/Independent Offices (B/IOs) and other Operating Units (collectively referred to as “Operating Units”) support the AO in preparing, negotiating, finalizing, and administering PIO agreements.

**c.** The **Bureau of Policy, Planning and Learning (PPL)** is responsible, subject to all required clearance and approval procedures, for establishing high-level Agency policy for donor coordination. PPL also oversees Agency engagement on multilateral policy, including coordinating Agency review and input on relevant multilateral documents. **PPL’s Office of Development Cooperation (PPL/DC)** maintains the Agency’s corporate relationships with bilateral donors and provides guidance and support to Operating Units for working with bilateral and multilateral donors. **PPL’s Office of Strategic and Program Planning (PPL/SPP)** leads the Agency efforts to revitalize country and regional strategic planning and project design, and enhance institutional capacity in development programs.

**d.** The **Office of the General Counsel (GC)** and **Resident Legal Officers (RLOs)** are responsible for developing, interpreting, and providing guidance on the legal and policy effects of agreement provisions on behalf of USAID. GC and RLOs assist Operating Units in drafting, negotiating, interpreting, and implementing agreements with PIOs and must review and clear all such agreements. The **Assistant General Counsel for Acquisition and Assistance (AGC/A&A)** serves as the approving official for all proposed deviations from the guidance, procedures, and standard provisions set forth under this ADS chapter, besides payment methods and excess advance periods as per **308.2.f**. GC is responsible for designating organizations other than International Agricultural Research Centers (IARCs) as PIOs. GC is also responsible for clearing Bureau for Food Security’s determination that an IARC is a PIO.

**e.** The **Bureau for Food Security (BFS)** is responsible for designating any qualifying International Agricultural Research Center as a PIO (see **308.3.1.1**).

**f.** The **Bureau for Management, Office of the Chief Financial Officer (M/CFO)** is responsible for determining whether a PIO’s audit function and practices are sufficient for purposes of the audit provisions under [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#). M/CFO also provides Agency guidance on appropriate payment methods. The Deputy CFO (M/CFO (Washington)) serves as an approving official for all proposed excess advance payment periods and the Controller (overseas) or Director of M/CFO’s Cash Management and Payments Division (CMP) (Washington) serves as an approving official for all proposed payment method deviations.

**g.** The **Delegated Cooperation Secretariat (DCS)** is responsible for conducting and maintaining Organizational Capacity Reviews (OCRs) and other information regarding the Agency’s collaborations with certain bilateral and multilateral development

partners. The DCS is a subcommittee of the Management Operations Council (MOC). It is comprised of a Core Membership that is made up of representatives from PPL/DC, M Bureau Front Office, M/OAA, M/CFO, GC, the Bureau for Legislative and Public Affairs (LPA), and pillar and regional Bureau membership as agreed by the MOC. The DCS also addresses questions, comments, or information relevant to PIOs and OCRs submitted through the DCS mailbox at [DCS@usaid.gov](mailto:DCS@usaid.gov).

### **308.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**

#### **308.3.1 Public International Organizations (PIOs)**

Effective Date: 08/24/2018

A PIO is typically an organization composed of multiple member states (i.e., sovereign countries). After GC or BFS (as appropriate) determines whether an organization is a PIO for the purposes of this ADS chapter, the DCS will include the organization in [ADS 308maa, List of Public International Organizations](#), and assign the PIO as belonging to one of three categories as described in section **308.3.1.2**.

As a result of their intergovernmental composition, PIOs are not generally subject to U.S. laws or business standards. Therefore, the due diligence described in this ADS chapter is vitally important, as are the terms and conditions of any agreement with a PIO.

##### **308.3.1.1 Designating an Organization as a PIO**

Effective Date: 08/24/2018

If an Operating Unit wishes to provide assistance to an international organization that is not in [ADS 308maa, List of Public International Organizations](#), it must prepare a PIO Designation Memorandum stating the basis for the organization to be designated as a PIO. The Operating Unit must submit the PIO Designation Memorandum to GC (for all organizations other than IARCs) or the AA for BFS (for IARCs), for PIO designation approval. The Operating Unit must make submissions to GC through its GC/W backstop attorney or RLO, as applicable, and the cognizant Assistant General Counsel (AGC) will determine whether to grant approval in his or her discretion. If the designation of the organization is approved, the cognizant AGC or AA/BFS will notify the DCS, which will add the organization to [ADS 308maa, List of Public International Organizations](#). PIOs added to the List of Public International Organizations in accordance with the procedures above will be designated by default as Category 2 PIOs except as otherwise determined by the DCS.

The cognizant AGC or AA/BFS determination that an organization qualifies as a PIO does not constitute an Organizational Capacity Review (see **308.3.1.2** and **308.3.2.1**).

The PIO Designation Memorandum must address the below criteria, each of which, if answered affirmatively, is an indication that an organization may facilitate multilateral cooperation in a way that warrants eligibility as a PIO. The organization does not have to satisfy all factors to be designated as a PIO. The determination must be based on

holistic and reasonable analysis. The following are prioritized by the relative strength of each factor indicating that the organization is a PIO:

- a. Is the organization composed primarily of countries or PIOs and is free from dependence on, or the control of, any country, PIO, or other entity?
- b. Does the organization perform functions of a genuinely international character?
- c. Was the organization formed pursuant to a multilateral treaty or other instrument and, if so, does it derive its powers and personality from that treaty or instrument (as opposed to domestic law)?
- d. Does the organization enjoy privileges and immunities provided by Executive Order and/or the International Organizations Immunities Act ([22 USC 288](#))?
- e. Is the United States a member of, or does it otherwise participate in, the organization, including on its governing body?
- f. Does the organization operate under a formal constitutive document?
- g. Is the organization accorded the status of an international organization within the United Nations, by the country in which it is headquartered, and/or by the country in which it maintains its assets?
- h. Is the organization an economic union?

For IARCs, the PIO Designation Memo does not need to address criteria a, d, or h, and the order of the criteria do not necessarily indicate the relative strength of each factor. Also, BFS will consider whether the IARC serves as an international or regional agricultural research center, whose research activities focus on producing international or regional public goods. Agricultural research is defined according to [7 USC Sec. 3103\(2\) and 3103\(9\)](#).

Operating Units must consult with their GC/W backstop attorney or RLO as needed when preparing the PIO designation memorandum.

### **308.3.1.2 Categories of PIOs**

Effective Date: 08/24/2018

Designation, as described in **308.3.1.1**, conveys only that an organization may be treated as a PIO for the purposes of this ADS chapter. Upon notification that a designation of an organization as a PIO has been approved, the DCS will assign the PIO to one of three categories: Category 1, 2, or 3. This category assignment is based on the Agency's experience with the organization, any collected information that the Agency has reviewed regarding the organization, and, with respect to Category 3, a determination of the organization's level of organizational capacity to receive funding. The DCS may change PIO category designations when appropriate.

The three PIO categories are as follows:

Category 1 – PIOs for which DCS, and not the AO, is required to conduct an Organizational Capacity Review on which the AO may rely for individual agreements (“Category 1 PIOs”);

Category 2 – PIOs for which an AO must conduct an Organizational Capacity Review in accordance with **308.3.2.2** (“Category 2 PIOs”); and

Category 3 – PIOs subject to special restrictions or not currently eligible for USAID assistance, as determined by the DCS (“Category 3 PIOs”).

Category 1 and Category 2 PIOs are not differentiated by their level of organizational capacity. The decision to include a PIO in Category 1 is based on an assessment of whether the volume of funding and frequency of engagement warrants centralized OCRs rather than OCRs performed by individual AOs. The default category for any PIO newly determined by GC or BFS prior to DCS action is Category 2. A Category 3 assignment is, however, based on concerns identified during an assessment that reflects upon that PIO’s level of organizational capacity.

A PIO’s category designation does not preclude additional inquiry or action as facts and circumstances merit. The AO in consultation with GC/RLO may add special provisions to agreements with any category of PIOs in order to safeguard USAID or its resources.

**Category 1 PIOs** are major IARCS, global PIOs, and certain regional PIOs with which USAID works closely and frequently. The decision to include a PIO in Category 1 is determined at the DCS’s discretion.

The DCS will conduct ongoing Organizational Capacity Reviews for Category 1 PIOs, and may consult with relevant B/IOs providing programmatic oversight and assessing past performance, the Government Accountability Office (GAO), USAID’s Office of the Inspector General (OIG), and the Department of State’s Bureau of International Organization Affairs (State/IO) to determine whether any outstanding adverse audit findings or any other reasons exist to assign a PIO to Category 3. OCRs must be updated at least every three years.

**Category 2 PIOs** are all organizations that GC or BFS has determined are PIOs, but for which the volume of funding or frequency of engagement does not warrant centralized OCRs. Organizations in Category 2 are generally smaller, regional PIOs, and other international organizations that do not receive USAID non-earmarked funding with the same frequency and magnitude as Category 1 PIOs.

