

**Ask the Procurement Executive Conference Call**  
**Thursday, March 10, 2016**  
**8:30AM-9:30AM EST**

**Background**

The purpose of this call is to provide a forum for partners to ask questions and have a discussion on pressing matters with USAID's acquisition and assistance leadership. In advance of the call, USAID contacted five associations and asked them to submit questions. The associations were: InsideNGO, InterAction, Small Business Association for International Companies, Society for International Development -- Washington, and Council of International Development Companies.

**USAID Participants**

1. Roy Plucknett, USAID M/OAA Senior Procurement Executive
2. Crista Wise, USAID Ombudsman
3. Kimberly Ball, Deputy Director USAID Office of Small and Disadvantaged Business Utilization (OSDBU)
4. Mark Walther, Deputy Director of Washington Operations
5. Deb Broderick, Deputy Director of Accountability, Compliance, and Transparency and Systems Support
6. Teneshia Alston, Senior Program Manager, OSDBU
7. Eleanor TanPiengco, Contracting Officer, Foreign Operations
8. Matthew Johnson, M/OAA Communications Director

**Agenda**

- Mr. Johnson kicks off call, introduces individuals in the room, and provides instructions for the call
- Mr. Plucknett provides introductory remarks.
- Mr. Johnson begins asking USAID participants questions submitted for the call.
- Conclusion of the call

## **Detailed Agenda**

### **Mr. Johnson Remarks:**

Good morning everyone, thank you for joining us today. This is the third Ask the Procurement Executive session we have done. Our first call was held in August of last year, and the second session was conducted during our Partners' Day in December of 2015. This morning we are expecting around 350 participants.

The purpose of this call is to go beyond discussing the Business Forecast and answer some of the top questions or concerns that you, our partners have, about working with USAID.

We will be answering 15 questions during our call this morning. Many of the 15 questions have multiple parts to them. I'd like to thank InsideNGO, InterAction, Council of International Development Companies, Society for International Development - Washington, and Small Business Association for International Companies for reaching out to your members and sending us questions for the call.

We have a number of folks in the room that will be answering questions. I'd like to go around the room quickly to have everyone introduce themselves. I do want to start off by introducing our new Director, Roy Plucknett. We thought this would be a great way to introduce him to the community, to answer your questions and for you all to hear from him. He's been onboard for almost a month now.

We will be posting a recording and transcript of the call online later today. We will send a note out to our email distribution list and tweet out a link via @USAIDBizOpps once the document is live.

I'll now turn it over to our Director, Roy Plucknett, for a few words.

### **Mr. Plucknett Remarks:**

Thanks, Matt -- Good morning everyone and thank you for joining us today. I am excited to be participating in my first Ask the Procurement Executive conference call and really appreciate the thought you put into the questions you submitted to us.

I understand the value of this forum as a way to strengthen our ability to partner together. I know that there are many questions about working with USAID. Having open lines of communication where we can answer questions, such as this call, is critical to all of our success.

I have learned about all of our office's external outreach efforts over this past year, and I am committed to continue these open lines of communication with you and find new ways for us to communicate with one another. I firmly believe establishing strong partnerships with you is important to our work, and our overall Agency mission.

Over the next couple of weeks I will be meeting with each of the partner associations, and I look forward to meeting many of you in person at these events.

A lot of great questions have been raised for this call, and we have done our best to provide answers to all of them. As always, we value your input and welcome feedback from you.

Before we jump into the Q&A portion of this call, I would like to take a few minutes to introduce myself and discuss a few of my priorities coming into this position.

First -- a bit more about me. I joined USAID's Office of Acquisition and Assistance as the new Director about a month ago. I have been with USAID since 1993, where I began my career as a contracting officer working in our Washington Operations division as a civil service employee. I have worked with Mark Walther as well as many others in M/OAA, so it is like coming back to a family and I've enjoyed my first month here. After spending a number of years in Washington, I converted to the Foreign Service where I worked as a contracting officer in Egypt, West Bank and Gaza, and Afghanistan. Since 2012, I have served as a Deputy Mission Director. From 2012 to 2014 I was in the Republic of Georgia. And, for the last two years, I was the Deputy Mission Director in Afghanistan. After 4-years away from contracting, I am excited to be back to working in USAID's acquisition and assistance function again.

Having been with the Agency as a contracting officer here in Washington, DC, as well as out in the field, and most recently serving as a Deputy Mission Director, I believe I bring a unique perspective as the new Director of M/OAA. I understand the challenges and opportunities, for both the Agency and implementing partners, within acquisition and assistance from a variety of viewpoints, including conflict and non-conflict zones.

