



USAID
FROM THE AMERICAN PEOPLE

An Implementing Partner's Guide to

ASSISTANCE AWARD TERMINATIONS

USAID assistance awards are subject to termination provisions that authorize USAID Agreement Officers (AOs) to terminate awards, in whole or in part, for failure to comply with the terms and conditions of the award, for cause, with the consent of the recipient, or at the recipient's request. Terminations may be executed at any time prior to the planned end of period of performance. 2 CFR 200.339 provides guidance on terminations.

This guide provides an overview of USAID's right to terminate an award.

What is a termination for failure to comply with the terms and conditions of the award?

Whenever USAID determines that noncompliance cannot be remedied by imposing additional specific conditions or through other remedies, USAID may terminate the award unilaterally at any time. This termination puts an end to the recipient's performance of the award, which may be considered in past performance evaluations of the recipient.

What is a termination for cause?

Whenever it is determined that the recipient has materially failed to comply with any term of the award, whether stated in a Federal statute, regulation, an assurance, an application, a notice of award or elsewhere, USAID may terminate the award for cause.

What is a termination at the recipient's request?

Upon receipt of the recipient's written notification setting forth the reasons, the effective date, and, in the case of partial termination, the portion to be terminated, USAID may terminate the award.

What is a partial termination?

A termination need not terminate the entire award. The AO can decide to pursue a partial termination. USAID's notice of termination must specify the extent of the termination, and the recipient is required to take similar actions with regard to the terminated portion of the award, as would be the case in a complete termination.

Are there instances where a termination may not be the appropriate action?

An AO should terminate an award only when it is in USAID's interest. A termination with the consent of the recipient should be used instead of issuing a termination notice whenever the AO knows the recipient will agree on the termination conditions, including the effective date.

Key Takeaways

- USAID has a unilateral right to partially or completely terminate an award, whenever it is in the best interest of USAID.
- A termination for cause is USAID's ultimate remedy when a recipient materially fails to comply with the terms and conditions of the award.

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