The DCS is not responsible for regularly reviewing audit and financial information for Category 2 PIOs. The AO must provide a copy of the OCR on a Category 2 PIO to the DCS and the DCS will maintain those records. The DCS (**DCS@usaid.gov**) will provide

that information for AOs to reference in the event they are considering entering into an agreement with that particular Category 2 PIO.

The DCS may move a PIO from Category 1 to Category 2, and *vice-versa*, in consideration of the volume and frequency of USAID assistance to such organization or for other reasons as it considers appropriate.

**Category 3 PIOs** are those PIOs which the DCS has determined are subject to special restrictions or are not currently eligible for USAID funding based on their financial or management performance or for any other reason the DCS deems appropriate.

At its discretion, the Administrator or the DCS may:

- Prohibit USAID assistance to a given Category 3 PIO;
- Require the inclusion of special audit, financial, geographical, or other provisions in an agreement with such PIO; or
- Require review and approval by the Administrator or the DCS of any agreement with such PIO.

[ADS 308maa, List of Public International Organizations](#) indicates the types of restrictions for particular Category 3 PIOs, when required for an agreement. The Administrator or the DCS will determine, upon written request submitted in an Action Memorandum from an Operating Unit or Agency Bureau/Independent Office, whether to include or remove a PIO from Category 3. The DCS will consult with the appropriate agency (e.g., State or Treasury) or other U.S. Government officials, as necessary, prior to making a recommendation on a Category 3 determination.

### **308.3.2 Pre-Agreement Requirements**

Effective Date: 08/24/2018

All programs, projects, or activities that an Operating Unit wishes to implement through an agreement with a PIO are subject to all of the applicable planning and approval requirements of [ADS 201, Program Cycle Operational Policy](#), including any pre-obligation requirements, except such requirements that may need to be modified as necessary in accordance with the provisions of this ADS chapter. Cost-type PIO agreements and project contributions are also subject to the Senior Obligation Alignment Review (SOAR) as outlined in [ADS 300](#).

- 1) **Agreement File Documentation:** Prior to USAID entering an agreement (not including General Contributions and RDOAGs) with a PIO, the Operating Unit must include the following information in the agreement file, either as part of the relevant project or activity approval documentation, or within any supplements as applicable, as defined in [ADS 201](#) (see [ADS 201](#) for further guidance on Mission review procedures):

- a. A detailed description of the proposed project's or program's activities, components, funding and disbursement mechanisms, and monitoring, evaluation, and reporting procedures;
- b. An explanation of the purpose(s) of the assistance and how the purpose is justified under the authorizing statute, including why support to the PIO provides a greater benefit than any other available transaction;
- c. An explanation for the selection of the PIO agreement type; and
- d. Documentation confirming that based on the OCR (see **308.3.2.1**) and the context of the specific activity proposed, there is no credible reason to believe that the contemplated PIO is not organizationally capable of adequately safeguarding USAID resources, and for cost-type agreements, whether any special provisions need to be included in the agreement to mitigate identified risks (see **308.3.2.2**). Organizational capacity does not include technical capabilities to perform, but ability to manage and oversee expenditure of federal funds. If an Operating Unit or AO becomes aware of information regarding a PIO's organizational capacity that might adversely affect USAID resources or objectives, that information must also be shared with the DCS, so that it can be considered in the relevant OCR.
- e. A list of the special conditions (see **308.3.2.2**) added to the PIO agreement, if applicable.

**2) Partner Government Assistance Under PIO Agreements:** If activities under the agreement, or any part of the agreement, will be implemented by a partner government via a pass-through funding arrangement using that government's own public financial-management system (including procurement), USAID should not rely solely upon the PIO's assessment, oversight, and management of the partner-country government (see [ADS 220.3.3.2.b](#)). In all cases, USAID must still ensure and document an appropriate level of diligence, which should include review of, or participation in, a PIO's assessment of the partner-country government's public financial management system, technical capabilities, and monitoring and evaluation capacity.

### **308.3.2.1 Organizational Capacity Reviews**

Effective Date: 08/24/2018

An Organizational Capacity Review (OCR) is a "desk review" of a PIO's policy and organizational framework and operational and managerial capacity. The purpose of an OCR is to conduct a high-level assessment of whether or not a PIO is sufficiently capable of managing donor funds. Because OCRs inform USAID funding decisions, each OCR must be supported by substantive due diligence.

Prior to entering into an agreement with a PIO, the PIO must have an OCR approved by either the DCS (Category 1) or the AO (Category 2 or 3). The AO must ensure that an

appropriate OCR has been executed. When conducting an OCR, the DCS (Category 1) or Operating Unit (Category 2 or 3) should consider and evaluate the following:

- The quality of the PIO's past performance with respect to USG and other donor-funded projects, including compliance with the terms and conditions of the funding agreements, efficiency and effectiveness of implementation, and extent of results achieved;
- Internal and external audits, reviews, evaluations, and assessments of a PIO's USG-funded programs, including but not limited to those performed by the PIO itself, independent auditors, U.S. Government Agency Inspector General, the GAO, and the Departments of State and Treasury;
- PIO assessments by non-USG organizations, including the Multilateral Organization Performance Assessment Network (MOPAN), bilateral development partner reviews (e.g., the United Kingdom's Multilateral Aid Review), and the Common Performance Assessment System for multilateral development banks (COMPAS);
- Copies of the PIO's most recent externally independent audited financial statements as prepared in accordance with the PIO's charter or governance structure and the independent auditor's opinion on those financial statements;
- Reports and audits by the PIO's Inspector General or equivalent institution, if applicable;

- Copies of applicable PIO policies and procedures regarding financial management, internal control, procurement, property-management, audits, human resources, environmental and social safeguards, and other relevant and/or required policies (see **308.3.10**);
- Copies of PIO policies and procedures regarding business integrity, ethics, conflicts of interest, and anti-corruption;
- Projected budget, cash flow, and organization charts, as relevant;
- Information as to the type of generally accepted accounting, internal control, cost allowability principles, and auditing standards adopted and in use;
- Information on the PIO's accounting standards in use, their consistency with internationally-accepted accounting standards, and evidence showing whether the PIO's records and accounts are kept in sufficient detail to accurately and fairly reflect transactions;
- Other information that may be necessary to fully assess whether the organization has the necessary management competence to plan and carry out the intended activity; and
- Any other significant and substantive adverse findings, and the adequacy of the PIO's actions to remediate them.

If an RDOAG is awarded to a Regional PIO then the Organizational Capacity Reviews are only required at the sub-obligation level when the RDOAG recipient actually receives direct funding through an implementation letter.

**Category 1 PIOs.** Once DCS certifies an OCR for a Category 1 PIO, Operating Units (OUs) may rely on that OCR, subject to any updates to that OCR as approved by the DCS, to inform project design and pre-agreement due diligence.

When the OU intends to provide funding to a local or regional sub-unit of a Category 1 PIO as the recipient and implementer of an agreement, the OU should supplement the Category 1 PIO's Organizational Capacity Review to include any relevant information that focuses specifically on the level of responsibility of that local or regional sub-unit's country office.

**Category 2 PIOs.** The AO should request from the DCS any previous OCRs for the proposed PIO. In cases where USAID has recently conducted an OCR of a Category 2 PIO, the AO may consider the prior review, supplementing it with more recent information. However, if there are changes in circumstances that may affect the results of the OCR, the AO must designate an individual or individuals in the OU to draft the

OCR. Once written, the AO will review and approve the OCR. The AO must submit the approved OCR to the DCS.

For activities conducted by a local or regional sub-unit of a Category 2 PIO, the OCR must include any relevant discussion related to the capacity of the sub-unit primarily engaged in the proposed activity.

If, during the Agreement Officer's pre-agreement due diligence, credible reason emerges to question the PIO's capacity, responsibility, or suitability for the specific program, it is the AO's responsibility to ensure that risks to USAID or its resources have been appropriately managed, including not proceeding to a final agreement or through the inclusion in agreements of special conditions (see **308.3.2.2**).

For informational purposes, an Operating Unit must provide the DCS with a final, signed copy of its OCR for a Category 2 PIO by submitting the copy to **DCS@usaid.gov**.

**Category 3 PIOs.** Since Category 3 PIOs are PIOs that the DCS has determined are subject to special restrictions or are currently not eligible for USAID funding, based on their financial or management performance or for any other reason deemed appropriate, Operating Units wishing to pursue an agreement with a Category 3 PIO must communicate with the DCS and the Office of the Administrator to determine what restrictions or special conditions may apply. The AO must address all OCR requirements applicable to Category 2 PIOs, as well as the special conditions associated with the Category 3 PIO.