Onto our the goals for our office -- my team and I have been conducting a series of internal meetings to discuss our priorities for the coming year. While we are still discussing our specific priorities -- I want to share a few that I know are important to both you and me.

First is Procurement Action Lead Time or simply known as PALT. It is something you are going to be hearing a lot about over the next few months, and coming year. PALT is the amount of time it takes to make an award. We know that there are many implications for your organizations as you wait for an award to be made. I know keeping your teaming arrangements and proposed

personnel is tough as PALT extends. While we have instituted a number of changes to better manage PALT, we are continuing to identify ways to streamline our work and are monitoring the PALT times closely. This is an important matter for our office, the Management Bureau, and the Agency as a whole.

A second major focus of mine is related to Choice of Instrument guidance. Again, we understand this is an important issue for all of you, as it is also an important issue for USAID. We will be discussing this more later in the call, but I want to reassure you that this is something at which we are taking a close look.

Third -- continuing improvements to the Business Forecast. We recognize the importance of the business forecast to you. Over the past year, our office has taken many steps to improve forecast information. As I shared last week during our Business Forecast call, I have a team in place which will be meeting tomorrow to discuss ways to further streamline our process and improve our forecast.

Finally, continuing engagement with you, our partners. I have worked with a number of implementing partners during my career here at USAID and I understand how important our relationship is to you, our collaborative work, and the Agency as a whole. I plan to have our team maintain our quarterly conference calls for both the business forecast and ask the procurement executive, update notices to partners, partner day events, and more.

While this is not a list of all of the things that we will be working on over the next year, I believe that these are shared priorities. As such, I hope that you will support me and my team as we work to implement them.

Thank you very much. I look forward to now answering some of your questions.

#### **Ask the Procurement Executive Call -- Q&A**

1. **Mr. Johnson:** Do you anticipate any major changes to the procurement process in the coming year(s) with a new administrator and director of M/OAA?

**Mr. Plucknett:**

- As far as major changes to the procurement process, I would say at this point, no.
- Over the last few years, as a part of USAID Forward and other reform initiatives, we have taken a number of steps to improve the procurement process.
- We are committed to continuous improvement to ensure that we are operating as efficiently and effectively as possible.

- As I highlighted in my opening comments and as we will discuss later -- reducing PALT is one of our biggest areas of focus and concentration this coming year.
- I recognize that this is an incredibly important issue for everyone.
- So at this point, my focus is to take the reforms that have already begun and make sure we see them through to successful completion.

**2. Mr. Johnson: Choice of Instrument** -- There has been a lot of discussion as of late around Choice of Instrument.

- a. Can you please share what USAID is currently doing in regards to Choice of Instrument?

**Mr. Plucknett:**

- As many of you are aware, USAID is currently updating ADS Chapter 304.
- The internal process for approval of the updated chapter is in its final stages as comments from other bureaus and offices on the new draft chapter have now been received.
- We anticipate that the updated chapter will be issued within the next 60 days.
- I have reviewed it and feel good about what I have read, and from my perspective, there are no major changes from what we currently have in place.
- Thank you, Matt.

- b. What opportunities and challenges do these present and what factors influence the decision to use certain mechanisms over others?

**Mr. Walther:**

- In regard to opportunities, the updating of ADS 304 provides an ability to be more current with regulation and case law to date, and to re-emphasize the focus on the nature of the intended relationship.
- On the challenges side of the equation, the Agency undertakes robust project design regardless of the intended choice of instrument. In addition, there is often a practical focus on the ultimate beneficiaries regardless of the intended choice of instrument.
- To determine the appropriate choice of instrument, AOs/COs must consider the nature of the relationship between USAID and the awardee, and the intended purpose of the award. These really are the two major factors that influence the decision of which mechanism to use.
- We do not view the revisions to ADS 304 to be a panacea that eliminates the challenges associated with choice of instruments under USAID programs given that we undertake robust implementation under both acquisition and assistance.

- We are also working on tools to assist Agency colleagues in order to have more practical examples to help guide them. As you may know DCHA/DRG is working on amplifying guidance on choice of instrument in the democracy sectors. M/OAA is also working on general tools for use across the Agency.
  - I would also like to note that OMB does provide implementation guidance on the Federal Grant and Cooperative Agreement Act and confirms that Congress' intended choice was to Agencies flexibility to select the appropriate acquisition or assistance instrument.
  - Because each situation in the Field allows for flexibility and requires the exercise of professional discretion and judgment, we do believe the decisions are best made by those closest to the action in our Operating Missions and Units.
- c. It is our perception that often times the Cooperative Agreement mechanism is chosen for reasons not found in the FAR. Can you comment on this as well as on your plans to ensure that the choice of instrument is more consistently appropriate to the activity USAID seeks to implement?

