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Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Acquisition & Assistance

AAPD No. 22-04

UEI/SAM Registration Exception for Assistance Awards: 2 CFR 25.110(c)(2)(iii)

Issued: September 26, 2022

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. AAPDs may be used to implement new requirements on short notice, pending formal amendment of acquisition or assistance regulations. Each AAPD is effective as of the issuance date on its cover page unless otherwise noted elsewhere in the AAPD guidance; the directives remain in effect until the specified expiration date (if any) or M/OAA/Policy issues a rescission.

This AAPD is: ☒ New ☐ Replaces: _____

Category: ☐ Acquisition ☒ Assistance ☐ PSCs

This AAPD applies to: ☐ Solicitations ☒ New awards ☐ Existing awards
☐ Modification required

This AAPD precedes changes to:

☐ FAR _____ ☐ AIDAR _____ ☐ CFR _____
☐ ADS _____ ☐ Other _____ ☒ No change to regulations

Clause/Provision: ☐ New Provision/Clause Provided Herein ☐ Available in GLAAS

Contains a deviation? ☒ No ☐ Yes: Deviation No. _____ effective until: _____

Mark A. Walther, Director, M/OAA

I. Purpose

The purpose of this AAPD is to provide supplemental guidance to Agreement Officers (AOs) when using an exception under [2 CFR 25.110\(c\)\(2\)\(iii\)](#), related to the unique entity identifier (UEI) and System for Award Management (SAM) registration requirements for assistance awards. This exception allows an AO to issue an award when there are exigent circumstances that prohibit an applicant from obtaining a UEI and completing SAM registration prior to receiving the award; when this occurs, the AO must require the recipient to obtain a UEI and complete SAM registration within 30 days of the award date.

Recognizing that circumstances beyond the recipient's control have recently prevented completion of the SAM registration process within the authorized 30 days after award (see Section IV, "Background"), this AAPD provides supplemental guidance to support AOs in the application of this exception.

This AAPD is effective as of the issuance date on the cover page and continues in effect until **January 31, 2023**, unless rescinded earlier.

II. Required Actions

When applying the exception found in 2 CFR 25.110(c)(2)(iii), the AO must follow the instructions in [ADS 303maz](#) ("USAID Policy Guidance on Exemptions to Assistance Reporting Under the Federal Funding Accountability and Transparency Act of 2006").

When it is expected, based on case-specific circumstances, that the recipient will not be able to complete SAM registration within 30 days after award, the AO must include the special award condition (see **Attachment 1**) in the award. As SAM registration is an important fraud mitigation tool, the intent of this special award condition is to provide explicit instructions to the recipient regarding USAID's expectations for the UEI and SAM registration.

The AO may also share this special award condition with a recipient for use in any subawards where the AO has authorized the prime recipient to proceed with the subaward before the subrecipient has obtained its UEI. The prime recipient may tailor the special award condition as needed.

III. **Additional Guidance**

To support recipients in their registration process, AOs may utilize the procedures found in the [UEI/SAM Escalation Process](#) to work with the M/OAA Systems Support team (oaasystemsUPPORT@usaid.gov) and have tickets prioritized within SAM's Federal Service Desk (FSD) support system.

IV. **Background**

In accordance with [2 CFR 200](#) and [2 CFR 25](#), all entities applying for assistance awards must obtain a unique entity identifier and be registered in SAM before submitting an application, unless an exception applies. 2 CFR 25.110(c) outlines certain situations where USAID may exempt an applicant, recipient, or subrecipient from the requirement to obtain a UEI and/or register in SAM. [ADS 303maz](#) provides additional guidance on the application of these exceptions.

In April 2022, the General Services Administration (GSA) implemented a major system change related to SAM. For an entity identifier, GSA ended the decades-long use of the Data Universal Numbering System (DUNS) number issued by Dun & Bradstreet, instead requiring entities to obtain a UEI issued and validated through SAM. This change has profoundly impacted all entities doing business with the U.S. Government by fundamentally altering the entity validation processes, significantly increasing the number of entities requesting an identifier, and creating an enormous backlog in the SAM registration process.¹ Many entities are struggling to obtain a UEI or complete their SAM registration, which makes them ineligible to receive Federal awards.

For many foreign entities that USAID works with, there are further complications: there is a new requirement for various documentation to be translated into English, as well as challenging operating parameters within the system. Prior to the April 2022 system change, foreign vendors could engage with Dun & Bradstreet's various worldwide offices to obtain a DUNS number; Dun & Bradstreet had foreign language capabilities to dialogue with foreign vendors and had compiled decades of historical data on entities that expedited the validation process. With the April 2022 shift to the UEI generated by SAM, all support and communications are now routed through the U.S.-based Federal Service Desk (FSD). The help desk support has no foreign language support capabilities, does not have locations or operating hours that are convenient for USAID's overseas partners, and does not have a toll-free international phone number. Many of USAID's overseas offices report that potential local partners are discouraged from

¹ For additional details, see this article, "Growing frustrations puts GSA on hot seat to fix the transition to UEI": <https://federalnewsnetwork.com/reporters-notebook-jason-miller/2022/07/growing-frustrations-puts-gsa-on-hot-seat-to-fix-the-transition-to-uei/>

submitting an offer or application due to registration and communications difficulties, or simply unable to complete the registration process. USAID's experience during the last several months indicates that it takes foreign entities approximately four months to navigate the full UEI and SAM registration process.

V. Point of Contact

AOs may direct their questions about this AAPD to the [Ask M/OAA Policy](#) Google Group.

VI. Attachments

Attachment 1: Special Award Condition

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Special Award Condition: System for Award Management Registration

- (a) This award was made based on the exception described in [2 CFR 25.110\(c\)\(2\)\(iii\)](#), as the Recipient had initiated the SAM registration process but was unable to complete it.
- (b) The Recipient must do everything within its ability to fully register in the System for Award Management (SAM) as soon as practicable and maintain its registration in accordance with the requirements of the “Universal Identifier and System for Award Management” Standard Provision of this award.
- (c) The Recipient must notify the Agreement Officer in writing as soon as the SAM registration is completed and provide its unique entity identifier.