### **308.3.2.2 Special Agreement Conditions**

Effective Date: 08/24/2018

The applicable Standard Provisions and DCS function are designed to identify and mitigate most risks involved in funding activities implemented by PIOs. However, as with any agreement, special or additional conditions may be considered. This is true for any category of PIO, and must be based on the OCR and project design documentation. Special conditions for cost-type agreements might include the following:

- More-detailed or more-frequent reporting, including, but not limited to, financial reporting and supporting documentation, including related to subrecipient transactions upon request;
- Periodic reviews or validations of the recipient's records, including, but not limited to, financial records; and third-party monitoring arrangements;
- USAID access to information and access for site visits by USAID and/or USAID's agents that will further allow USAID to monitor and evaluate activities the Agency has funded wholly or in part, upon agreement with the PIO on the scope and conduct of such review or evaluation;

- OIG access to reports on all transactions with USAID funds for which fraud has been discovered or alleged, and to all related financial reports and supporting documentation related to subrecipients of the discovered or alleged fraud;
- Verification that the PIO will track fraud allegations pursuant to its established procedures and notify USAID and the OIG promptly of all fraud or corruption allegations; and
- Submission of information on the sustainability of capital projects.

As with any agreement, the AO may negotiate the terms in the schedule (such as the program budget or the timing of incremental funding milestones) to mitigate identified risks. The AO may also add special conditions where s/he deems it necessary to do so in light of other factors, e.g., presence of sanctioned groups.

### **308.3.3 Competition**

Effective Date: 08/24/2018

Competition is not required for agreements with PIOs as designated under this ADS chapter, but the Agency encourages Operating Units to promote competition among implementing partners, including PIOs. Operating Units must not use PIO agreements as a means to avoid or circumvent competition.

PIOs may submit applications, proposals, or concept papers in response to USAID solicitations, and enter into agreements in accordance with the requirements and procedures established in such solicitations and based upon their eligibility to be considered as stated in the solicitation. In such an event, the resultant agreement with a PIO must follow policies and procedures as laid out in this ADS chapter versus those in [ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations](#).

### **308.3.4 [RESERVED]**

### **308.3.5 USAID In-Kind Contributions**

Effective Date: 08/24/2018

USAID may provide part or all of its support to a PIO in-kind (goods, commodities, or services rather than money). Operating Units that are planning an in-kind contribution to a PIO must consult in advance with GC or the cognizant RLO for guidance on the appropriate agreement format (for a sample in-kind contribution format, see [ADS 308sab, Template for In-Kind Contribution](#)). GC/RLO clearance is required for in-kind contributions to PIOs.

### **308.3.6 Trust Funds and GAO/OIG Audit Rights**

Effective Date: 08/24/2018

If a PIO establishes a fund consisting entirely of the USAID contribution (that is, for which USAID is the sole contributor) and where the USAID contribution is to a “trust” (see **308.6**), [Section 301\(d\) of the FAA](#) requires that the GAO have audit rights under the “trust”. As a matter of policy, the Agency also requires that the OIG have audit rights under such a “trust”.

The provision of funding to a “trust” (trust fund or fund in trust) is different from a typical agreement with a PIO. In a circumstance where USAID is the sole contributor to a “trust”, the PIO serves as a trustee and title in the funds remains with USAID. For other circumstances, in a typical agreement with a PIO, title to the funds passes to the PIO as the recipient. Accordingly, USAID cannot enter into an agreement for a “trust”, a “trust fund”, or a “fund in trust” as defined above where USAID is the sole contributor unless the PIO agrees and allows the GAO and OIG access to its records. A PIO’s use of the term “trust,” whether multi-donor or single-donor, does not mean that the mechanism established is a trust for purposes of this section unless it fits the above definition.

Where USAID is not the sole contributor to a “trust”, USAID will generally not require GAO access to PIO audit records, and OIG rights will be governed by the terms of the agreement. Establishing whether a contribution is a “trust” or “agreement” is determined by the intent of USAID. Operating Units should consult with GC or the cognizant RLO for guidance on whether the requirements in this section apply.

### **308.3.7 Administrative Cost Recovery**

Effective Date: 08/24/2018

PIOs may incur administrative expenses that, while necessary for program execution, do not constitute direct costs under the agreement. USAID agreements may provide funding to cover these administrative or indirect costs, if requested, as long as the additional compensation does not augment an appropriation of U.S. funds provided to a PIO as a general contribution pursuant to an express authority (see **308.3.9.3**) and are reasonable and allocable to the activities funded by USAID. If USAID agrees to pay some administrative costs, payment is subject to the following conditions:

- a. As a general rule, Category 1 PIO standard cost recovery rates are acceptable if they are consistent with past USAID practice and experience with the PIO; are documented in the PIO’s formal policy, typically approved by its Board of Directors (or other governing body), and the PIO’s formal policy is made available to the Operating Unit.
- b. With respect to most Category 1 PIOs that do not apply a standard administrative cost rate or fee or do not have rates approved by their Board of Directors (or other governing body), the AO must review the proposed administrative cost rate and determine whether it is a reasonable rate. The reasonableness of the administrative cost rate or fees should be evaluated in accordance with:
  - 1) How these fees compare to similar fees charged by PIOs for comparable work (i.e., are such fees “standard”); and

- 2) How these fees reasonably relate to the expenses they are intended to cover.

The AO may consult with the cognizant RLO, Mission Controller, M/CFO, M/OAA/CAS, or other relevant USG agencies to resolve any issues relating to PIO administrative cost policies.

- c. With respect to Category 2 and Category 3 PIOs, standard administrative cost rates that are consistent with past USAID practice and experience with the PIO, and documented in formal PIO policy, typically approved by their Board of Directors (or other governing body), will be found acceptable if the rate is reasonable.
- d. With respect to Category 2 and Category 3 PIOs that do not possess established and Board-approved cost-recovery rates, the AO must not include administrative recovery costs in the agreement unless, with consultation from the Mission Controller, M/CFO, the cognizant RLO, or other relevant Agency and USG officials, the AO is able to negotiate a reasonable amount for such costs.
- e. The AO must determine that the costs that serve as the basis for the administrative rates have not been recovered under another component of the agreement, and that such cost recovery is not duplicated by other donors. In multi-donor arrangements, all administrative rates or fees should be charged to donors uniformly and/or pro rata unless specific circumstances warrant a different arrangement as approved by the AO.
- f. Generally, administrative cost-recovery would not apply to general contributions or to RDOAGs.

### **308.3.8 Designation of the Agreement Officer's Representative (AOR)**

Effective Date: 08/24/2018

The AO is required to designate an AOR for Cost-Type Agreements, Fixed Amount Agreement, and Simplified Agreements. The AO may, as appropriate, but is not required to, designate an AOR for general contributions, project contributions, RDOAG, and other types of agreements that are not Cost-Type, Fixed Amount, or Simplified. The role of Activity Manager is required when the agreement is a General Contribution, Project Contribution, or RDOAG. The AOR designation is specific to a particular individual for the specified agreement. This authority is independent of any other roles, responsibilities, and duties the designee may fulfill in his or her technical capacity. The AOR may, as applicable:

- Maintain contact, including through site visits and liaison, with the recipient;
- Review and analyze reports and monitor reporting requirements (see [ADS 540, USAID Development Experience Information](#));

- Verify timely performance;
- Ensure compliance with the terms and conditions of the agreement;
- Carry out all responsibilities in the schedule of the agreement as delegated by the AO;
- Monitor the recipient's financial and programmatic reports to ensure that the recipient makes progress toward the objectives of the agreement;
- Notify the AO promptly of any developments that could have a significant impact on the recipient's performance;
- Prepare internal documents to support amendments to the agreement;
- Ensure all mitigative environmental measures and conditions in the agreement are implemented throughout the life of the agreement and that timely amendments are undertaken as needed with the relevant Bureau's environmental officer's approval in writing (see [ADS 204, Environmental Procedures](#));
- Evaluate the recipient's program effectiveness at the end of the program, and produce a final report on the agreement for the AO and the Activity Manager; and
- Perform other duties, as requested or delegated by the AO, to ensure prudent management of assistance funds.

The AO designates an AOR (and alternate, if applicable) for each agreement as required above as early in the agreement process as practical. If the AO determines that designation of an AOR is required or appropriate, the AO must sign the AOR designation letter in accordance with [ADS 308mae, Procedures and Model Letters for Designating the Agreement Officer's Representative \(AOR\) for Certain PIO Agreements](#) and receive the signed acknowledgement from the AOR.

At the time of execution of the agreement, the AO must identify the AOR by name in the Schedule of the agreement and enter the AOR's name in the Program Manager field on the agreement document in the Global Acquisition and Assistance System (GLAAS). When the agreement is executed, the AO must distribute the signed designation letter to the recipient, the paying office, the AOR and alternate, and other relevant parties. The AO must maintain the signed designation letter in the agreement file.

In the event the AOR changes during the period of the agreement, the AO must re-issue the designation letter to the new AOR and receive the new AOR's acknowledgement. The AO must prepare a unilateral amendment in GLAAS to update the AOR designation, provide a copy of the signed designation letter along with the amendment

to the recipient, the paying office, and other relevant parties, and maintain a signed copy in the agreement file.