**Mr. Plucknett:**

- Sure, Matt. Thank you for the question.
  - The Federal Grant and Cooperative Agreement Act (FGCAA) and 2 CFR 200, not the FAR, provide the statutory and regulatory framework for selecting among contracts, grants, and cooperative agreements. ADS 304 reinforces the principles set out in the FGCAA and 2 CFR 200.
  - The Office of Management and Budget (OMB) has confirmed that Congress intends for federal agencies to have the flexibility needed to select the type of instrument that best fits each particular situation.
  - What this means is that every action must be considered individually on a case by case basis.
  - And additionally, the rationale for choice of instrument decisions must be documented in the manner set out in ADS 304. Thanks, Matt.
- d. Many partners note when the type of instrument changes on the Business Forecast. Can USAID establish a more transparent process that allows all partners to understand the reasons behind such change of instrument types?

**Mr. Plucknett:**

- Thanks, Matt.
- It is important to understand that changes in the type of instrument are relatively infrequent considering the number of actions listed on the Business Forecast.

- As we have previously mentioned, it is important to understand that the Business Forecast is a “snapshot” in time of what USAID anticipates planning.
- Typically, choice of instrument designations shown on the Business Forecast are preliminary decisions and should not be viewed as final decisions as they are subject to change.
- When a change occurs, this means that the Operating Unit has considered the facts and circumstances as they exist at that time, and has selected the instrument to best fit those facts and circumstances based on sound principles of project design and applicable policies.
- As was noted during our Business Forecast phone call last week, we have instructed our COs and AOs to begin putting “TBD” on the Forecast if the Mission is still in the beginning of the planning process, and the choice of instrument is not clear.

### 3. Mechanism Trends:

#### Mr. Johnson:

- a. What trends does USAID anticipate in the coming year in terms of the frequency and function of various funding mechanisms (i.e. cooperative agreements, contract, IQCs, BAAs, etc)?

#### Mr. Walther:

- Well based on the first quarter of FY16, the pace of obligations is on track, and the split between assistance and acquisition remains close to our historical 5 year average of roughly 66% assistance and 33% acquisition.
- In particular, regarding **Broad Agency Announcement (BAA)** trends, there has been a slight increase in use of the BAAs from FY14/15 to FY16. In FY14/15 there were approximately 8 BAAs with 12 addenda associated with those. Our estimate is there were 42 awards made in FY14/15: 41 assistance awards and one acquisition award. Most of the BAAs continue to be generated from the U.S. Global Development Lab, but several other Missions/Bureaus are involved with 11 planned BAAs in FY16. While there has been a slight increase in the use of BAAs, more traditional solicitations (e.g., NFOs, RFPs, RFQs) continue to be the predominant method of soliciting implementing partners.
- I would encourage you to take a look at the M/OAA Progress report that was released during our Partners’ Day event on December 1st. In the document we include a lot of great information on trends.
- We will be sure to include a link to the document in the published notes for the call.
  - [\[Click here to access USAID M/OAA's FY15 Annual Report\]](#).

#### 4. Small Business Goals within Missions:

**Mr. Johnson:**

- a. What are USAID's plans to meet the challenge of USAID's goal for small business in FY 2016?

**Ms. Alston:**

- Sure, thank you Matt.
- The inclusion of overseas awards has presented a new challenge for USAID. To address this challenge, we have implemented the following strategy to meet the Agency's FY 2016 small business goal.
- The Agency has increased the number of Mission-level Small Business Program Training Sessions. The training sessions are instrumental in educating the acquisition and technical staff on the Agency's small business program and goaling process. The inclusion of overseas awards was the impetus to revise the small business training program and to place greater emphasis on the need to conduct strategic market research earlier in the acquisition planning process.
- As a matter of fact, our Director, Mauricio Vera, just completed a training session in El Salvador. And, within the next two weeks, he will complete similar sessions in Guatemala and Honduras.
- A second strategy we have taken -- In addition to assigning internal small business goals to Bureaus and Independent Offices (B/IO), regional Missions have also been assigned a small business target for FY 2016. Our Director, Mauricio Vera, provides an update of B/IO and Mission progress during internal senior managers' meetings to maintain focus on small business goals for the Agency.
- The OSDDBU continues to review actions above \$25K to ensure that small businesses are considered for full and partial set-aside procurements. This was implemented approximately four years ago and has proven to be quite successful in helping us meet our small business goals.
- Lastly, the OSDDBU has increased its staff to include a Foreign Service Officer who has first-hand knowledge of the Mission acquisition planning process. As of today, the OSDDBU has proactively reached out to more than 22 Missions to discuss the small business program and the Agency goal.
- I also just want to share that the Agency's small business goal is now also an Administrator's Leadership Council (ALC) metric that is reviewed quarterly by the Administrator as well as other Agency senior leadership.

b. What guidance is USAID giving to the missions regarding utilization of U.S. small business goals in the procurements?

