



USAID
FROM THE AMERICAN PEOPLE

BUREAU FOR MANAGEMENT OFFICE OF ACQUISITION AND ASSISTANCE



FISCAL YEAR 2020 PROGRESS REPORT

OUR MISSION

On behalf of the American people, we promote and demonstrate democratic values abroad, and advance a free, peaceful, and prosperous world. In support of America's foreign policy, the U.S. Agency for International Development leads the U.S. Government's international development and disaster assistance through partnerships and investments that save lives, reduce poverty, strengthen democratic governance, and help people emerge from humanitarian crises and progress beyond assistance.



MESSAGE

FROM THE M/OAA DIRECTOR

Dear Partners,

It is my pleasure to share with you the Bureau for Management's Office of Acquisition and Assurances annual Progress Report for Fiscal Year (FY) 2020. This past year brought on numerous challenges, but we continued to make great progress in our efforts to effectively execute the Agency's mission.

USAID obligated over \$21.4 billion in acquisition and assistance (A&A) mechanisms last year, far exceeding our previous high of over \$17 billion. In terms of the breakdown of funding, \$15.1 billion was obligated in Washington and \$6.3 billion was obligated in the field. Finally, we continued to see a consistent breakdown in acquisition vs. assistance, with \$6.2 billion obligated to contracts, \$5.1 billion to cooperative agreements, and \$10 billion to grants. With regards to the Agency's small business utilization, we continued our upward trajectory of record levels of funding to U.S.-based small businesses.

Over the last year we have seen great progress with the implementation of the A&A Strategy and the Effective Partnering and Procurement Reform (EPPR), strengthening how we design, solicit, and execute our programs around the world. Similarly, the New Partnerships Initiative (NPI) has continued to make inroads within the Agency as a successful model for engaging new, underutilized, and local partners. Additionally, we were able to meet our Agency Priority Goals for Category Management and use of co-creation and collaborative approaches.

I am proud of our efforts this past year to strengthen our acquisition and assistance workforce through training as well as hiring new staff. We are in the process of bringing on 40 new Foreign Service Contracting Officers. We have created three new Senior Technical Advisor positions in our Regional Bureaus, as well as created new positions to strengthen our efforts around strategy, engagement, and innovation.

There is no doubt that COVID-19 has had a major impact on how we do our work around the world. Similarly, the implementation of Section 889 of the John S. McCain National Defense Authorization Act, which went into effect on August 13, 2020, has impacted how we operate. However, reflecting on this past year, I think that we have strengthened our partnerships by working collaboratively to face the new operating environment.

I would like to give my deepest appreciation to the implementing partner community, the various partner associations, and all of our A&A colleagues here in Washington and around the world. In addition, my sincere thanks as well to my leadership colleagues—Deb Broderick, Luis Rivera, and Mike Ashkouri.

As you review this year's Progress Report, you will see the outstanding work of the Agency's workforce worldwide as well as the work of our partners. I look forward to continuing our progress in FY 2021.

All the best,

Mark Walther

Director, Office of Acquisition and Assistance



ACTIVITY SUMMARY

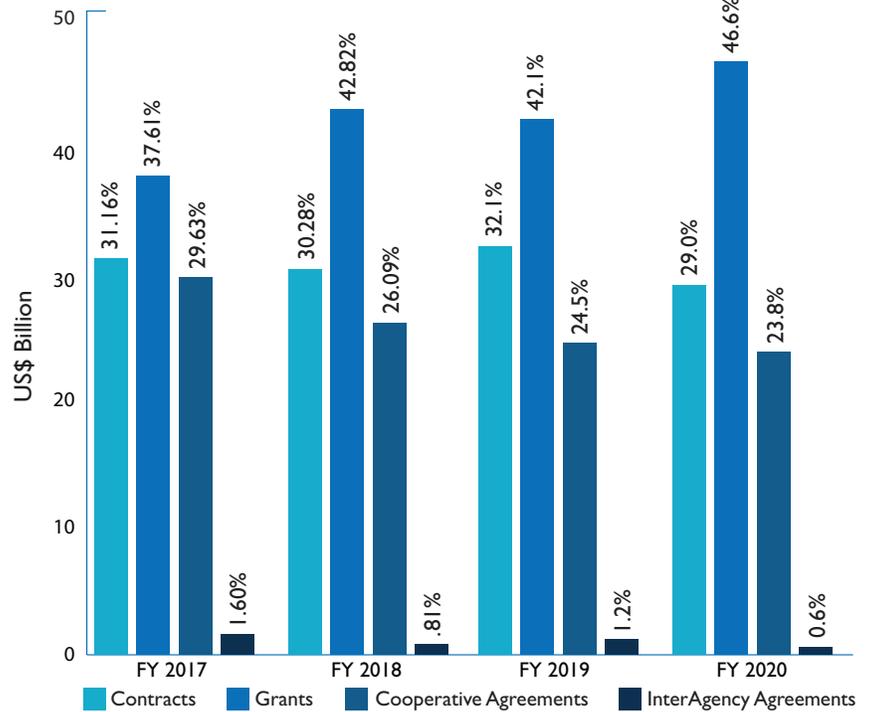
In Fiscal Year (FY) 2020, USAID obligated nearly \$21.4 billion in acquisition and assistance mechanisms through 21,538 actions. Acquisition awards accounted for over 29.0 percent of total dollars obligated, while cooperative agreements accounted for approximately 24.8 percent and grants accounted for the remaining 46.6 percent. Continuing the trend over the last several years, Washington obligated more dollars. However, more actions took place in the field.