Before the AO designates the AOR and alternate, the selected individuals must provide:

- Proof of a current certification in the [Federal Acquisition Institute Training Application System \(FAITAS\)](#);
- Proof of completion of the Agency specific training; and, if applicable,
- Proof of completion of the required 40 hours of continuous learning.

### 1) Eligibility and Appointment

In order to be eligible for designation as an AOR or an alternate AOR, the appointee must:

- Have the ability to perform inherently governmental functions on behalf of the U.S. Government. AOR eligibility is not based on the program which brought the individual into the Agency (e.g. Fellows or Participating Agency Service Agreements (PASA)), but on the individual's employment status. The appointee must work for USAID as a(n):
  - a. Direct-Hire employee;
  - b. Employee of another U.S. Government agency through an interagency agreement or on detail; or
  - c. Personal Services Contractor (U.S. citizen or national, Cooperating Country National, or Third Country National).
- Be AOR-certified through the Agency's mandatory training and certification program specified in subparagraph (3) of this section.
- Possess experience commensurate with the responsibilities to be delegated.

### 2) Approvals for Designating an Uncertified AOR

An uncertified AOR is an individual who has never been certified or an AOR whose certification has expired as a result of not having completed the mandatory continuous learning requirements discussed in **303.3.15**. In exceptional circumstances, the AO may designate an uncertified AOR with a written recommendation from:

- The cognizant technical office director, in the event that the Mission Director (MD) is the AO for Mission-executed agreements, or
- The cognizant office director or his/her equivalent, in the event that the Bureau's Assistant Administrator (AA) or Deputy Assistant Administrator (DAA) is the AO for USAID/W-executed agreements.

The MD, AA, or DAA may recommend the designation of an uncertified individual as an AOR for a period of up to six months. The recommendation must be in writing and in accordance with the [USAID Federal Acquisition Professional Accreditation & Re-Certification Program Standard Operating Procedure \(SOP\)](#).

The recommendation must include:

- A description of the compelling circumstances requiring the exception,
- Affirmation that the individual has completed the Phoenix Accruals online course, and
- Confirmation from the individual and the individual's supervisor that the individual will complete the AOR certification and Agency training requirements within six months.

The Director of M/OAA is the only person who can approve recommendations for extensions of the designation of an uncertified AOR beyond six months. This extension may be for an additional six months not to exceed a cumulative period of one year. The AO may designate an uncertified AOR only upon receipt of the appropriate written approvals.

### 3) Certification and Training Requirements

The Office of Human Capital and Talent Management, Center for Professional Development (HCTM/CPD), in coordination with M/OAA, established a Contracting Officer's Representative (COR)/Agreement Officer's Representative (AOR) certification program. Specific certification requirements are outlined in [ADS 458, Training and Career/Professional Development](#) and [ADS 303.3.15](#).

#### Exceptions

The following individuals may be designated as AORs without completion of the COR/AOR certification program:

- Warranted Contracting/Agreement Officers,

- Procurement Management Certification Program (PMCP) certified individuals, and
- Federal Acquisition Certification in Contracting (FAC-C) certified individuals.

However, the individuals must still complete the Web-based Phoenix Accruals online course, and be certified in FAITAS, before the AO can designate the individuals as AORs.

#### 4) Issuing the AOR Designation Letter

To appoint an AOR, AOs must use the Standardized Designation Letter, provided in [ADS 308mae, Model Letters and Procedures for Designating the Agreement Officer's Representative \(AOR\) for Agreements](#). AOs may tailor the letter in accordance with guidance provided in [ADS 308mae](#).

The AO may also designate an alternate AOR to perform AOR duties during the absence of the AOR. The alternate must meet the AOR certification requirements and be appointed by designation letter, preferably the same letter as the AOR.

#### 5) Limitations on AOR Authorities

AOR authority does not include the ability to commit to changes that affect the program, cost, period of performance, or other terms and conditions of the agreement. Only an AO has the authority to take such actions. The specific limitations of the AOR designation are stated in the Standardized Designation Letter found in [ADS 308mae](#).

AORs may enlist the assistance of others to:

- Conduct fact-finding;
- Provide analyses or interpretations; and
- Make recommendations, among other assistance that may be sought.

However, the AOR remains accountable for the delegated responsibilities and is the only person authorized to carry out the functions described in the AOR designation letter.

The AOR is not authorized to further delegate this authority. If neither the AOR nor the alternate is available to perform their duties, the AOR must direct the recipient to the AO for guidance. No other individuals are authorized to approve recipient payment requests or perform other AOR functions.

## 6) Revocation of an AOR Designation

The AOR designation is effective for the duration of the agreement unless otherwise specified; is subsequently revoked by the AO; or the AOR's certification expires for failure to complete the required continuous learning points. AOs have the authority to revoke a designation letter, in writing, at any time if an individual's performance as an AOR is unsatisfactory. AOs must revoke a designation letter and appoint a new AOR if the AOR:

- Is assigned to a new Post or position unrelated to the agreement,
- Fails to maintain the AOR certification by completing the required continuous learning points every two years after the initial AOR certification, or
- Has not completed the certification program within the time specified for AORs who are designated under the exceptional circumstances listed in **308.3.8**.

In the event that the AOR's certification expires, the AOR must inform the AO of the expiration. The AOR must not continue to perform AOR duties, even if the AO has not formally revoked the AOR's designation, as it may result in unauthorized commitments as the AOR will be acting without authority. The AOR will be held accountable and must accept responsibility for any unauthorized action and must assist the AO in processing all documentation required to formalize the commitment.

### 308.3.9 Types of PIO Agreements

Effective Date: 08/24/2018

Below are the six main types of agreements that USAID may enter into with a PIO. Operating Units may consult with GC or the cognizant RLO to help the AO determine the appropriateness of a particular type of agreement (see **308.3.2.1**). The cover page of any PIO agreement must cite the authority used to enter into the agreement (other transaction authority unless noted otherwise).

#### 308.3.9.1 Cost-Type Agreement

Effective Date: 08/24/2018

**(a) Use.** Under a cost-type PIO agreement, payment is made by reimbursement or advance of funds for specific, or categories, of costs of goods and services to achieve the agreement purpose.

**(b) Refunds.** Refunds are required under certain circumstances as specified in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#).

**(c) Format.** A cost-type agreement with a PIO must have the following format: Cover Letter; Schedule (see [ADS 308saa, Sample Cover Letter and Schedule for Cost-Type Agreements with Public International Organizations](#)); Program Description; and Standard Provisions (see [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#)). For a cost-type agreement template with the World Bank (either the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA)) (referred to by the World Bank as a Single-Donor Trust Fund (SDTF) agreement), please see [ADS 308mam, Template for USAID-World Bank Cost-Type Agreements](#). For modifications to World Bank cost-type/SDTF agreements, see [ADS 308man, Guidance and Templates for Modifications to World Bank Trust Funds](#).

**(d) Standard Provisions.** Standard provisions for cost-type agreements are contained in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#).

Applicability statements appear in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#) as parenthetical italicized text preceding a number of mandatory standard provisions, as well as each “Required As Applicable” standard provision. Applicability statements, with respect to a mandatory standard provision, provide guidance as to which one of several alternates of that standard provision must be included in the agreement. AOs must remove the applicability statements from the text of an agreement. The AO must select the most appropriate alternate version of each mandatory provision and any necessary alternate version of each “Required as Applicable” provision; at least one version (the most applicable) of each mandatory provision must be selected and included within the agreement.

The AO must:

- 1) Include in the agreement the most appropriate version of each mandatory standard provision, as appropriate;
- 2) Determine which “Required As Applicable” standard provisions must be included in the agreement using the guidance found in the relevant “applicability statements” section; and
- 3) Determine if additional special agreement conditions are needed (see **308.3.2.2**).

As PIOs possess their own cost principles and accounting standards in accordance with their own legal, policy, and procedural frameworks, the cost principles in [2 CFR 200](#) do not directly apply to PIOs. The Standard Provisions for PIO agreements have been drafted and negotiated to ensure that the terms of individual agreements are consistent with the U.S. Government’s principles and standards.

**(e) Payment Methods.** The Standard Provisions for Cost-Type Agreements with Public International Organizations for payment cover periodic advances, reimbursement, and advance payment by letter of credit. The negotiator or the AO must generally select one of the following payment provisions for a cost-type agreement with a PIO:

- Payment - Periodic Advance (Including the Standard or Alternate i. provision, as specified below);
- Payment - Letter of Credit (as stated in the Alternate ii. provision); or
- Cost Reimbursement (as stated in the Alternate iii. provision).

In certain situations, multiple payment methods may be used if appropriate and clearly documented in the agreement. For example, where the cash advance mechanism is initially used, cost reimbursements may be authorized. However, the Letter of Credit mechanism should not be combined with direct payments.