**Ms. Ball:**

- Certainly, Matt.
- As Teneshia mentioned, FY2016 is the first year that USAID's Small Business Goals include overseas acquisitions. It is also the first year where USAID's overseas regions have specific small business goals, which are internal to USAID.
- We deliver in-person training to several USAID missions as Teneshia noted, every year, and that is in addition to our Washington-based small business offerings.
- The field training is accompanied by a briefing to the Mission senior staff. So, typically while our OSDBU Director, Mauricio Vera, is in the Mission, he takes the time to talk to Mission leadership so they are aware of how important the program is.
- In addition, as Teneshia mentioned, there are Small Business Specialists in OSDBU who are dedicated to assisting the mission's contracts and technical personnel with the use of USAID's small business programs.
- This support includes sharing information about how to access Indefinite Quantity Indefinite Delivery contracts (IDIQs) with small business holders under prime awards.
- Small Business Specialists also assist missions with conducting market research and providing capabilities statements of U.S. small businesses that can serve as prime and subcontractors to meet mission requirements.
- We are actively engaging with Missions to encourage the use of small business during the activity design and acquisition planning phase, so that we can be in communication with them early in the process.

c. We are glad to see the recent increase in calls for small business subcontracting plans on IDIQs and to a lesser extent on RFPs. Is it possible for this to be standardized so that RFPs should require a small business subcontracting plan as standard or nearly standard language in all RFPs (both Washington and Mission) unless there are extenuating circumstances.

**Mr. Walther:**

- Sure, Matt.
- In regards to the subcontracting plans themselves, if there are subcontracting opportunities, you should be seeing both in Mission and in Washington solicitations, the requirement to have small business subcontracting plans.

- In addition, a team in OSDBU and M/OAA is drafting guidance on optional standard language on small business utilization for procurements, and the consideration of small business utilization as part of the technical evaluation.
- The draft guidance is currently under review.

d. Is it possible to have bonus points be awarded for proposals by firms with a Mentor-Protégé program as an incentive to large contractors to form such partnerships?

**Mr. Walther:**

- Matt, in our Agency's history of developing the program, awarding points for mentor-protégé program was considered several years ago.
- After robust internal discussion at that time, it was decided that we would not provide points to firms who participated in the mentoring program.
- As you know, there really is a heavy lift this year given the Mission-focus. Our primary focus really is Mission outreach throughout the year to obtain traction on small business opportunities, both at the prime and subcontracting level.
- And, in the near term, we are really working on this optional technical evaluation factor for our operating units.

5. **Mr. Johnson:** Can USAID sponsor small firms for facility clearances in the proposal phase?

**Mr Walther:**

- Good question, Matt.
- Our experience has been that USAID cannot sponsor a firm until we get near the award stage of a competition. It is not something that we can do up front in our experience.
- Accordingly, planning for a procurement that involves a facility clearance is especially critical as obtaining a facility clearance in practice may take up to several months. Thus, there needs to be sufficient ability to have overlap between any existing award and a new award if there is the possibility of a newly selected awardee does not have an existing facility clearance.
- A CO needs to determine at the solicitation stage whether he/she will require organizations to have an existing facility clearance in order to propose given the above.

6. **Mr. Johnson: Policy Updates** -- The ADS guidelines provide clarity to USAID partners and assist us in the assistance and acquisition process.

- a. Is it possible for USAID to give recipients a heads up when Policies are changing?  
Can you share what is currently being updated and when we should expect to see these changes?

**Ms. Broderick:**

- It is important to note that most of USAID's policies are requirements that come from outside the Agency -- i.e. Congress, OMB and/or an executive order issued by the President.
  - Within USAID, we are regularly updating and revising policies.
  - As we've shared, we are currently working on updating ADS 304.
- b. Is there a mechanism for recipients to comment on proposed changes before they become final?

**Ms. Broderick:**

- As I mentioned, most of our policies are requirements that come from outside the Agency.
- USAID has very little ability to change or exempt these requirements, which often includes specific language that must be implemented as stated in our awards.
- If partners would like to provide feedback on policies coming down the pike, I would encourage our partners to go directly to the source of where the policy is being developed.
- For ADS Chapters, I would encourage partners to direct questions to our Ombudsman. As we begin to update chapters, we will take into consideration specific comments received. But I will note that depending on the volume of feedback, we may not be able to respond to every comment or suggestion that we receive. We will do our best to respond to as many as possible.

