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Agreement Officer Disallowance of Costs Letter Following Ineligibility Notice

A Mandatory Reference for ADS Chapter 319

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 Responsible Office: M/MPBP

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After the Vetting Official/Vetting Assistant has sent the notice of ineligibility, the AO will send a letter to the recipient to disallow costs under the award:

XXXX, 20XX

[Partner Contact and Address]

Subject: [Partner Name] Award Number XXXXXXXX

Dear [Partner Contact]:

By letter dated \_\_\_\_\_\_\_, the U.S. Agency for International Development (USAID) notified you that, following vetting undertaken in accordance with USAID’s [Insert applicable Vetting Mission Order or Vetting Standard Operating Procedure], USAID determined that [name of vetted entity] is not eligible to receive funding under the above-referenced award.

Clause \_\_ [ insert clause number] Special Condition on Vetting in the above-referenced award provides that, for a sub-award or contract to an entity USAID has determined to be ineligible for funding under the Vetting Procedures, the USAID Agreement Officer (AO) reserves the right to (a) withdraw approval for the sub-award or contract; and, (b) disallow all costs for the same, potentially including previously incurred costs. It further provides that all USAID conditions and all AO approvals under this award for sub-awards and contracts on an eligibility determination under the Vetting Procedures. See, *e.g*., Sections 200.308 and 200.407 of Title 2 of the Code of Federal Regulations.

By this letter, I notify you that I am withdrawing the conditional approval provided for the [sub-award or contract] to \_\_\_\_\_\_\_\_ [name of vetted entity], effective as of [either date of notification by Vetting Official or date of original approval—usually date of award]. [Associated costs will not be allowable under the award. ]

Please acknowledge your receipt of this communication.

Sincerely,

[INSERT NAME OF AO]

Agreement Officer

USAID