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AAPD 11-01 “New Mandatory Standard Provisions for Assistance” is archived, effective May 5, 2016. –

See ADS 303 for current standard provisions.



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Note: The Standard Provisions for US and non-US NGOs have been incorporated into [ADS 303](#). All other portions of this AAPD remain in effect as in the AAPD below.



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Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Acquisition & Assistance Issued: March 14, 2011

AAPD 11-01

New Mandatory Standard Provisions for Assistance Awards

Subject Category: Assistance Management
Type: POLICY [See Also Amendment 01 issued on Feb. 13, 2012](#)

AAPDs provide information of significance to all agency personnel and partners involved in the Acquisition and Assistance process. Information includes (but is not limited to): advance notification of changes in acquisition or assistance regulations; reminders; procedures; and general information. Also, AAPDs may be used to implement new requirements on short-notice, pending formal amendment of acquisition or assistance regulations.

AAPDs are EFFECTIVE AS OF THE ISSUED DATE unless otherwise noted in the guidance below; the directives remain in effect until this office issues a notice of cancellation.

This AAPD: Is New Replaces/ Amends

Applicable to:

- Existing awards; Modification required
- No later than
- As directed in Required Actions and Guidance sections
- RFPs, RFAs and APSs issued on or after the effective date of this AAPD
- Other or N/A

Precedes change to:

- AIDAR Part(s) Appendix
- USAID Automated Directives System (ADS) Chapters 303
- Code of Federal Regulations
- Other
- No change to regulations

New Provision/Clause Provided Herein

/s/

Maureen A. Shauket
Director

1. **PURPOSE:** This AAPD provides three new mandatory standard provisions in all assistance instruments.

Required Action: All Agreement Officers (AOs) must insert the attached provisions, "Central Contractor Registration and Universal Identifier" and "Reporting Subawards and Executive Compensation" in all assistance solicitations and all awards made on or after October 1, 2010. All AOs must include the provision "Trafficking in Persons" in all new awards and must modify existing awards to include the provision "Trafficking in Persons" at the earliest practicable opportunity.

2. **BACKGROUND:**

Central Contractor Registration and Universal Identifier. On September 14, 2010, OMB issued Interim Final Guidance in the Federal Register (Volume 75, No. 177, 09/14/2010) to Federal agencies regarding two requirements for assistance applicants and recipients, and a requirement for first-tier subrecipients. All applicants (other than individuals and with some specific exceptions), must have DUNS numbers and be registered in the Central Contractor Registration (CCR) database. This requirement applies to all awards and assistance solicitations issued after October 1, 2010. The attached provision is the award term that OMB published in that guidance, located at [2 CFR Part 25](#).

Reporting Subawards and Executive Compensation. On September 14, 2010, OMB issued Interim Final Guidance in the Federal Register (Volume 75, No. 177, 09/14/2010) to Federal agencies established requirements necessary for the implementation of the Federal Funding Accountability and Transparency Act of 2006. The notice included an award term that requires recipients to report information about first-tier subawards and executive compensation for all awards issued after October 1, 2010. The attached provision is the award term that OMB published in that guidance, located at [2 CFR Part 170](#).

Trafficking in Persons. On November 13, 2007, The Office of Management and Budget (OMB) issued Interim Final Guidance in the Federal Register (Volume 72, No. 218, 11/13/2008) implementing the Trafficking Victims Protection Act. The attached provision is the award term that OMB published in that guidance, located at [2 CFR Part 175](#).

3. **GUIDANCE:**

AOs must include the attached provisions Central Contractor Registration and Universal Identifier, Reporting Subawards and Executive Compensation, and Trafficking in Persons as prescribed above in Required Action, and in the OMB Guidance for each provision.

4. POINT OF CONTACT:

AOs may direct their questions about this AAPD to Michael Gushue, M/OAA/P, at phone (202) 567-4678.

Recipients, or prospective applicants for awards must direct their questions to the cognizant AO for the award.

ATTACHMENTS:

~~ATTACHMENT A – CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER (OCTOBER 2010)~~

ATTACHMENT B – REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (OCTOBER 2010)

ATTACHMENT C – TRAFFICKING IN PERSONS (OCTOBER 2010)

~~**ATTACHMENT A CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER (OCTOBER 2010)**~~

~~*(This provision is required in accordance with 2 CFR 25 Award Term for Central Contractor Registration and Universal Identifier. AOs must include this provision in all assistance solicitations and all awards made on or after October 1, 2010.)*~~

~~**CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER (OCTOBER 2010)**~~

- ~~**a. Requirement for Central Contractor Registration (CCR).** Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.~~
- ~~**b. Requirement for Data Universal Numbering System (DUNS) numbers.** If you are authorized to make subawards under this award, you:~~
- ~~(1) Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.~~
 - ~~(2) May not make a subaward to an entity unless the entity has provided its DUNS number to you.~~
- ~~**c. Definitions.** For purposes of this award term:~~
- ~~(1) Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).~~
 - ~~(2) Data Universal Numbering System (DUNS) number means the nine digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866 705 5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).~~
 - ~~(3) Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:~~