**Mr. Plucknett:**

- Can I reiterate that? Our business practice here in the Agency is to regularly review and update our policies.
- We are committed to doing that -- and at any point in time, as Deb mentioned, you are more than welcome to submit suggestions or comments to the policies that are out there. As Deb mentioned, the ombudsman will collect them for us to review.
- We will certainly take them into consideration as the policies are being rewritten.
- I encourage you if you desire, to continue to submit your comments and suggestions to our ombudsman.

- And depending on the volume, we may or may not be able to respond to individual questions and comments. But, we will certainly take them as a whole when we do the redrafts. Thank you for that question.
- c. Once they become final is it possible for USAID to put out a general notice so recipients know soonest when they have changed?

**Ms. Broderick:**

- Yes, for major policy changes that impact all of our partners, we issue guidance through our Implementing Partner Notices or IPN Portal, which I think most of our partners are familiar with.
- Since the creation of our email distribution list, we also look at sharing information through this channel. ([You may sign up here](#)).
- In addition, we've also shared information on policy changes through our twitter handle [@USAIDBizOpps](#).
- d. Does USAID have plans to update documents such as ADS 591 (a useful reference for recipients), Sample Award Format in ADS 303, and other references as a result of OMB's Uniform Guidance in 2 CFR 200 (replacing some of the older references)?

**Ms. Broderick:**

- M/OAA Policy office has updated ADS 303 to comply with OMB's Uniform Guidance in 2 CFR 200.
- However, we noted that there are a few reference documents in the chapter that still need updating and we are currently working on those updates.
- We have also informed the team that manages the ADS that updates to other chapters need to be made to that make reference to the previous Assistance regulations and replace them with the revised 2 CFR 200.
- Specifically, ADS 591 is an Office of the Inspector General policy chapter and they have been informed about the implementation of 2 CFR 200.

- 7. Mr. Johnson: Data Development Library and Partner Vetting System** -- Can USAID give an update on how these are progressing, and if there are any planned changes to the processes or requirements?

**Ms. Broderick:**

- **Regarding the data development library** -- M/OAA is currently working with the Office of Management and Budget on the proposed AIDAR rule relating to Open Data.

- Once the rulemaking process is completed, any final revisions will be made based on public comments and the Assistance provision will be updated based on the outcome of the AIDAR rule.
- In the interim, Open Data requirements are being implemented through the clause/provision incorporated into current awards.
- **With regard to partner vetting** -- it continues to be implemented in the five pilot countries based on the AIDAR and 2 CFR 701, which were published in the Federal Register and are now effective for all solicitations and awards implemented in these countries.
- The pilot countries are Guatemala, Kenya, Lebanon, the Philippines, and Ukraine.
- A Procurement Executive Bulletin (PEB) is being drafted to provide clarity to our COs on the vetting program.

**Mr. Plucknett:**

- Let me just add to that -- The pilot vetting program runs through the end of this Fiscal Year.
- Before the end of the FY, we will be drafting a report. One of the due-outs to Congress is a report on the Pilot Vetting System, so that will be going up to Congress. It will have recommendations in terms of moving forward, so that will be coming out towards the end of the FY also -- at that point, we will be able to share a little bit more information on the direction that the Partner Vetting System is going within the Agency.

- 8. Mr. Johnson: Engaging with Industry** -- We understand that M/OAA has issued communications encouraging active pre-solicitation engagement with industry.
- a. Has there been progress in encouraging missions and operating units to engage with potential partners during the planning stages for activities?

**Ms. Wise:**

- I do believe that there has been progress, but as we all know, implementing change takes time.
- We are constantly encouraging our staff around the world to engage with potential partners on a more regular basis.
- Notes from Mark as well as Roy in regards to this topic have been distributed to staff via our weekly newsletter, as well as email.
- COs/AOs regularly post information about pre-solicitation conferences, draft SOWs, etc. on FedBizOpps.gov -- This information is also shared on our @USAIDBizOpps Twitter handle.

- In addition, Aman (M/OAA's former Director) promised to put together a "best practices" guide for COs and AOs on how to engage with industry. That guide has been drafted, and it is currently in the process of being reviewed internally for immediate distribution.
- b. We understand from previous communications that M/OAA plans on releasing a Procurement Executive Bulletin (PEB) providing guidance on ways to engage with industry prior to the release of a solicitation. When will M/OAA release the PEB and where will it be posted?

