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**Sample 632(a) Memorandum of Agreement to Allocate Funds  
From USAID to Another Agency**

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**MEMORANDUM OF AGREEMENT  
BETWEEN THE  
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
AND THE  
[DEPARTMENT OF \_\_\_\_\_]  
TO ALLOCATE FUNDS**

**I. AUTHORITY**

Under Section 632(a) of the Foreign Assistance Act of 1961, as amended (the "FAA"), and the Foreign Operations, Export Financing and Related Programs Appropriations Act, 20\_\_ (Public Law \_\_-\_\_), the United States Agency for International Development (USAID) hereby agrees to allocate to the [Department of \_\_\_\_\_] (the "Recipient Agency") \$\_\_\_\_\_ in funds appropriated for [insert the name of the fund, for example, the Economic Support Fund].

**II. PURPOSE**

The Recipient Agency will use the funds allocated under this Memorandum of Agreement to \_\_\_\_\_  
\_\_\_\_\_. Funds allocated by this Agreement are available for obligation and expenditure for the purposes for which such funds are authorized, in accordance with authority granted in the FAA or authority governing the activities of the Recipient Agency.

### **III. TERMS AND CONDITIONS**

A. Execution of this Agreement does not constitute an obligation of funds for either USAID or the Recipient Agency. The Recipient Agency will receive the allocation as a Treasury Department Nonexpenditure Transfer Authorization (Standard Form 1151) and ensure that funds allocated under this Agreement are not commingled with funds received by the Recipient Agency from other sources.

B. The funds allocated under this Agreement expire on [insert expiration date]. Not more than 15 percent of the amounts allocated may be obligated during the last month of availability which is [insert last month of availability]. The Receiving Agency must notify USAID by [insert a date that is three months before the expiration date] if it cannot comply with this condition. [Insert the following sentence in the case of multi-year appropriations where the Agreement begins in any but the last year of availability] Any funds not obligated by [insert a date that marks the end of the first year of availability] will be available for obligation in the following fiscal year only when the USAID Office of Financial Management notifies the Recipient Agency in writing that such funds are available for obligation.

C. The Recipient Agency must report directly to Treasury its financial activities for this allocation account each quarter through the FACTS II system, and must provide a copy of the Report on Budget Execution (Standard Form 133) produced by that system to the parent agency, USAID, no later than 15 calendar days following the end of the reporting period, in accordance with the instructions contained in Office of Management and Budget Circular A-11, Part 4, Section 130.13, and must provide to USAID a copy of the completed year-end closing statement, the TFS 2108 report that is also produced by the FACTS II system, as soon as it is completed. The Recipient Agency must send copies of the foregoing reports to the USAID Office of Financial Management, Central Accounting and Reporting Division, M/FM/CAR, FCGL, 1300 Pennsylvania Avenue, N.W., Room 7.08, Washington, DC 20523-0208, fax number (202) 216-3444, telephone number (202) 712-5951.

D. The Recipient Agency must provide to USAID a monthly summary of current obligations incurred and actual recoveries of prior year obligations. The summary information must be consistent with the quarterly information required on line 4 and line 8 of the SF-133, except that it must be submitted every month. The Recipient Agency must send this information to USAID at the address given in Paragraph C., above, as soon as possible, but no later than the tenth working day after the end of the month.

E. The Recipient Agency will administer the funds allocated under this Agreement in accordance with all applicable law. The Recipient Agency must be responsible and accountable for the management, audit, and use of such funds. The Office of the Inspector General for the Recipient Agency must perform periodic program and financial audits of the use of the funds, and the Recipient Agency may use funds allocated under this Memorandum for the cost of such audits.

**UNITED STATES AGENCY FOR  
INTERNATIONAL DEVELOPMENT**

**[DEPARTMENT OF \_\_\_\_\_]**

\_\_\_\_\_  
[Name]  
[Deputy] Assistant Administrator  
Bureau for [ ]

\_\_\_\_\_  
[Name]  
[Title]  
[Office]

Date\_\_\_\_\_

Date\_\_\_\_\_

**Fund/Fund Account/Allotment Symbol:**  
**Appropriation Symbol:**  
**Amount:**