- ~~(i) A Governmental organization, which is a State, local government, or Indian tribe;~~
 - ~~(ii) A foreign public entity;~~
 - ~~(iii) A domestic or foreign nonprofit organization;~~
 - ~~(iv) A domestic or foreign for profit organization; and~~
 - ~~(v) A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.~~
- ~~(4) Subaward:~~
- ~~(i) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.~~
 - ~~(ii) The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. .210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").~~
 - ~~(iii) A subaward may be provided through any legal agreement, including an agreement that you consider a contract.~~
- ~~(5) Subrecipient means an entity that:~~
- ~~(i) Receives a subaward from you under this award; and~~
 - ~~(ii) Is accountable to you for the use of the Federal funds provided by the subaward.~~

~~[END OF PROVISION]~~

ATTACHMENT B – REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (OCTOBER 2010)

(This provision is required in accordance with 2 CFR 170 Award Term for Reporting Subawards and Executive Compensation. AOs must include this provision in all assistance solicitations and all awards made on or after October 1, 2010.)

REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (OCTOBER 2010)

a. Reporting of first-tier subawards.

- (1) Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e of this award term).
- (2) Where and when to report.
 - (i) You must report each obligating action described in paragraph a.1. of this award term to www.fsrs.gov.
 - (ii) For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
- (3) What to report. You must report the information about each obligating action that the submission instructions posted at www.fsrs.gov specify.

b. Reporting Total Compensation of Recipient Executives.

- (1) Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if –
 - (i) the total Federal funding authorized to date under this award is \$25,000 or more;
 - (ii) in the preceding fiscal year, you received—
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and

Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

- (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (iii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
- (2) Where and when to report. You must report executive total compensation described in paragraph b.(1) of this award term:
- (i) As part of your registration profile at www.ccr.gov.
 - (ii) By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

- (1) Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if –
- (i) in the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and ii. The public does not have access to information about the compensation of the executives

through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

- (2) Where and when to report. You must report subrecipient executive total compensation described in paragraph c.(1) of this award term:
 - (i) To the recipient.
 - (ii) By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- (1) subawards, and
- (2) the total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

- (1) Entity means all of the following, as defined in 2 CFR part 25:
 - (i) A Governmental organization, which is a State, local government, or Indian tribe;
 - (ii) A foreign public entity;
 - (iii) A domestic or foreign nonprofit organization;
 - (iv) A domestic or foreign for-profit organization;
 - (v) A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

- (2) Executive means officers, managing partners, or any other employees in management positions.
- (3) Subaward:
 - (i) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - (ii) The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. --.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non- Profit Organizations").
 - (iii) A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
- (4) Subrecipient means an entity that:
 - (i) Receives a subaward from you (the recipient) under this award; and
 - (ii) Is accountable to you for the use of the Federal funds provided by the subaward.
- (5) Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - (i) Salary and bonus.
 - (ii) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - (iii) Earnings for services under nonequity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

- (iv) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- (v) Above-market earnings on deferred compensation which is not tax-qualified.
- (vi) Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

[END OF PROVISION]

ATTACHMENT C – TRAFFICKING IN PERSONS (OCTOBER 2010)

(This provision is required in accordance with 2 CFR 175 Award Term for Trafficking in Persons. AOs must include this provision in all new awards. AOs must modify existing awards to include this provision at the earliest practicable opportunity.)

TRAFFICKING IN PERSONS (OCTOBER 2010)

a. Provisions applicable to a recipient that is a private entity.

- (1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
 - (i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - (ii) Procure a commercial sex act during the period of time that the award is in effect; or
 - (iii) Use forced labor in the performance of the award or subawards under the award.
- (2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —
 - (i) Is determined to have violated a prohibition in paragraph a. (1) of this award term; or
 - (ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a. (1) of this award term through conduct that is either—
 - (A) Associated with performance under this award; or
 - (B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 22 CFR 208 or its superseding Part in 2 CFR.

b. Provisions applicable to a recipient other than a private entity.

- (1) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

- (i) Is determined to have violated an applicable prohibition in paragraph a. (1) of this award term; or
- (ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a. (1) of this award term through conduct that is either—
 - (A) Associated with performance under this award; or
 - (B) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 22 CFR 208 or its superseding Part in 2 CFR.

b. Provisions applicable to any recipient.

- (1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a. (1) of this award term.
- (2) Our right to terminate unilaterally that is described in paragraph a. (2) or b of this section:
 - (i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - (ii) Is in addition to all other remedies for noncompliance that are available to us under this award.
- (3) You must include the requirements of paragraph a. (1) of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this provision:

- (1) “Employee” means either:
 - (i) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - (ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are

contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

- (2) “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- (3) “Private entity”:
 - (i) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25(b).
 - (ii) Includes:
 - (A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
 - (B) A for-profit organization.
- (4) “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

[END OF PROVISION]