VALUE OF OBLIGATIONS AND NUMBER OF ACTIONS OVER TIME



Source: GLAAS as of October 2020

OBLIGATIONS BY INSTRUMENT TYPE



Source: GLAAS as of October 2020

On the assistance side, about half of the \$15 billion total reflects obligations to Non-Governmental Organizations (NGOs) and about half reflects obligations to Public International Organizations (PIOs). On the acquisition side, roughly \$3 billion reflects obligations under our Agency's Indefinite Delivery Indefinite Quantity (IDIQ) awards, and a little under \$600 million reflects BPA calls, GSA orders, and other federal orders.

VALUE OF OBLIGATIONS AND NUMBER OF ACTIONS OVER TIME WASHINGTON VS. MISSIONS



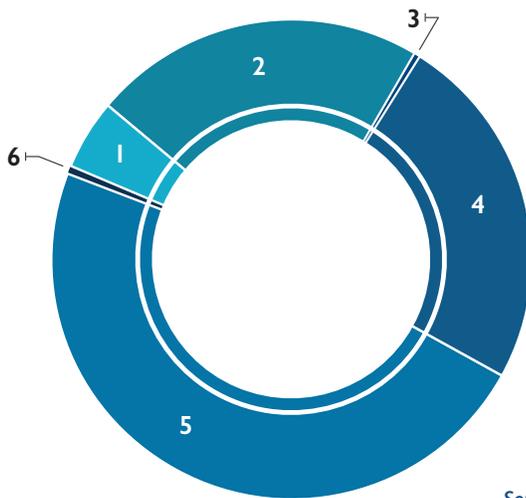
Source: GLAAS as of October 2020

2020 FISCAL YEAR ACTIONS AND OBLIGATIONS

	ACQUISITION		ASSISTANCE		INTERAGENCY AGREEMENT		TOTAL # ACTIONS	TOTAL ACTION OBLIGATIONS \$BN
	ACTIONS	OBLIGATIONS \$BN	ACTIONS	OBLIGATIONS \$BN	ACTIONS	OBLIGATIONS \$BN		
WASHINGTON	5,405	\$3.6	3,955	\$11.4	75	\$0.88	9,435	\$15.1
MISSIONS	8,994	\$2.6	3,050	\$3.6	59	\$0.40	12,103	\$6.3
TOTAL	14,399	\$6.2	7,005	\$15.0	134	\$0.128	21,538	\$21.4

Source: GLAAS as of October 2020

SUMMARY OF AWARDS: MODIFICATIONS AND NEW AWARDS BY OBLIGATIONS

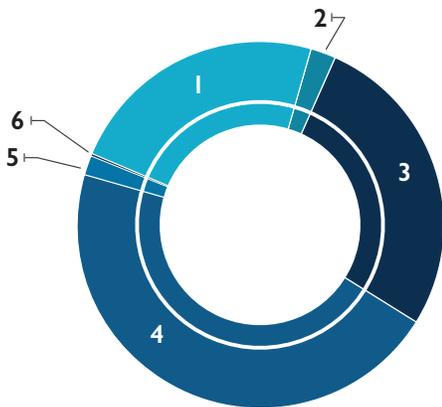


- 1. New Acquisitions \$1,042,539,940.00 – 4.9%, 4,932 Actions
- 2. New Assistance \$4,846,755,132.01 – 22.6%, 1,253 Actions
- 3. New InterAgency \$53,201,453.14 – 0.2%, 51 Actions
- 4. Modifications to Acquisition \$5,163,973,157.82 – 24.1%, 9,467 Actions
- 5. Modifications to Assistance \$10,221,911,693.77 – 47.8%, 5,752 Actions
- 6. Modifications to InterAgency \$75,026,061.86 – 0.4%, 83 Actions

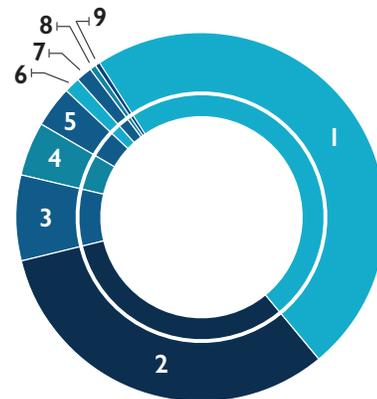
Source: GLAAS as of October 2020

BREAKDOWN OF NEW ASSISTANCE AWARDS

BREAKDOWN OF NEW ACQUISITION AWARDS



- 1. New Cooperative Agreements \$1.1BN – 23.2%, 364 Actions
- 2. New Fixed Amount Awards \$102 MN – 2.1%, 117 Actions
- 3. New Grants \$1.2 BN – 27.3%, 450 Actions
- 4. New PIO Grants \$2.2 BN – 45.5%, 290 Actions
- 5. New Associate Awards \$88 MN – 1.8%, 3 Actions
- 6. New Leader Awards \$34 MN – 0.81%, 5 Actions