**Ms. Wise:**

- Yes, we have been working on a PEB for engaging with Industry.
  - The PEB is being finalized now and I expect it will be released once it works its way through our internal process and staff have had time to review it.
  - It will be posted on our PEB webpage within the "Resources for Partners" section of USAID's website (<https://www.usaid.gov/work-usaid/resources-for-partners/procurement-executive-bulletins-pebs>).
- c. Is USAID considering requiring missions to hold bidder conferences ahead of major procurements, so that USAID's expectations for approach and outcomes can be equally accessed and consistently understood by the potential bidders?
- Ms. Wise:**
- At this point, we are not considering requiring missions to hold bidder conferences ahead of major procurements.
  - But we are actively encouraging our staff to organize outreach in advance of major procurements.
  - Part of this outreach has included providing more guidance and information to our program offices around the benefits and advantages engaging with industry before a solicitation is issued.
  - As I mentioned earlier, we have drafted a "best practices" guide that will be circulated not only to COs and AOs, but also to program staff.

**Mr. Plucknett:**

- Let me add to that -- In addition to what Crista just mentioned, we are required to distribute the questions and answers that are submitted to the CO during the course of a solicitation.
- In the case where a CO bidder conference is not held for whatever reason, there is an opportunity to submit your questions -- And these are sent back out. You are seeing the exchanges that individual offerors are having with the contracts office, so everyone is seeing the same information.

- It does serve a similar purpose -- maybe not as good as face to face interaction, but you are getting the information you desire, and additional information that others want to hear as well.

## 9. Mission Orders and Uniform Guidelines:

### Mr. Johnson:

- a. What gives rise to Mission Orders, does every Mission have one, and can recipients find them online and in a single location? Are Mission Orders important for partners to know about?

### Ms. TanPiengco:

- Mission Orders (MOs) as you can imagine are Mission-generated.
- Every Mission has a set of Mission Orders.
- They provide operational guidance that outlines roles, responsibilities and other details at each specific Mission.
- It is important to note that Mission Orders do not create new policy and must not duplicate information already contained in an ADS chapter, nor contradict or distort the meaning of mandatory Agency policy.
- MOs generally serve to provide information needed to implement the Program Cycle and other internal mission functions, e.g. training request policies or country specific security procedures.
- Because of variations in size of staff, scopes of work, and locations (ie. whether they are co-located with the Embassy or a separate facility), different Missions will have different Mission Orders.
- Generally speaking, Mission Orders do not impact partners, and as Mission Orders are internal guidance they are not made available to the public.

### Mr. Plucknett:

- Thanks, Eleanor -- Let me add to that.
  - In addition to Mission Orders which are internal to Missions, they also generate contractor/grantee notices, or something similar to that, which flag things that do impact the partner community. Those are made public -- Missions around the world put them up on their websites, so you can access those.
- b. While we seek to maintain flexibility at the mission level, partners are often frustrated over discrepancies – such as choice of instrument - in the application of guidelines between missions. Is USAID working with missions to ensure guidelines are applied more uniformly?

### Mr. Plucknett:

- Thanks, Matt. We firmly believe that our Contracting and Agreement Officers, as development professionals and business managers, should have the ability and authority to make decisions based on what they are seeing in the field.
- As you noted, COs and AOs will operate differently depending on their country or region -- or context of what is going on in the country, conflict or non-conflict zones, for examples.
- COs/AOs must determine the appropriate instrument for each award in accordance with the principle purpose of the award.
- Now our Washington office spends a considerable amount of time communicating to Mission staff about choice of instrument and other important guidance to ensure that our policy and guidelines are applied, as appropriate, in a uniform manner.
- One of my priorities coming into this new role will be internal communications with our staff here in Washington, and around the world.
- We are in the process of establishing a community of practice where our staff has a forum to share questions, innovative ideas, and best practices.
- Additionally, we are going to be setting up bi-weekly, or monthly worldwide conference calls for our staff to engage on specific topics of interest and areas for improvement -- these will be lead by various staff in Washington, as well as the Missions to share a variety of viewpoints.
- On a final note, our staff receives continuous formal training on the elements essential to this matter.

**10. Mr. Johnson: Working with Missions** -- We sometimes see COs take as long as 2 months to provide salary approval for new personnel, or CO consent to subcontract with local partners. While we understand that USAID needs time to conduct due diligence in reviewing neg memos and salary justifications, we would like to have a sense of what internal factors contribute to approval delays.

a. Why are some missions faster than others?

**Ms. TanPiengco:**

- Of course -- there are a variety of factors that contribute to approval delays.
- These may include inadequate supporting documentation, the volume of incoming requests from multiple activities relative to staff availability, inadequate lead time to review requests (creating undue urgency) which negatively impacts overall workload, and required coordination with the COR/AOR, who provides a recommendation of support/no support of request.

- b. What suggestions does Mr. Plucknett have for implementing partners to improve approval request submissions and respectfully induce quicker response times?

