



**USAID**  
FROM THE AMERICAN PEOPLE

*Resources for Implementing Partners*

## Is USAID approval required

\_\_\_\_\_ for a prime recipient of a \_\_\_\_\_  
USAID assistance award

**to issue a subaward?**



## WHAT IS A SUBAWARD?



An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

**Source: 2 CFR 200.92**

*Remember a  
subaward is an:*



Assistance  
Instrument



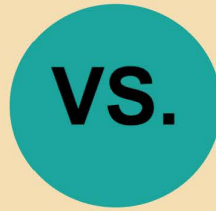
Acquisition  
Instrument



**During award implementation,  
USAID only needs to approve  
NEW subawards that were not  
previously identified.**



# U.S. NGO Subrecipient



# Non-U.S. NGO Subrecipient

## Is USAID Approval required?

Yes, USAID AO approval is needed either during the negotiation/award process or through separate approval during the award implementation phase.

*This does not apply to the purchase of supplies, material, equipment\*, or general support services.*

Yes, USAID AO approval is needed either during the negotiation/award process or through separate approval during the award implementation phase.

*This does not apply to the acquisition of supplies, material, equipment\* or general support services.*

## What is the source of the approval requirement?

2 CFR 200.308  
Revision of budget and  
program plans

Mandatory Standard  
Provision  
M3. AMENDMENT OF  
AWARD AND REVISION OF  
BUDGET  
(AUGUST 2013)

## What standards apply?

The recipient must document the rationale for subawarding the given program component and the selection of the subaward organization.

The recipient must include all flow-down provisions in the subaward.

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*\*equipment (non-expendable items with a useful life of 1 year or more and a unit cost at purchase of \$5k or more) requires approval under the cost principles – not to be confused with subaward/contracting approvals.*

## Where Can I Learn More?

### U.S. NGO

2 CFR 200.308: Revision of budget and program plans

### Non-U.S. NGO

Mandatory Standard Provision M3. AMENDMENT OF  
AWARD AND REVISION OF BUDGET