- i. The Periodic Advance Payment provision is appropriate when:
  - The recipient maintains procedures to minimize the time elapsing between the transfer of funds and the disbursement of funds, and
  - The recipient's financial management system meets generally accepted accounting standards for funds control and accountability.

Additionally, periodic advances must be limited to the minimum amounts needed to meet the recipient's current cash disbursement needs and must be scheduled so that the funds are available to the recipient as close as is administratively possible to the actual cash disbursements by the recipient for program costs and in accordance with the recipient's cash transfer procedures. When selecting the periodic advance provision, AOs must consider the following:

- a. Periodic advance requests may be established with Category 1 PIOs to meet the recipient's cash requirements for periods not to exceed 90 days. The recipient must submit [SF-425 Federal Financial Report](#) 30 days after the end of the period covered by the advance and include the authorized certifying official's signature for the accuracy and completeness of the required financial information on SF-425. The agreement must include the M.5-Alt. I Payment (Periodic Advance - Alternate I) standard provision.
- b. Periodic advance requests may be established with Category 2 PIOs and Category 3 PIOs to meet the recipient's cash requirements for periods up to 30 days. Such advances may use the procedures allowing for three month rolling advances described in [ADS 636saa, Managing Program Advances for Non-US and Nongovernmental Recipients](#). In general,

this procedure describes a series of three, 30-day advances disbursed in monthly intervals. Liquidation occurs based on financial reports that must be submitted by the recipient within 30 days after the end of the period covered by the advance series. The agreement must include the M.5-Payment (Periodic Advance-Standard) standard provisions.

- c. The recipient may submit requests for advances to the paying office specified in the agreement as often as may be necessary to meet ongoing disbursement needs; subject to the category classification of the PIO as described above. The recipient must use an [SF-270 Request for Advance or Reimbursement](#) for each request for an advance, which is subject to Chief Financial Officer (M/CFO) or Mission Controller approval (as appropriate) before actual disbursement. Requests must state the estimated cash disbursements to be made during the period covered by the request (i.e., amount of federal funds paid out), the estimated balance of cash on hand from prior advance requests, and the advance amount being requested. Cash advances made by the recipient to sub-recipients or the recipient's field organizations must conform substantially to the same standards of timing and amount that apply to cash advances by USAID to the recipient.
  - d. Advance periods in excess of those authorized above require prior approval from the USAID/W Deputy Chief Financial Officer (Deputy CFO) before being authorized through a deviation request from standard provision procedures.
- ii. The Letter of Credit (LOC) Payment Provision is used when the recipient requests and M/CFO approves the use of a Letter of Credit method of payment in accordance with LOC criteria provided in [ADS 636, Program Funded Advances](#).
  - iii. The Cost Reimbursement Payment Provision is used when the recipient does not meet the standards for a Letter of Credit or for Periodic Advance payment methods.

If the method being considered to pay a PIO deviates from the procedures in this ADS section, either the Controller (overseas) or the Director of M/CFO/CMP (Washington) must decide whether to approve the proposed payment method deviations as required in section **308.3.11** before the agreement is issued.

### **308.3.9.2 Project Contribution**

Effective Date: 08/24/2018

**(a) Use.** A project contribution is a contribution to a PIO's program, project, or activity. Project contributions often arise in the context of a multi-donor pooled funding arrangement. The contribution does not finance specific goods or services. Project contributions allow USAID to participate more readily in certain arrangements without

the typical requirements that apply under cost-type PIO agreements, as the lump sum disbursements under the agreement themselves accomplish a significant purpose of the agreement.

1. The determination of whether the disbursement of USAID funds accomplishes a significant purpose of an agreement is fact-based and situation-specific and must be documented and cleared by the cognizant RLO/GC who must consult with their cognizant Assistant General Counsel. For each incremental funding modification, the AO should clarify whether the previous purpose as identified still applies or whether the incremental funding accomplishes a different purpose. The different purpose must also be documented in accordance with this section.
2. Project contributions may not be used where the program office or the AO understands that the funds provided through the contribution will be used for purposes, activities, or costs that could not be funded through a cost-type agreement, e.g., activities that would violate U.S. laws or regulations.
3. For project contributions, USAID does not make payments based on a line-item cost budget. USAID and the PIO may use cost information, such as a line-item budget, in negotiating the amount of USAID's contribution. Generally, if the agreement has a line-item budget that is intended as binding on the PIO, a cost-type agreement under section **308.3.9.1** would be more appropriate.
4. Monitoring and Evaluation (M&E) for project contributions should primarily relate to the stated significant purpose(s) of the agreement. The frequency and substance of performance reports should be outlined and included in the terms of the project contribution agreement (see [ADS 308maf, Template for Project Contributions](#)).

**(b) Refunds.** Unless otherwise agreed and pursuant to the cited significant or primary purpose within the project design documentation, the Agency cannot reclaim obligated funds.

**(c) Format.** The format of project contributions can vary. For instance, USAID may wish to participate in a pooled funding arrangement managed by a lead PIO as an administrator or trustee (of a fund other than a “trust”, a “trust fund”, or a “fund-in-trust” as defined in **308.6**). Because of the particular rules prescribed by the pooled fund partners, USAID as a donor may be expected to abide by the same rules that govern other donors to the pool and may use the agreement format provided by the recipient. Deviations are not required for project contributions that use an alternative format; however, GC or the RLO must ensure that Agency and program interests are adequately addressed in the agreement, especially including requirements related to audit and records and financial and results reporting. For a project contribution whereby the recipient does not have its own agreement format, the AO may refer to [ADS 308maf, Template for Project Contribution](#) as a drafting model for the agreement. For project contributions with the World Bank (referred to by the World Bank as a Multi-

Donor Trust Fund (MDTF)) Administration Agreement, see [ADS 308mal, Administration Agreement Template for USAID Contributions to World Bank Multi-Donor Trust Funds](#). For modifications to World Bank project contribution/MDTF agreements, see [ADS 308man, Guidance and Templates for Modifications to World Bank Trust Funds](#).

**(d) Standard Provisions.** [ADS 308maf, Template for Project Contribution](#) may be referred to as a drafting model for a project contribution with PIOs.

**(e) Payment Methods.** USAID may provide lump-sum disbursements by check or funds transfer upon initial execution of the agreement or incrementally in accordance with applicable fiscal law.

### **308.3.9.3 General Contribution**

Effective Date: 08/24/2018

**(a) Use.** A general contribution is a mechanism based only on an express statutory authority through which USAID provides contributions to a PIO for its overall operation and support (for example, annual appropriations for USAID/W contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Food Program, etc.). The purpose is not to finance specific goods, services, or activities. Nevertheless, USAID may document in the general contribution document or elsewhere its understanding that the PIO has decided to use the funds for a particular purpose.

**(b) Refunds.** Unless otherwise agreed, the Agency cannot reclaim obligated funds.

**(c) Format.** There is no required format for a general contribution. For a sample format, see [ADS 308sad, Template for General Contribution](#).

**(d) Standard Provisions.** [ADS 308maf, Template for Project Contributions](#) may be referred to as a drafting model for the agreement.

**(e) Payment Methods.** USAID does not make payments based on a line-item cost budget. USAID disburses funds upon obligation of the agreement. USAID and the PIO may use cost information, such as a line-item budget, in negotiating the amount of USAID's contribution. If the agreement has a line-item budget that is intended as binding on the PIO, a cost-type agreement under section **308.3.9.1** would be more appropriate.

### **308.3.9.4 Regional Development Objective Agreement (RDOAG)**

Effective Date: 08/24/2018

**(a) Use.** A RDOAG may be used when a Regional Bureau or Regional Mission Operating Unit wishes to provide a broad range of assistance, including assistance disbursed to third parties, to a regional PIO over a sustained period of time. The RDOAG enables the Operating Unit to coordinate with the PIO to achieve one or more development objectives, as opposed to a specific activity or direct operational support.

Similar to development objectives in bilateral relationships (see [ADS 200, Development Policy](#)), a development objective in an RDOAG should achieve a targeted, priority development outcome, not merely a broad aspirational goal. Because of this, RDOAGs should be used only to address a regional development issue and further the Agency's regional strategy. The AO must obtain GC or RLO clearance prior to entering into an agreement with the RDOAG to ensure that the RDOAG meets any applicable pre-obligation requirements as noted in [ADS 200](#), in addition to [FAA Section 611\(a\)](#), and must include an explanation within the project design documents detailing why the RDOAG is the most appropriate modality for the type of activity envisioned. Sub-obligating agreements made under the RDOAG to regional PIOs (even those with the RDOAG recipient) require an OCR assessment before the regional PIO can become the recipient of direct funding at the sub-obligation level. Additionally, once a sub-obligating agreement type has been selected, the requirements and standard provisions of that sub-obligating agreement type governs the sub-obligation. For more information on RDOAGs, see [ADS 308mac, Guidance for the Use of Regional Development Objective Agreements to Public International Organizations](#).