- 1. New Contracts \$506.2 MN – 48.6%, 182 Actions
- 2. New Task Orders/Delivery \$336.1 MN – 32.2%, 3232 Actions
- 3. New Personal Services Contracts \$79.6 MN – 7.6%, 608 Actions
- 4. New GSA Schedule Order \$49.3 MN – 4.8%, 52 Actions
- 5. New Purchase Order \$37.5 MN – 3.6%, 1,999 Actions
- 6. New Other Federal Order/Contractr \$16 MN – 1.5%, 15 Actions
- 7. New Indefinite Quantity Contract (IQC) \$12.4 MN – 1.2%, 56 Actions
- 8. New Blanket Purchase Agreement \$0.00 – .8%, 38 Actions
- 9. New Purchase Card Holder \$5.3 MN – 0.5%, 1,654 Actions

Source: GLAAS as of October 2020

USAID PARTNERS

FY 2020 PARTNERS	
ACQUISITION	2,192
ASSISTANCE	855
TOTAL PARTNERS	3,047

Source: Enterprise Reporting Portal as of October 2020

TOP 15 ACQUISITION PARTNERS

Chemonics
Development Alternatives Incorporated (DAI)
Abt Associates Inc.
Tetra Tech ARD
Palladium International, LLC
Deloitte
Creative Associates International, Inc.
Management Sciences For Health, Inc.
Kenya Medical Supplies Authority (KEMSA)
Social Solutions International, Inc.
Tetra Tech Engineering & Architecture Services
Management Systems International, Inc.
Remote Medical International
Education Development Center (EDC)
RTI International

TOP 15 ASSISTANCE PARTNERS

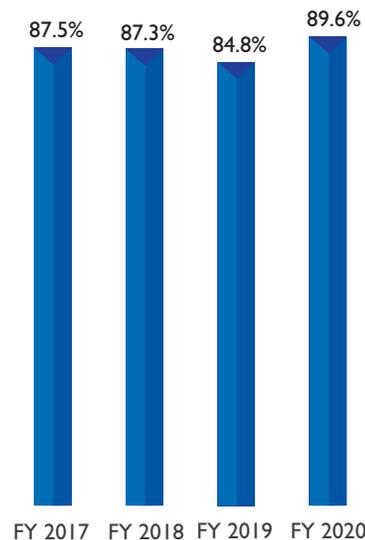
World Food Program
The Global Fund to Fight AIDS, Tuberculosis And Malaria
Gavi Alliance Secretariat
FHI 360
United Nations Children's Fund
Catholic Relief Services – United States Conference of Catholic Bishops
Save The Children Federation, Inc.
International Organization for Migration
Mercy Corps
International Bank for Reconstruction and Development (IBRD)
Consortium for Elections & Political Process Strengthening
Care USA
World Vision Inc.
Food And Agriculture Organization of the United Nations
Anova Health Institute

Source: Enterprise Reporting Portal as of October 2020

PAST PERFORMANCE

As highlighted in the Agency's Acquisition and Assistance Strategy, reviewing an organization's performance reporting is an important part of the feedback process, as is looking at an organization's ability to implement new awards.

At the close of FY 2020, 89.6% of the Agency's contracts have completed an evaluation.



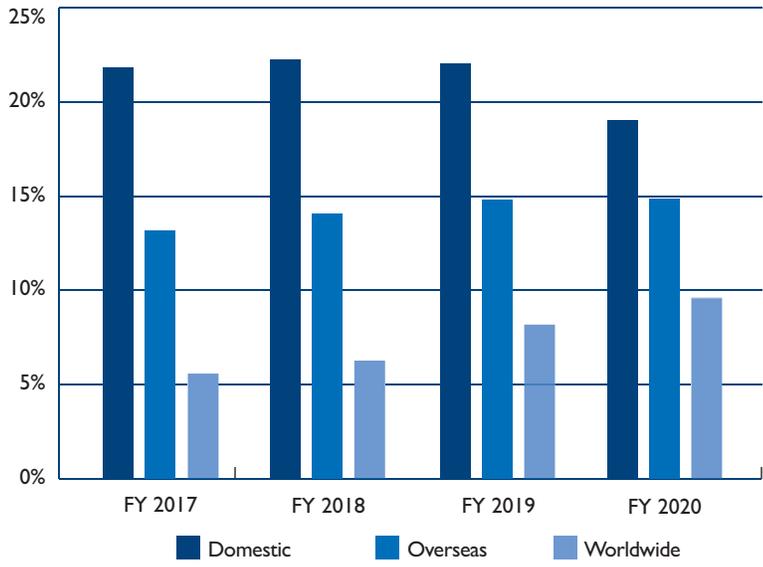
Source: Enterprise Reporting Portal as of October 2020

SMALL BUSINESS UTILIZATION

In FY 2020 USAID completed its expansion of the U.S. Small Business Goaling Program to the overseas Missions. In doing so, the Agency prioritized the participation of, and increased its overseas obligations to U.S.-based small businesses. In addition, the Agency held its second overseas U.S. Small Business conference in Frankfurt, Germany in March 2020.

The preliminary data indicates the Agency awarded approximately \$918 million to small businesses, out of a total contract portfolio of \$6.1 billion during FY 2020. Our accomplishment of 14.83 percent for prime awards significantly exceeded our official small business goal of 12.00 percent. The preliminary data indicates this is the highest percentage and dollar obligations we have ever achieved, and our dollars invested in small businesses increased by more than \$88 million from FY 2019.