**Mr. Plucknett:**

- Thanks, Matt and thank you for the question.
- I think the most important factors in our line of work is simply open communication.
- When kicking off new awards I would encourage you to have conversations about expectations, deadlines, approval processes, and so forth.
- All too often, given that we are working in so many countries, we rely on email for the majority of our work. I do not think that email is the most efficient way for us to operate.
- In my experience, I have found that short 30 minute in-person meetings can greatly improve the way I work with others. It develops a relationship and builds a bond of trust which I think is critically important.
- I know that a few months back, Mark Walther sent a note out to the partner community encouraging you to meet with your CO or AO when in country.
- We sent a similar message to our COs and AOs encouraging them to reach out and meet with you.
- I want to echo what Mark said, and I will also echo this internally to our folks working around the world.
- We welcome suggestions on how to streamline the process to meet these dual objectives.
- If you are in a situation where months are going by and you are not getting a response, please reach out to the Agency Ombudsman, Crista Wise, at [ombudsman@usaid.gov](mailto:ombudsman@usaid.gov).
- Going back to kicking off new awards, I think most COs and AOs around the world will have a post-award conference at the Missions, where your team in the field and at times leadership from your headquarter offices come out. In some cases, we will first spend 2-3 hours going over the critical elements of the award. But they will also provide you an opportunity to meet the various players -- the COR will be there, the contract staff, the negotiator, the office of financial management, the executive office may come in depending on the operating environment you are in -- and you will be given opportunity to ask a lot of questions. Developing that relationship with your COR and COs/AOs is absolutely critical to the success of our programs and projects, so we want to build that bridge and develop those relationships.
- I think in the end, strong relationships are key to the success of our work.

**11. Mr. Johnson: Agricultural Commodities** -- In light of the recent revisions to ADS 312, we have seen various USAID Missions using differing interpretations of which types of items are “agricultural commodities” and therefore subject to the approvals for restricted goods (AIDAR 752.225-70) and non-U.S. procurement (22 CFR 228).

- a. Can USAID provide a specific definition of “agricultural commodities” for implementing partners to use in reference to the regulatory requirements found in 22 CFR 228.19(a) and AIDAR 752.225-70(c)?
- b. Specifically, can USAID provide an explicit list of those items considered to be “agricultural commodities” under these regulations?

**Mr. Walther:**

- Thanks, Matt.
- Let me start off by giving you my historical understanding.
- USAID has relied on a broad reading of the term “agricultural commodity” for purposes of the requirement to seek approval for restricted goods.
- The term “agricultural commodity” in this context must, at a minimum, be broad enough to cover all agricultural commodities that could potentially be subject to the applicable legal restrictions of the Foreign Assistance Act, as well as policy requirements (i.e., the requirements relating to quality and safety in ADS 312, which were preceded by the Commodity Eligibility Listing requirements).
- In the past, USAID noted some of the particular commodities that were subject to restrictions in the Commodity Eligibility Listing, and also listed some of the commodities likely subject to restriction in ADS 312, however, neither list provided a comprehensive definition of “agricultural commodity” for award purposes.
- With the October 2015 revision of ADS 312, USAID has clarified which agricultural commodities are subject to restrictions under both of the statutory rules (including the parity price restriction referenced in 22 CFR 228.19(a)), and USAID policy requirements.
- Additionally, USAID is in the process of preparing a definition of agricultural commodities for purposes of ADS 312.
- We expect that Agreement Officers and Contracting Officers will reference this definition for the purposes of their awards to ensure that they are considering for approval any agricultural commodity that is potentially subject to legal or policy based requirements.
- Once we have the definition finalized, we will update ADS 312 to include it and will notify you when the update has been made.

**12. Mr. Johnson: PALT reduction** -- We have noted that USAID has taken a number of steps to reduce PALT over the last year. However, PALT is still too long and is causing implementing partners, especially small businesses, financial burdens as they await RFP releases and award decisions. Can you update us on the latest developments within the Agency regarding further reductions in PALT?

**Mr. Plucknett:**

- Sure, thanks for the question.
- For those of you on the call who are not familiar with PALT, once again, it stands for Procurement Action Lead Time. It represents the amount of time it takes to make an award -- starting with the time that a Contracting or Agreement Officer receives and accepts all of the necessary documents to begin the award process to the date an actual award is made.
- Coming into this position at M/OAA, PALT is my top priority.
- It is also important to note that this is also a top priority for the Agency as a whole.
- Like the small business goals that were mentioned earlier in the call, the Administrator holds a quarterly meeting called the ALC or Administrator's Leadership Council, during which M/OAA is reporting to the Administrator on our efforts to reduce PALT.
- As you are aware, we have made a number of strides over the last few years to reduce PALT, including: streamlining our assistance awards, developing templates for key parts of the procurement process, and looking at best practices that can be used across all awards.
- Since I came on board just a few weeks ago, we have been enhancing our abilities to track PALT on a monthly basis for competitive contracts, grants, and cooperative agreements at \$10 million and above.
- The Management Bureau has also been highlighting best practices for reducing PALT as part of its Management, Knowledge and Learning worldwide trainings -- which have been undertaken at major regional missions -- most recently in South Africa.
- An upgrade to our Acquisition and Assistance system, called GLAAS (Global Acquisition and Assistance System), is expected in June which will provide access to FedConnect and will more effectively allow for electronic receipt of proposals.
- I am committed to reduction of PALT, again it is my top priority. We are holding ourselves, as an Agency since we all have a stake in this, accountable.