Sub-obligations to the RDOAG recipient must be accomplished by Implementation Letter (IL) and signed by the MD/AA. Such ILs must incorporate by reference the standard provisions from the RDOAG as well as any other applicable PIO standard provisions from [ADS 308mab, Standard Provision for Cost-Type Agreements with Public International Organizations](#) not already included in the RDOAG. Sub-obligations to entities other than the RDOAG signatory/recipient are permissible, but must not be through an IL. However, USAID may submit a non-subobligating IL to furnish the RDOAG recipient with any additional information relating to the RDOAG or to notify the RDOAG recipient that USAID intends to sub-obligate funds under the RDOAG to a recipient other than the RDOAG recipient.

RDOAGs generally do not extend beyond a period of five years. The cognizant AO, in consultation with the RLO, may authorize extensions as long as the extension is consistent with the Operating Unit's strategy or is necessary to provide a transition period to a new strategy.

**(b) Authorized Agreement Officers.** Only Regional Bureau Assistant Administrators and Regional Mission Directors, and other principal officers who have been specifically delegated 103.5.1(c)(1)(a) authority for RDOAGs are authorized to serve as AOs for RDOAGs. Any AO may execute sub-obligating documents under an RDOAG as authorized in **308.2** according to PIO agreement type. For other, non-ADS 308 sub-obligating instruments, e.g., contracts, grants, and cooperative agreements, the approving authority will be the AO/CO who has delegated authority pursuant to the relevant ADS chapter requirements.

**(c) Refunds.** In the case of any direct disbursement to the recipient, that is not supported by valid documentation in accordance with the standard provisions found in [ADS 308mah, Regional Development Objective Agreement for Public International Organizations](#), or which is not made or used in accordance with the [ADS 308mab](#),

**Standard Provisions for Cost-Type Agreements with Public International Organizations**, or which was for goods or services not in accordance with the Agreement, USAID, notwithstanding the availability or exercise of any other remedies may require the recipient to refund the amount of such disbursement in U.S. dollars to USAID within 60 calendar days after receipt of a request. Additional, applicable refund provisions can be found in the standard provisions in **ADS 308mah, Regional Development Objective Agreement for Public International Organizations**.

**(d) Format.** For a sample format, see **ADS 308mah, Regional Development Objective Agreement for Public International Organizations**.

**(e) Standard Provisions.** See **ADS 308mah, Regional Development Objective Agreement for Public International Organizations** for the applicable standard provisions.

**(f) Payment Methods.** USAID may contribute funds to the RDOAG either as a lump-sum or incrementally. If provided incrementally, subsequent increments will be subject to the availability of funds to USAID for the intended development objective purpose. If the contribution provided by USAID exceeds the amount that reasonably can be committed for achieving the objectives or results or activities during the current or next U.S. fiscal year, USAID may withdraw the excess amount, thereby reducing the amount of the agreement.

### **308.3.9.5 Fixed-Amount Agreements**

Effective Date: 08/24/2018

**(a) Use.** A fixed-amount agreement is a type of agreement where USAID provides a specific level of support and where payment is not based upon the actual costs incurred by the recipient. This type of agreement reduces some of the administrative burden and record-keeping requirements for both the PIO and USAID. Accountability is based primarily on performance and results. A fixed-amount agreement is appropriate for supporting projects with very specific and defined elements, when the AO is confident that a reasonable estimate of the actual cost of the overall effort can be established, and USAID can define accomplishment of the purpose of the agreement through defined milestones.

It is essential that: 1) the program scope is specific; and 2) adequate cost, historical, or pricing data is available to establish a fixed-amount agreement with assurance that the recipient will realize no increment above the actual cost. Because payments under fixed amount agreements are based on the achievement of milestones, the structure of the payments is very important. USAID pays the recipient a set amount when it accomplishes a milestone. The fixed amount agreement may be paid in several partial payments, the amount of each payment to be agreed upon in advance, as well as, agreeing upon in advance the milestone event which triggers the payment. The agreement amount is negotiated using cost principles (or other pricing information). The AO must follow the guidance in **ADS 308mad, Fixed Amount Agreements to Public International Organizations** for structuring the agreement milestones to provide the

recipient with the necessary financial liquidity for the performance of the activity. USAID may also authorize advance payments when recipients meet the conditions for advance payments in “Payment (Periodic Advance- Standard)” found in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#) if providing liquidity through an initial financing milestone is not sufficient to meet implementation requirements.

The procedures in this ADS section and [ADS 308mad, Fixed Amount Awards to Public International Organizations](#) provide additional risk-assessment aspects specific to fixed amount agreements that supplement an Organizational Capacity Review as required in **308.3.2.1**. Agreement closeout is accomplished by the AOR’s acceptance of the final milestone and approval of payment.

**1) Factors for Determining the Use of a Fixed-Amount Agreement.** In order for an AO to use a fixed-amount agreement, the following conditions must apply:

- a. The prospective recipient, technical office, and AO must be able to identify and quantify programmatic accomplishments or results in establishing agreement milestones. For further guidance, see [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#).
- b. The AO, with the advice of the technical office and M/CFO (Washington) or the Controller (overseas), must assess the risk factors that could prevent the proposed recipient from completing the activity or require a substantial change in the milestones. The Operating Unit must not use the fixed amount agreement mechanism if there is an unacceptably high risk of failure or substantial changes in the milestones are expected as the recipient implements its program. The AO and technical office must document the risk-assessment and may use the guidance in [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#).
- c. Adequate cost information must be available to allow the AO to determine and negotiate the fixed amount of the agreement and payment structure. The fixed amount should include all reasonable costs, as determined by the AO. For further guidance concerning the cost information required and payment structuring, see [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#).
- d. The AO must document the rationale for selecting the fixed amount agreement mechanism in the agreement file.
- e. The duration of the fixed-amount agreement must not exceed three years.

- f. The fixed-amount agreement must not include the purchase of any real property.

## 2) Required Provisions for Fixed Amount Agreements.

- a. The AO must ensure that the fixed-amount agreement includes all of the Mandatory Provisions from [ADS 308mai, Fixed Amount Agreement Template](#). In addition, the AO must ensure the fixed-amount agreement includes only the “Required as Applicable” provisions from [ADS 308mai, Fixed Amount Agreement Template](#), as appropriate.
- b. The AO must use the [ADS 308mai, Fixed Amount Agreement Template](#) as a template.

## 3) Amending Milestones.

The AO may amend milestones during the period of the agreement, if the original milestones are no longer feasible or appropriate due to circumstances beyond the control of the recipient, and if the amended milestones are compatible with and satisfy the original purpose of the agreement. The AO may terminate the agreement if the AO concludes that multiple or substantial amendments indicate that continuing the agreement is no longer in the best interests of the Agency. For additional guidance, see [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#).

## 4) Disposition of Equipment or Property.

Recipients must not procure real property under a fixed-amount agreement. Real property means land, including land improvements, structures, and appurtenances, but excludes movable machinery and equipment. Personal property is any tangible or intangible property other than real property. Depending on the activities funded and milestones established by the fixed amount agreement, a recipient may procure equipment or personal property in order to accomplish a milestone. The distinction between whether purchase of the equipment or personal property is a milestone or is one possible means by which the recipient may accomplish a milestone is important for certain aspects of the agreement. Unless a milestone is itself the purchase of the equipment or personal property, milestones must not list equipment or personal property a recipient may potentially purchase to accomplish the milestone, but the costs of such equipment or personal property may be included in the budget from which milestone payment amounts are estimated and negotiated. Regardless of whether the equipment or personal property is listed in or as a milestone, the fixed amount agreement must state that title to the equipment or personal property vests in the recipient upon acquisition with the condition that the recipient must use the equipment or personal property for the agreement as long as it is needed for such. If a milestone under a fixed amount agreement requires

the recipient to procure equipment or personal property, and the requirement is specifically provided in the milestone, then the agreement must include disposition instructions for the equipment or property. For additional guidance, see [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#).

**(b) Refunds.** Funds obligated by USAID, but not disbursed to the recipient before the Agreement Completion Date or before the agreement is terminated, will revert to USAID, except for funds committed by the recipient to a legally binding transaction applicable to the project. Any funds advanced to, but not disbursed by, the recipient before the Agreement Completion Date or the termination of the agreement must be refunded to USAID, except for funds committed by the recipient to a legally binding transaction applicable to the project. Any funds provided by USAID that are expended by the recipient, or any of its contractors, recipients, or employees, not in accordance with the terms of the agreement must be refunded to USAID.

**(c) Format.** The AO should use [ADS 308mai, Fixed-Amount Agreement Template](#), as a template. For World Bank agreements of \$2 million or less, AOs must use [ADS 308mak, Standard Externally Financed Output \(EFO\) Template \(World Bank\)](#).

**(d) Standard Provisions.** See [ADS 308mai, Fixed-Amount Agreement Template](#) for the applicable standard provisions.