PERCENTAGE OF CONTRACT DOLLARS AWARDED TO U.S. SMALL BUSINESSES



Source: GLAAS as of October 2020

FISCAL YEAR 2020 DOLLARS OBLIGATED UNDER INDEFINITE-DELIVERY/INDEFINITE-QUANTITY CONTRACT (IDIQ) & TASK ORDERS

BUSINESS TYPE	TOTAL OBLIGATIONS	NEW AWARDS ONLY	NUMBER OF NEW AWARDS
SMALL BUSINESS	\$270,767,363	\$75,541,181	148
Non Small Business	\$2,939,035,984	\$271,781,676	162
GRAND TOTAL	\$3,209,803,346	\$347,322,857	310
SMALL BUSINESS %	8.40%	21.70%	47.70%

Source: beta.SAM.gov Data Bank as of October 2020.



FISCAL YEAR (FY) 2020 REPORT ON NON-COMPETITIVE AWARDS

Pursuant to House Report 109-152, which accompanied H.R. 4818, the Foreign Operations, Export Financing, and Related Programs Appropriations Bill, 2005, the U.S. Agency for International Development (USAID) submits the following report on sole-source and limited-competition awards for contracts, cooperative agreements, and grants as attributed to transactions reported in Fiscal Year (FY) 2020.

The authorities for the non-competitive actions included in this report appear in the following policies and regulations:

ACQUISITION

1	AIDAR 706.302-70 (b)(1) - An award under section 636(a)(3) of the Foreign Assistance Act of 1961, as amended, involving a personal services contractor serving abroad.
2	AIDAR 706.302-70(b)(3)(i) - An Award for Which the AA is Responsible for Project or Program
3	AIDAR 706.302-70(b)(3)(ii) - Awards for Countries, Regions, Projects, or Programs
4	AIDAR 706.302-70(b)(4) / 715.370-2 - Source Falls Under Title XII
5	AIDAR 706.302-70(b)(5) - Continued Provision of Highly Specialized Services
6	EPP,AIDAR 706.302-70, Impairment of Foreign Aid Programs
7	FAR 6.302-1 - Only One Responsible Source
8	FAR 6.302-2 - Unusual and Compelling Urgency
9	FAR 6.302-3 - Industrial Mobilization
10	FAR 6.302-4 - International Agreement
11	FAR 6.302-5 - Authorized or Required by Statute
12	FAR 6.302-6 - National Security
13	FAR 6.302-7 - Public Interest
14	FAR 8.405-6(a)(1)(i)(A) - Urgent and Compelling
15	FAR 8.405-6(a)(1)(i)(B) - Only One Source
16	FAR 8.405-6(a)(1)(i)(C) -Interest of Economy and Efficiency, new work is a logical follow-on to original FSS Order.
17	FAR 8.405-6(b) - Items Peculiar to One Manufacturer
18	FAR 16.505(b)(2)(i)(A) - Urgent & Unacceptable delays.
19	FAR 16.505(b)(2)(i)(B) - Only One Awardee is Capable, Unique, or highly specialized.
20	FAR 16.505(b)(2)(i)(C) - Interest of Economy and Efficiency-Logical Follow-on to an Order
21	FAR 16.505(b)(2)(i)(D) - Satisfy a Minimum Guarantee
22	FAR 16.505(b)(2)(i)(E) - Above SAT, statute authorizes or requires purchase from a specified source.
23	FAR 16.505(b)(2)(i)(F) - Public Law 111-240 SB set-aside from FAR 19.000 (a)(3)
24	FAR 52.237-3 - Continuity of Services
25	FAR 52.243-X- Changes Clause IAW 43.205
26	FAR 52.249-14 - Excusable Delays
27	ACA Consultation/Question
29	Unfunded Extension
29	Other

ASSISTANCE

1	USAID Automated Directives System (ADS) 303.3.6.4, When Eligibility Can Be Restricted;
2	ADS 303.3.6.5.a.(2)(a), Exclusive or Predominant Capability;
3	ADS 303.3.6.5.a.(2)(b), Small Grants;
4	ADS 303.3.6.5.a.(2)(c), Restricted Eligibility for Efficiency;
5	ADS 303.3.6.5.a.(2)(d), New Entrants;
6	ADS 303.3.6.5.a.(2)(e), Congressionally Mandated Programs;
7	ADS 303.3.6.5.a.(2)(f), Critical Objectives of the Foreign Assistance Program;
8	ADS 303.3.6.5.a.(2)(g), Unsolicited Applications;
9	ADS 303.3.6.5.a.(2)(h), Follow-on Awards and Extensions;
10	ADS 303.3.6.5.a.(2)(i), Science and Technology & Innovation;
11	ADS 303.3.6.5.b.(1), Emergency and Disaster Assistance;
12	ADS 303.3.6.5.b.(2), Restricted Eligibility to Local or Regional Entities; and
13	ADS 303.3.6.5.b.(3), Transition Awards.

In addition to individual awards of less than \$250,000, certain action types are excluded as not relevant to the non-competitive category because the work was not eligible for full and open competition. These include interagency agreements with other Federal Departments and Agencies, and instances in which previous competition limited the work to only certain organizations, including under a multiple-award, indefinite-delivery, or indefinite-quantity contract (IDIQ). Awards not eligible for full and open competition appear in the Agency's total amount obligated and the total number of actions completed for FY 2020, and include the following types of actions:

