

Mandatory Reference: N/A
Supplementary Reference: 303
File Name: ads16/3036s2.doc

SAMPLE
FIXED OBLIGATION GRANT

Mr./Ms. _____
XYZ Organization

SUBJECT: Grant No. (use normal grant numbering)

Dear Mr/Ms. _____:

In response to your request for assistance dated _____ I am pleased to award to the XYZ Organization this grant in the amount not to exceed \$_____ as a contribution to your program to

_____ during the period _____ to _____. We understand that the XYZ Organization will contribute goods and services valued at approximately \$_____ to the program.

The accomplishment of each fixed obligation grant objective will be based on the completion of the tasks and successful submittal or completion of the milestones indicated. (Funding payments for each grant may also be based on a percentage of the total budget for each milestone).

MILESTONE 1

(Describe in sufficient detail established program milestone, method of USAID verification and associated payment in dollars or percentage of total amount.).

MILESTONE 2

...

Payment shall be made by _____ (should be similar to the Standard Provision "Payment Reimbursement." Also must include a statement requiring recipient "certification" that the activity was completed).

USAID does not assume liability for any third party claims for damages arising out of this grant. USAID may terminate this grant upon 30 days written notice. Also, the grant may be suspended or terminated by USAID, if USAID has notice of or has reasonable cause to believe that the grantee is unable to pay its obligations in the ordinary course of business. Any dispute under or relating to this grant shall be decided by the USAID Agreement Officer.

By accepting this grant the XYZ Organization agrees to:

1. Document that reasonable steps were taken to ensure that all purchases charged to the grant are at reasonable prices and from responsible sources;
2. Maintain complete records of all costs charged to the grant for a period of three years after the expiration of the grant and make such records available to USAID or its representatives for review at any time; and
3. At USAID request, refund to USAID any funds received from USAID that represent reimbursement for any costs determined by USAID not to meet the terms and conditions of this grant.

Please sign the original and each copy of this letter to acknowledge your receipt of this grant and return the original to the Grant Officer.

Sincerely yours,

Grant Officer

ACKNOWLEDGED:

XYZ Organization

By: _____

Title _____

Date: _____

Accounting Data: