



COMMUNICATIONS DIVISION

Federal Funding Account Fixed Amount Subawards

June 2026

What is a Fixed Amount Subaward?

Fixed Amount Subawards pay grant funds to awardees based on meeting specific performance results. In contrast to cost-based invoicing, Fixed Amount Subawards track pre-construction, construction, and service milestones, similar to how awardees already complete and report their projects. Fixed Amount Subawards result in smaller payment request increments, potentially faster payments, and built-in documentation.

Benefits of Fixed Amount Subawards for awardees

Fixed Amount Subawards reduce administrative burdens, because they shift the focus from tracking invoices to achieving performance-based results. Awardees will demonstrate they meet milestones by presenting the test measurements, geotagged photos, and similar documentation, which they are already required to submit in their monthly construction and quarterly progress reports.

Fixed Amount Subawards incentivize awardees to manage their projects efficiently, control costs, document their projects, and perform effectively.

Process for awardees

Awardees will be selected to participate in Fixed Amount Subawards but will be given the opportunity to opt out. Awardees must be in good standing and up to date on all Federal Funding Account reporting requirements to be eligible to transition to Fixed Amount Subawards. Awardees that transition to Fixed Amount Subawards will not be permitted to revert to cost-based reimbursements.

Additional information

Fixed Amount Subawards are authorized in the Capital Projects Fund [supplemental guidance](#).

More information is available on the [Federal Funding Account Awardees Resources](#) page.