- **Exercise of Options** — Option years are negotiated during the competition of the original award; they are not competed upon exercise of the option.
- **Personal Service Contracts** — It is the Agency's practice to compete personal service contracts. However, this instrument is excluded from consideration for non-competitive status in this report because of the nature of performance, which is by an individual through an employer/employee relationship.
- **Task Orders Under IDIQs** — USAID competes the basic award of an IDIQ. Once the Agency executes the basic award, only contractors who are holders under the basic award are eligible for Task Orders. USAID conducts competition for work under individual Task Orders according to the fair-opportunity process described in FAR 16.505.
- **Associate Awards** — According to USAID policy, the Agency does not consider Associate Awards competed beyond the Leader Award competition.
- **Grants to Public International Organizations (PIOs)** — According to Agency policy, competition is not required for grants to PIOs.
- **Interagency Agreements** — USAID does not conduct full and open competition for agreements with other U.S. Government Departments and Agencies.
- **Purchases from Federal Supply Schedules** — The General Services Administration (GSA) negotiates with contractors before placing an item on a schedule. FAR 6.102(d) (3) specifically identifies Federal supply-schedule purchases as competitive procedures, although at the time particular goods or services are required, the Agency conducts only limited additional competition among the pre-qualified supply-schedule contractors, in accordance with FAR Part 8.

NON-COMPETITIVE ACQUISITIONS: CONTRACT ACTIONS

The table below provides the number of recorded actions and the corresponding total amount obligated, and includes the type of non-competitive category for the acquisition awards.

AUTHORITY	AUTHORITIES USED FOR FY 2020 TASKS
Non-Competed Acquisition Awards	
AIDAR 706.302-70 (b)(1) - An award under section 636(a)(3) of the Foreign Assistance Act of 1961, as amended, involving a personal services contractor serving abroad.	2
AIDAR 706.302-70(b)(3)(i) - An Award for Which the AA is Responsible for Project or Program	11
AIDAR 706.302-70(b)(3)(ii) - Awards for Countries, Regions, Projects, or Programs	2
AIDAR 706.302-70(b)(5) - Continued Provision of Highly Specialized Services	17
EPP,AIDAR 706.302-70, Impairment of Foreign Aid Programs	1
FAR 6.302-1 - Only One Responsible Source	3
FAR 6.302-3 - Industrial Mobilization	1
FAR 6.302-4 - International Agreement	1
FAR 6.302-5 - Authorized or Required by Statute	2
FAR 8.405-6(a)(1)(i)(A) - Urgent and Compelling	1
FAR 8.405-6(a)(1)(i)(B) - Only One Source	4
FAR 8.405-6(a)(1)(i)(C) -Interest of Economy and Efficiency, new work is a logical follow-on to original FSS Order.	5
FAR 8.405-6(b) - Items Peculiar to One Manufacturer	1
FAR 16.505(b)(2)(i)(B) - Only One Awardee is Capable, Unique, or highly specialized.	1
FAR 16.505(b)(2)(i)(C) - Interest of Economy and Efficiency-Logical Follow-on to an Order	19
Other	16
NON-COMPETED ACQUISITION AWARDS TOTAL	87

Source: FY2020 Evaluation Division data

NON-COMPETITIVE ASSISTANCE: GRANTS AND COOPERATIVE AGREEMENTS

USAID uses the term “assistance” to describe actions related to grant and cooperative agreements. Although competition is not legally required to award grants and cooperative agreements, it is the Agency’s policy and preference to maximize the use of competition under assistance awards.

The table below provides the number of recorded actions, the corresponding total amount obligated, and includes the type of non-competitive category identified.

AUTHORITY	AUTHORITIES USED FOR FY 2020 TASKS
Non-Competed ASSISTANCE Awards	
ADS 303.3.6.4 When Eligibility Can Be Restricted ¹	23
ADS 303.3.6.5.a.(2)(a) Exclusive/Predominant Capability	40
ADS 303.3.6.5.a.(2)(b), Small Grants	3
ADS 303.3.6.5.a.(2)(c) Restricted Eligibility for Efficiency	6
ADS 303.3.6.5.a.(2)(d) New Entrants	3
ADS 303.3.6.5.a.(2)(e), Congressionally Mandated Programs	1
ADS 303.3.6.5.a.(2)(f) Critical Objectives of Foreign Assistance Programs	7
ADS 303.3.6.5.a.(2)(g), Unsolicited Applications	13
ADS 303.3.6.5.a.(2)(h), Follow-on Awards and Extensions	9
ADS 303.3.6.5.b.(1) Emergency and Disaster Assistance	289
ADS 303.3.6.5.b.(2), Restricted Eligibility to Local or Regional Entities	23
303.3.6.5.b.(3) Transition Awards	8
NON-COMPETED ASSISTANCE AWARDS TOTAL	425

Source: GLAAS as of October 2020

USAID remains committed to competition and the spirit of competitive awards. Competition promotes competitive pricing, enhanced quality, and superior performance, and is a catalyst for innovations in science and technology that advance the field of development. USAID adheres to the precept that competition is a crucial factor in obtaining the best value for the U.S. Government and supports the accomplishment of our foreign assistance mission.

¹“Restricted eligibility” refers to any assistance actions restricted to a particular type of organization or other limitation, most typically for sole-source awards (including follow-on awards), extensions, limited to local entities or limited for efficiency. Under certain circumstances, a Department or Agency may restrict eligibility may be restricted as indicated below in a., b., and c. of this paragraph. These situations are different from those in which restricted eligibility is permitted, as discussed in 303.3.6.5. Eligibility requirements do not apply, and, therefore, no exception to restrict eligibility or Justification for Restricting Eligibility (JRE) under 303.3.6.5 is needed for an assistance action otherwise covered by this chapter for the following: a) The issuance of Associate Awards, or amendments to Associate Awards made within the terms and conditions of a previously solicited Leader with Associate Award; b) Awards, extensions, or amendments that use non-appropriated funds (including, but not limited to, monies or in-kind contributions from bilateral and multilateral development.