**(e) Payment Methods.** If advances are authorized, payment will be made pursuant to the Advance Payment and Refunds provision of [ADS 308mai, Fixed-Amount Agreement Template](#). If advances are not authorized, then the recipient must present to the USAID Controller at USAID/ [Insert W or Mission] an original and two copies of a properly prepared voucher using the [SF-1034](#), with certification that the milestone being billed has been completed and providing any other documentation required by USAID specified with each milestone.

When the recipient submits an electronic submission to the paying office, additional copies of [SF-1034](#) are not required. Payment must be within 30 days after receipt of a proper voucher or after USAID has verified that the milestone has been completed for which payment is requested, whichever is later. USAID reserves the right to withhold payment subject to milestone completion verification.

### **308.3.9.6 Simplified Agreement**

Effective Date: 08/24/2018

**(a) Use.** Simplified agreements are instruments that allow for relatively small agreements (as described below) to recipients to fund quick or simple activities in a streamlined fashion. An AO may execute a simplified agreement if the agreement meets all of the following conditions:

- 1) The total agreement amount does not exceed \$250,000.

- 2) The recipient will not purchase any goods or services, except as authorized pursuant to [22 CFR 228](#) or [ADS 310, Source and Nationality Requirements for Procurement of Commodities and Services Financed by USAID](#), or any applicable waivers, and the recipient will not purchase any single item that has a useful life over one year and a cost of \$5,000 or more.
- 3) The agreement requires the recipient to retain its records for up to three years pursuant to the applicable Audit and Records mandatory provision found in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#).
- 4) The recipient may not bill indirect costs, including administrative costs, under the simplified agreement.
- 5) Performance of the agreement must be executed within one year of the disbursement of funds.

USAID may authorize advance payments if the conditions for advance payments apply (see the mandatory provision on Advance Payments in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#)).

**(b) Refunds.** When advance payments have been authorized and after the end date of the agreement, the recipient must refund USAID for any funds it receives for any costs that did not meet the terms and conditions of the agreement.

**(c) Format.** For a sample format, see [ADS 308maj, Simplified Agreement Format Template](#).

**(d) Standard Provisions.** The AO must consult with GC or the cognizant RLO to determine which additional provisions found in [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#) should apply and be included in [ADS 308maj, Simplified Agreement Format Template](#), depending on the PIO and nature of planned activities.

**(e) Payment Methods.** Funds are disbursed after the recipient submits a request for reimbursement to the Controller which itemizes the actual incurred costs made by the PIO required to complete the program.

### **308.3.10 Application of USG and USAID Laws, Policies, Procedures, and Regulations**

Effective Date: 08/24/2018

**(a) General Rule:** Barring a policy or legal determination otherwise, USAID policies and procedures, including procurement and non-procurement policies and procedures whether or not derived from statute, are applicable to funds that USAID extends to PIO recipients, whether on a reimbursement basis or by advance. However, while USAID

OUs are expected to monitor the recipient PIO's progress in achieving the objectives of any agreement, project and general contributions are not required to follow [ADS 201](#) monitoring, evaluation, and learning policies and procedures. USAID OUs are expected to work with the recipient PIO to use their procedures and systems for monitoring and evaluating progress in achieving the objectives of the contribution agreement.

**(b) Ineligible Countries and Persons:** In some cases, the FAA, the applicable Appropriations Act, regulations of the Office of Foreign Assets Control of the U.S. Department of Treasury (see [ADS 313, Eligibility of Suppliers, Contractors, and Recipients](#)), or other applicable law or regulation restricts USAID from providing assistance to or in a country, or to particular persons or entities. If a proposed agreement is for a program that may include assistance in or to such a country, or to such a person or entity, or involve such a country, person, or entity as a co-sponsor/funder, GC or the cognizant RLO must be consulted about the assistance and any proposed language to be included in the agreement.

**(c) Application of USAID Environmental Regulations:** Pursuant to [22 CFR 216](#), analyses of environmental impact are required with respect to all new projects, programs, or activities authorized or approved by USAID (see [ADS 204, Environmental Procedures](#) and [22 CFR 216](#)). For the reasons outlined in [308.3.9.3](#), however, general contributions and RDOAGs will normally be categorically excluded from environmental analysis under [22 CFR 216.2\(c\)\(2\)\(vi\)](#). For the reasons outlined in [308.3.9.2\(1\)](#), project contributions are normally categorically excluded except, prior to execution of the project contribution, the discrete activities of the agreement which have already been identified which may warrant environmental analysis.

In executing cost-type agreements, fixed amount agreements, and simplified agreement to a PIO for activities that are not exempt or categorically excluded from environmental analysis under [22 CFR 216.2](#), USAID should strive to rely upon the PIO's application of its own environmental policies for the proposed activity.

To conclude that there are adequate environmental safeguards in place, the drafter of the Organizational Capacity Review, in consultation with the Mission Environmental Officer (MEO) or Regional Environmental Advisors (REA) for Mission executed agreements or the Agency Environmental Coordinator or the Bureau Environmental Officer (BEO) for USAID/W executed agreements, must review the PIO's environmental policies and procedures as part of the Organizational Capacity Review.

If the review raises concerns regarding the adequacy of environmental safeguards, the AO must include special provisions in the agreement that would address or mitigate any concerns relating to the PIO's environmental policies and procedures.

**(d) Source and Nationality and Restricted Commodities:** For the reasons outlined in [308.3.9.2 \(1\)](#), source and nationality and restricted commodity requirements (see [ADS 312, Eligibility of Commodities](#)) do not apply to general contributions, project contributions, RDOAGs, fixed amounts agreements, or simplified agreement. For cost-

type agreements (including at the sub-obligation level under an RDOAG), USAID's restricted commodity policies would apply to the same extent in PIO agreements as in grants to non-U.S. non-governmental organizations (see [ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations](#)). Approval must be obtained in accordance with [ADS 312](#) and [ADS 310](#) prior to the purchase of restricted commodities.

### **308.3.11 Deviations**

Effective Date: 08/24/2018

When it is necessary to achieve program objectives under an agreement or when special circumstances make it in the best interest of the USG, USAID may grant a deviation from the policy directives and required procedures of this ADS chapter, or [ADS 308mab, Standard Provisions for Cost-Type Agreements for Public International Organizations](#), [ADS 308mai, Fixed Amount Agreement Template](#), [ADS 308mah, Regional Development Objective Agreement for Public International Organizations](#).

- a. **Approving Officials:** AGC/A&A is the Approving Official for all deviations besides those related to payment methods and advances (**308.3.11.b(4)**). The Deputy CFO (M/CFO/W) is the Approving Official for all proposed excess advance payment periods and the Controller (overseas) or Director of M/CFO/CMP (Washington) serves as an approving official for all proposed payment method deviations. Approving Officials may consult with RLOs, other GC lawyers, M/OAA, M/CFO, or other B/IOs, as appropriate.
- b. **Procedure**
  - 1) If a deviation is necessary, the AO must submit the request in an action memorandum to the Approving Official noted in section **308.3.11.a** via the mailbox **ADS308@usaid.gov**. The AO may also include this request as part of the pre-agreement memorandum submitted by the Operating Unit to the AO seeking authorization for the proposed agreement, in which case, such pre-agreement memorandum may also be submitted to the Approving Official solely for the purpose of approving a deviation request. Multiple deviation requests can be made in the same memorandum.
  - 2) Any official consulted regarding a deviation request should be included as a clearing official on the attendant action memorandum for purposes of clearing the deviation request. The AO must include a copy of all comments received as part of the clearance process as an attachment to the primary action memorandum or pre-agreement memorandum.
  - 3) In respect to deviation requests involving Category 2 PIOs and their cost principles and administrative cost recovery rates, an AO should consult with M/OAA's Contract Audit and Support Division (M/OAA/CAS) and Overhead/Special Costs and Closeout Branch, respectively, as appropriate,

prior to submitting the deviation request to the Approving Official. If sent a request for consultation, M/OAA/CAS has 10 working days to respond. If more time is needed, M/OAA/CAS must alert the AO and provide an estimate of when comments will be provided. If the AO does not receive comments within 10 working days or within the requested extension period, the AO may treat the non-response as a concurrence.