**13. Mr. Johnson: DCAA** -- As a result of recently enacted legislation, DCAA can no longer provide audit support to USAID.

a. What is USAID doing to manage audits since DCAA is no longer available?

**Ms. Wise:**

- Sure -- some of you may have received the notice that I sent out to our partners about two weeks ago to address this question.
- Section 893 of the 2016 National Defense Authorization Act (NDAA), states that "...DCAA may not provide audit support for non-Defense Agencies unless the Secretary of Defense certifies that the backlog for incurred cost audits is less than 18 months of incurred cost inventory...".
- The language impacts not only USAID, but the entire government in how audits are conducted.
- Over the last several years USAID has worked to make improvements to its ability to conduct audits.
- In September 2012, the Management Bureau issued Blanket Purchase Agreements with three qualified CPA firms for a variety of audit services.
- It is our intent to continue to use these CPA firms to meet our audit needs, including those audits canceled by DCAA.

b. Can you please share the names of the three firms?

**Ms. Wise:**

- Yes, the three firms are: Kearney and Company, P.C., Cotton & Company, LLP, Tichenor & Associates, LLP

**14. Mr. Johnson: GSA Schedule Procurements** -- How can implementing partners find more information about USAID's planned GSA schedule procurements? What might USAID do to bring in more firms, especially small businesses?

**Mr. Walther:**

- Thanks, Matt.
- Here in Washington, task orders/delivery orders are reviewed by our Office of Small and Disadvantaged Business Utilization (OSDBU) colleagues to promote small business opportunities at task order levels, as well as prime award levels.
- We have begun incorporating GSA task order/delivery orders as part of our quarterly Business Forecast.
- I know they seem light in the initial parts of the first 2 quarters of the Forecast.
- However, it is not uncommon that GSA orders become more certain during the 3rd and 4th quarters of the fiscal year.
- We will continue to remind our teams to be sure that they are including the GSA task orders on the Forecast and hopefully you will see an uptick in future quarterly updates of the Business Forecast.

**15. Mr. Johnson: Award Announcements** --There does not appear to be a system in place to notify IDIQ holders about the winners of individual task orders and the award amount of the task order contract. Would USAID consider allowing CORs to share the information regarding awarded task orders with IDIQ holders?

**Mr. Walther:**

- We consider it the CO's responsibility to notify those submitting proposals under fair opportunity procedures task/delivery order awards.
- This is something that should be happening across the board.
- If you have not received a response with regards to a task order, I would encourage you to reach out to the CO.
- We will be taking the opportunity given this question, to remind COs of this matter using Roy's weekly newsletter, and other formats.
- One final note -- if you are not familiar with the website [usaspending.gov](https://usaspending.gov). All agency obligations and award information is also posted to the site upon award release. So at least the awarding organization and the overall amount of the award is listed there for contracts and orders.
- The site is also updated on a nightly and weekly basis, so it is a great source of information. It may take a few days to be updated on [usaspending.gov](https://usaspending.gov).

**Mr. Plucknett Closing Remarks:**

- Just a couple words -- First off, thank you for what you do. Without your hard work in the Field as our implementing partners, we would not be able to achieve what this Agency is trying to do.
- Wherever I have been located in the world, it has been done in harmony and partnership with USAID, and I appreciate that.
- I am committed, as you heard from the words I shared today, to continue to strengthen our partnerships. Everywhere I have been, I have tried -- and I will try to create the same here -- a sense of family in terms of the open communications.
- You have someone at the helm of M/OAA who loves being a contracts officer, and I love discussions and debates, and the staff around the table can tell you that.
- I will drill into things and ask questions until I get the answers I am looking for -- and the staff here does a terrific job, and they put up with me which I am thankful for. They put a lot of hard work into answering these questions. I want to thank them for their hard work.

- And please tell your staff who contributed to the questions that I also greatly appreciate their efforts.
- Again, partner community, you have put a lot of thought into the questions asked and we will continue to work to strengthen our partnership together.
- Thank you!