EFFECTIVE PARTNERING AND PROCUREMENT REFORM

The Agency has been working to operationalize the shifts envisioned in the Acquisition and Assistance Strategy published in December 2018. This has been done by enacting policy changes and reforms aimed at engaging new, local, and underutilized partners, simplifying and streamlining acquisition and assistance processes, and facilitating adaptive management.

The Agency's Management Operations Council played an important role overseeing the implementation of the A&A Strategy, meeting on a quarterly basis for a data-driven review and progress updates.

Highlighted below are actions that have been completed.

COMPLETED	
 <p>DIVERSIFYING THE PARTNER BASE</p>	<ul style="list-style-type: none"> Issued 29 awards, valued at over \$400 million; currently working with nearly 60 organizations through NPI. 77 Missions submitted NPI Action Plans setting goals for using NPI partnership approaches in new A&A actions, including engaging new, underutilized and local partners. Established an Agency-wide resource group to draft USAID's first-ever Local Capacity Development Policy, due to be issued in spring 2021, to emphasize capacity development efforts oriented around achieving sustainable results. Set annual reporting indicators on awards and obligations to new and underutilized partners in the EPPR Agency Priority Goal (APG). Hosted a series of internal NPI webinars to inform USAID colleagues of best practices and new enabling policies related to BAAs, FAAs, co-creation, mentoring awards, and other new approaches to engage new and underutilized partners. Convened Agency partners for a workshop on compliance and the strategic use of sub-awards.
 <p>CHANGING HOW WE PARTNER</p>	<ul style="list-style-type: none"> Developed a co-creation guide and toolkit that defines co-creation, discusses how USAID can engage in co-creation, and busts myths about its use. Issued an ADS Mandatory Reference on Broad Agency Announcements that informs USAID staff about standard operating procedures and best practices. Tracked co-creation use through the EPPR APG with new awards made through co-creation (FY 2020 cumulative total of 26.7%) and obligations made through co-creation (FY 2020 cumulative total of 25.1%). Issued AAPD 20-06: Use of Additive Approach for Program Income by For-Profit Entities notifying AOs of the class exception to 2 CFR 700.13(a)(2) allowing AOs to authorize the additive approach of program income for assistance awards to be used for the purposes and under the conditions of the USAID award.
 <p>CONNECTING DESIGN, PROCUREMENT, AND IMPLEMENTATION</p>	<ul style="list-style-type: none"> Reviewed adaptive management approaches to enable more adaptive and flexible programmatic changes in award management. Developed the Subcommittee on Streamlining Design to Procurement under the Management Operations Council (MOC) to develop standardized and automated checklists for pre-obligation requirements. Deployable innovations list for the COVID-19 pandemic released by Bureau for Global Health, Center for Impact and Innovation. Implemented a data literacy training course for Program Officers and technical staff to build a foundation of skills to effectively use data to improve programming, planning, and operations.
 <p>FOCUSING ON VALUE</p>	<ul style="list-style-type: none"> Emphasized hiring of individuals with project management and adaptive management skills during M/OAA hiring processes. Developed a community of practice platform for C/AORs to engage in collective learning and shared practices.
 <p>ENABLING AND EQUIPPING THE WORKFORCE</p>	<ul style="list-style-type: none"> Established Senior Regional Advisors in the Bureaus for Africa, Asia, and Middle East to strengthen the A&A workforce and provide strategic support for regional bureau leadership and Missions. Hired 40 new Foreign Service Contracting Officers based on targets set in May 2019 to replenish needed contracting officers. Developed and released training on Pay for Results. Developed training modules on adaptive management and shock response programming. Developed a Contract Specialist pathways program and a GS-09 ladder hiring position for A&A specialists to assist with the recruitment and retention of staff. Developed training modules on private sector engagement, co-creation, non-competitive and competitive planning.

ACQUISITION AND ASSISTANCE STRATEGY

USAID is in the process of reviewing the implementation of its Acquisition and Assistance Strategy by conducting a stocktaking exercise. The review process will look at the progress made to date toward achieving the strategic shifts in how USAID engages in partnering and procurement and will identify areas for new opportunities. The implementation review will include consultation with internal and external stakeholders.

FACILITATING ADAPTIVE MANAGEMENT

USAID seeks for its programs to rapidly adjust and be informed by past performance through monitoring and evaluation. The COVID-19 pandemic demonstrated the need for greater adaptive management policies to facilitate a quicker response to challenges on the ground and to enable USAID to pivot and initiate rapid response activities. USAID has worked over the last year to emphasize adaptive management in awards to integrate flexibility and adaptability from design to implementation. In addition, M/OAA's Policy division has played an important role ensuring Agency's A&A policies support adaptive management.

EXTERNAL EPPR ENGAGEMENTS

A key component to institutionalizing partnering and procurement reform is socializing the initiative and results to date with internal USAID staff members and externally to our implementing partners. During FY 2020, the Agency conducted extensive consultations to plan both internal and external engagements focusing on the strategic shifts documented in the A&A Strategy.

SUCCESS IN THE STRATEGIC USE OF SUB-AWARDS

To support the Agency's efforts of more strategically engaging sub-partners and tracking sub-partner funding, USAID hosted a Success in the Strategic Use of Sub-Awards workshop. The session addressed topics such as the strategic use of sub-awards, compliance and reporting requirements, and stakeholder relationships.

HIGHLIGHTING INNOVATION AND STREAMLINING IN ACQUISITION AND ASSISTANCE

The A&A Strategy envisions a more streamlined approach for acquisition and assistance requirements, as well as a framework for embracing new and innovative approaches to advance self-reliance. The Agency has been working to promote innovation and streamline internal processes to better serve our USAID staff and the development community.

STREAMLINING DESIGN-TO-PROCUREMENT

Overseen by the Management Operations Council, an intra-agency streamlining team is developing pre-obligation checklists to better align design and procurement through streamlined and inclusive program design. The checklists will be the first Agency-wide pre-obligation list to be used by all Operating Units, and will reduce the level of effort during the pre-award phase; clarify roles and responsibilities; and provide guidance on meeting pre-obligation requirements.

To date, the team has developed definitions of pre-obligation and pre-obligation requirements, now incorporated into ADS 201, and drafted five standardized checklists, which include a standardized pipeline and forward funding analysis worksheet. Currently, the team is planning for a potential release date scheduled for mid-2021.

The streamlining team collaborated with the Project Design Working group and the Bureau for Policy, Planning, and Learning (PPL) to provide inputs to the revised ADS 201, with a focus on a few core objectives: 1) ensuring the project design process is streamlined and efficient 2) ensuring that the policy is applicable to a broad range of award types including instruments using co-creation and adaptive management 3) laying the foundation for the streamlining core group to simplify the pre-obligation process. The streamlined project design has significant downstream effects on activity design and the PPL team, with inputs from the streamlining team, worked to ensure these effects are identified and addressed.

ACQUISITION AND ASSISTANCE LAB

The A&A Lab is an interconnected network of A&A staff advancing the Agency's mission through workforce development and the testing and scaling of innovations in acquisition and assistance.

One of the innovative developments the Lab is currently working on, alongside M/OAA Washington staff, is the Robotic Automation Processing (RPA). The RPA process is exploring ways to automate repetitive and time-consuming practices in acquisition and assistance.

During FY 2020, the Lab also began to provide deployable capacity to Operating Units around the world, including Colombia and Mexico, and the support helps to augment OU staffing and resources with technical expertise in areas such as co-creation, drafting addendum and selecting processes, and streamlining procurement processes.

AGENCY PRIORITY GOAL:

EFFECTIVE PARTNERING AND PROCUREMENT REFORM

Goal Statement: *Empower development partners through collaborative and co-creative practices in acquisition and assistance. By September 30, 2021, USAID will increase the use of collaborative partnering methods and co-creation within new awards by five percentage points cumulatively, measured by percentage of obligated dollars and procurement actions.*

Diversifying USAID's partner base to reflect an expanded development landscape and enhancing locally-led development are important drivers of the Journey to Self-Reliance. To that end we are measuring progress in increased obligations made to new and underutilized partners (NUPs) both at the prime and sub-award levels in Washington and in the Missions. By September 30, 2021, USAID will aim to achieve its first annual NUP targets for Fiscal Year 2021 by increasing Washington's obligation to prime NUPs by four percent and Missions' obligation to prime NUPs by ten percent.

USAID made great strides in implementing the Agency Priority Goals for EPPR. Notably USAID:

- Obligated over \$880 million through 314 awards using co-creation in FY 2020;
- Obligated \$1.56 billion to NUPs of which 92.5% went to prime award NUPs and 7.5% to sub-award NUPs;
- Trained a total of 525 staff in co-creation, Adaptive Management, Pay4Results, and other related approaches in FY 2020;
- Revised Agency policy at 2 CFR 700.13 to allow use of program income;
- Implemented an enterprise reporting dashboard to track progress on obligations made to prime NUPs and sub-award NUPs;
- Completed the EPPR co-creation field guide and plan for five more field guides in Adaptive Management, Pay for Results, Sub-Awards, NUPS and Streamlined Risk Assessment, and Local Capacity Development and Capacity Building Indicator (CBLD-9) to follow in FY 2021;
- Launched a series of six NPI webinars to inform staff about real examples that used BAAs, FAAs, and co-creation in NPI.

USAID continues to make improvements in meeting its co-creation target -- from 240 awards in FY 2019 to 314 awards in FY 2020 (an increase of 30.8%), and \$646 million in obligations in FY 2019 to \$880 million in obligations made in FY 2020 (an increase of 36.2%) using co-creation. This is positive momentum for the Agency in demonstrating the innovations being embraced.

We have set targets for the Agency in a total of four indicators: specifically, two on co-creation, which will be measured quarterly, and the measurement of prime NUPs and sub-award NUPs, which will be measured quarterly but reported on yearly. The reason for reporting on a yearly basis is that measuring obligations towards NUPs and sub-award NUPs requires extensive calculations to extract the right information from all the data that exists. Our next objective in measuring performance toward reaching NUPs is to identify the number of prime awards to NUPs and the number of sub-awards to NUPs.

There are numerous examples where we see positive outcomes from implementing EPPR. One is a USAID Mission engaging 20 organizations that had never done business with the Agency to support democracy and governance programming. Input from these organizations radically changed the Mission's problem statement even after extensive consultations with local actors. This experience showed the difference between consultation and true co-creation, where all of the stakeholders were in the same room during project design. This collaborative environment emphasized honest feedback and caused the team to change direction before the project started.