- 4) In respect to deviation requests involving payment methods, if the method being considered to pay a PIO deviates from the procedures in this ADS chapter, the Controller (overseas) or Director of M/CFO/CMP (Washington) must decide whether to approve the proposed payment method deviation request within 30 days before the agreement is issued.
  - 5) The AO must include any actual proposed deviation language as part of the deviation request action memorandum, if appropriate (i.e., where a Standard Provision is being revised rather than deleted in its entirety). If a revised provision is a necessary component of a deviation request, and such language is not included for consideration in the deviation request memorandum, then approval for the deviation may only be given preliminarily.
  - 6) Approval for such a deviation may only be granted after the Approving Official has reviewed the actual revised provision proposed unless the Approving Official delegates the final approval of such language to the cognizant AGC.
  - 7) If the Approving Official denies the deviation request, the Approving Official must provide a written explanation for the non-approval to the AO. The AO may resubmit the request to address the Approving Official's objections. If the deviation request is denied a second time, the Approving Official's denial can be appealed to the Deputy General Counsel (DGC).
  - 8) The AO must retain the approved deviation in the agreement file.
- c. **Content of a Deviation Request:** Each deviation request must:
- 1) List the type of agreement instrument, dollar value, and the recipient's name;
  - 2) Identify the provision, policy, or procedure from which a deviation is necessary;
  - 3) Provide a full description of the deviation, including proposed deviation language, if any and as applicable, and the circumstances under which the deviation provision will apply;
  - 4) Detail the intended effect of the deviation and the reasons supporting the request, including any relevant background information; and

5) State whether a previous deviation from the same requirement had been requested and, if so, the circumstances of the request and whether the Approving Official approved or disapproved the request.

**d. No Deviation Request Required:** No deviation is necessary for omitting “Required as Applicable” standard provisions that are not required by the prescription or alternate versions of the mandatory provisions that are not applicable to a particular agreement. However, any omissions of or changes to mandatory or obligatory “Required as Applicable” standard provisions do require a deviation. No deviation is necessary to negotiate schedule terms or include special provisions in the agreement if they do not substantially alter existing requirements.

See [ADS 308mag, Sample Action Memorandum Template for a Deviation Request](#).

### 308.3.12 Clearances

Effective Date: 08/24/2018

GC or the cognizant RLO must clear any proposed PIO agreement prior to execution. At a minimum, the legal review must address the following:

- Applicable authority under the FAA,
- The AO’s determination that the type of agreement selected is the most appropriate,
- Inclusion of appropriate provisions,
- Compliance with notification requirements,
- Activity approval documentation, and
- Confirmation that due diligence has been completed through the OCR, project design and SOAR approval processes.

### 308.3.13 Use of Agency Applications

Effective Date: 08/24/2018

**Global Acquisition and Assistance System (GLAAS):** For all cost-type agreements, fixed amount agreements, and simplified agreements, the AO must ensure that the entire agreement or amendment package is processed and generated in GLAAS. The AO must be identified along with the designation of the AOR, available only internally at <https://pages.usaid.gov/M/OAA/forms/services> of the AOR in the negotiation memorandum. When the agreement is signed by all relevant parties, the AO or negotiator must upload a scanned copy of the fully executed agreement into GLAAS. Project and general contributions, as well as RDOAGs, are agreement types that are not processed in GLAAS and must be recorded as a non-GLAAS obligation in Phoenix.

When processing PIO agreements in GLAAS, the AO or negotiator must select the procurement instrument identifier appropriate to their agreement.

**Agency Secure Image and Storage Tracking (ASIST):** ASIST is the Agency's official electronic repository for all Acquisition & Assistance (A&A) agreement documentation. The AO must file all documentation relating to the agreement, from pre-solicitation through close-out, in ASIST. AORs must also maintain their agreement administration files in ASIST. The requirements and procedures for filing agreement documents in ASIST, as well as standards for file documentation by agreement type are available internally at <https://pages.usaid.gov/M/OAA/assistance-resources>. The ASIST guidelines also contain guidance for maintaining older PIO agreements in the paper-based format.

**Phoenix:** Phoenix is the Agency's accounting system. Agency staff preparing a PIO Agreement must adhere to the requirements of [ADS 621, Obligations](#). Prior to obligation or sub-obligation, the Operating Unit must issue commitments or sub-commitments in Phoenix to ensure availability of funds. Upon completion of an obligation, the obligating official (the AO for the PIO agreement) must ensure that the obligation is immediately recorded in Phoenix. When a PIO agreement is generated in GLAAS, the system interface will transmit the obligation from GLAAS to Phoenix. When the PIO agreement is a type that is not processed in GLAAS, such as project and general contributions and RDOAGs, the AO must work with the Controller to record the agreement as a non-GLAAS obligation in Phoenix.

## **308.4 MANDATORY REFERENCES**

### **308.4.1 External Mandatory References**

Effective Date: 08/24/2018

- a. [1 USC 112b, United States International Agreements; Transmission to Congress](#)
- b. [22 CFR 216](#)
- c. [22 USC 288, International Organizations Immunities Act](#)
- d. [FAA Sections 103-107; 209; 301; 491; 621; 635](#)

### **308.4.2 Internal Mandatory References**

Effective Date: 08/24/2018

- a. [ADS 103, Delegations of Authority](#)
- b. [ADS 200, Development Policy](#)
- c. [ADS 201, Program Cycle Operational Policy](#)

- d. [ADS 204, Environmental Procedures](#)
- e. [ADS 206, Prohibition of Assistance to Drug Traffickers](#)
- f. [ADS 220, Use of Reliable Partner Country Systems for Direct Management and Implementation of Assistance](#)
- g. [ADS 300, Agency Acquisition and Assistance \(A&A\) Planning](#)
- h. [ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations](#)
- i. [ADS 308maa, List of Public International Organizations](#)
- j. [ADS 308mab, Standard Provisions for Cost-Type Agreements with Public International Organizations](#)
- k. [ADS 308mac, Guidance for the Use of Regional Development Objective Agreements to Public International Organizations](#)
- l. [ADS 308mad, Fixed Amount Agreements to Public International Organizations](#)
- m. [ADS 308mae, Procedures and Model Letters for Designating the Agreement Officer's Representative \(AOR\) for Certain Public International Organization Agreements](#)
- n. [ADS 308maf, Template for Project Contribution](#)
- o. [ADS 308mag, Sample Action Memorandum Template for Deviation](#)
- p. [ADS 308mah, Regional Development Objective Agreement for Public International Organizations](#)
- q. [ADS 308mai, Fixed Amount Agreement Template](#)
- r. [ADS 308maj, Simplified Agreement Format Template](#)
- s. [ADS 308mak, Standard Externally Financed Output \(EFO\) Template \(World Bank\)](#)
- t. [ADS 308mal, Administration Agreement Template for USAID Contributions to World Bank Multi-Donor Trust Funds](#)

- u. [ADS 308mam, Template for USAID-World Bank \(IBRD/IDA\) Cost-Type Agreements \(Single-Donor Trust Fund Contributions\)](#)
- v. [ADS 308man, Guidance and Templates for Modifications to World Bank Trust Funds \(Single and Multi-Donor\)](#)
- w. [ADS 310, Source and Nationality Requirements for Procurement of Commodities and Services Financed by USAID](#)
- x. [ADS 312, Eligibility of Commodities](#)
- y. [ADS 313, Eligibility of Suppliers, Contractors, and Recipients](#)
- z. [ADS 349, International Agreements](#)
- aa. [ADS 350, Grants to Foreign Governments](#)
- ab. [ADS 350maa, Guidance on Funding Foreign Government Delegations to International Conferences](#)
- ac. [ADS 351maa, USAID Policy Guidance on Delegated Cooperation and Responsibility Determinations Regarding Development Partners: Requirements and Resources](#)
- ad. [ADS 636, Program Funded Advances](#)
- ae. [CIB 95-24, Uniform Numbering System for USAID-Direct Procurement Documents](#)

**308.5**      **ADDITIONAL HELP**  
Effective Date: 08/24/2018

- a. [ADS 308saa, Sample Cover Letter and Schedule for Cost-type Agreements with Public International Organizations](#)
- b. [ADS 308sab, Template for In-Kind Contribution](#)
- c. [ADS 308sad, Template for General Contribution](#)

**308.6**      **DEFINITIONS**  
Effective Date: 08/24/2018

See the [ADS Glossary](#) for all ADS terms and definitions.

**Financial Intermediary Fund (FIF)**

Multilateral financing arrangements where USAID is one of multiple donors contributing to the trust and for which an entity (Public International Organization or other donor)

serves as a trustee and commits and transfers contributions within the fund to project implementers in support of international initiatives. (**Chapter 308**)

**Multi-Donor Trust Fund (MDTF)**

Pooled funding arrangement where USAID is one of multiple donors contributing to a “trust” (or “trust fund”, or “fund in trust”) in which an entity (Public International Organization or other donor) serves as a trustee, and title in the funds passes to a PIO or other donor as a recipient. (**Chapter [220](#) and 308**)

**Public International Organization (PIO)**

An international organization that appears on the List of Public International Organizations or has otherwise been designated in accordance with the terms of ADS Chapter 308. (**Chapter 308**)

**Regional PIO**

An entity composed principally of countries within a designated geographic region whose primary goals and objectives are focused on benefiting the member states in said geographic region, or any other PIO that GC designates as a regional PIO. (**Chapter 308**)

**trust**

A “trust” (or “trust fund”, or “fund in trust”) is a financing arrangement set up with contributions from one or more donors and for which an entity (Public International Organization or other donor) serves and administers the trust as the trustee, but title to the contribution remains with USAID. (**Chapter 308**)

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