ANNUAL INDICATORS

	FY 2019 BASELINE	FY 2020 TARGET	FY 2020 FINAL	FY 2021 TARGET
COLLABORATION INDICATOR #1: PERCENTAGE OF NEW AWARDS USING CO-CREATION	23.5%*	28.5%	26.7%	31.7%
COLLABORATION INDICATOR #2: PERCENTAGE OF OBLIGATIONS USING CO-CREATION	19.4%*	24.4%	25.1%	30.1%

*In FY2020, USAID included Cooperative Agreements in this metric, which increased the baseline from what had previously been reported in the 2019 M/OAA progress report and the FY 2019 numbers reported above include the adjusted baseline.

		FY 2020 FINAL	FY 2021 TARGET
PERCENTAGE OF OBLIGATIONS MADE THROUGH SUB-AWARDS TO NEW AND UNDERUTILIZED PARTNERS	MISSIONS	0.7%	6%
	WASHINGTON	0.8%	3%

Source: Enterprise Reporting Portal as of November 2020



AGENCY PRIORITY GOAL:

CATEGORY MANAGEMENT

Goal Statement: *Increase Agency spend on common goods and services under Category Management contract vehicles to maximize cost-efficiency and standardization. By September 30, 2020, meet or exceed Agency targets for Best-In-Class (BIC) contract awards.*

USAID continued to make an extensive effort to use taxpayer dollars efficiently and effectively in its procurements. USAID considers the use of U.S. Government-wide contracts for the procurement of common goods and services and is committed to applying the principles of Category Management (CM) by using Best-in-Class (BIC) contract solutions to the greatest extent possible. As part of this effort, the Agency identified, assessed, and reported on its portfolio of contracts to identify those that would best apply to the USG-wide, and OMB-defined, CM tiered system. The Agency prioritized the identification of contracts that would be most suitable for BIC solutions (CM Tier 3), followed by contracts whose requirements could be met by CM Tier 2 or 1 solutions.

USAID had great success as it engaged and trained its staff during FY 2020 on the benefits and proper application of CM. USAID created an Agency-specific CM training, “CM and You,” which was highlighted by the Government-Wide Category Management Program Management Office as a Best Practice. As of January 2020, USAID had completed “CM and You” training for all 1,102 contracting staff in Washington, with training rolled out to Missions and requiring offices in the remaining months of the fiscal year. At the end of FY 2020, USAID updated Agency-specific FAC-C and FAC-COR requirements to make the “CM and You” training required for all new and renewing certifications. The class became available to all USAID staff in FAITAS at the beginning of FY 2021, and this new certification requirement will be effective in January 2021.

Throughout FY 2020, USAID worked to attain its CM goals through an approach that focused on increasing awareness; providing education and training; managing advocacy; engaging stakeholders; applying and further developing SUM principles; measuring and tracking results; and evaluating and adapting to improve SUM. These efforts were highly successful. USAID’s SUM target for FY 2020 was \$3.7 billion contract dollars obligated to SUM contract vehicles and \$185.8 million contract dollars obligated to BIC contract vehicles. By the end of FY 2020, SUM spend was \$4.9 billion and BIC spend was \$197.7 million. FY 2020 SUM and BIC goals were both exceeded, with USAID accomplishing 131.2% of the Agency’s SUM target and 106.4% of the Agency’s BIC target.

USAID anticipates that there will be additional efforts to increase use of CM solutions in FY 2021 and beyond.





Section 889 Implementation

Section 889 of the John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2019, Section (a)(1)(B) and Section (b)(1) of the law, went into effect on August 13, 2020.

Section 889 prohibits the federal government from procuring, and government contractors from using, certain “covered telecommunication equipment or services” that are produced by Huawei, ZTE, Hytera, Hikvision, and Dahua and their subsidiaries as a “substantial or essential component of any system, or as critical technology as part of any system.” It also prohibits Federal award recipients from using government funds to enter into contracts (or extend or renew contracts) with entities that use covered telecommunications equipment or services.

As USAID worked to implement this important rule, it closely collaborated with its partners to ensure that its impact on the Agency’s programs and operations was clear. To support the efforts, the Agency created a [Section 889 webpage](#), created and regularly updated a [frequently asked questions \(FAQ\) document](#), and used the Industry Liaison to communicate important announcements.

Response to COVID-19

Throughout COVID-19, USAID worked closely with its partners to finalize solutions to challenges faced by the new operating environment. To support the Agency’s partners, USAID coordinated regular engagements and set up channels to ensure open lines of communications.

USAID established a Partner Resource Center to support our partners in their response to COVID-19. This included a 24-hour staffed email box. It also includes a [webpage with resources and guidance](#), a [frequently asked questions \(FAQ\) document](#) that was updated weekly, and regular communications from the [Agency’s Industry Liaison](#).

As a part of the Partner Resource Center, [USAID conducted a survey](#) in late April and early May to which more than 730 partners responded. This survey provided data on the impact of COVID-19 on our programs and identified the best ways to support our partners.

M/OAA OFFICE UPDATES

POLICY DIVISION

The Agency is regularly updating its acquisition and assistance regulations and policies. Here is a summary of the new and updated regulations and policies issued during FY 2020.

USAID's Acquisition Regulation (AIDAR)

The AIDAR is USAID's Acquisition Regulation supplementing the Federal Acquisition Regulation and is published as Chapter 7 of Title 48, Code of Federal Regulations (CFR).

1. USAID published a final rule in Federal Register 84 FR 61832 to amend the AIDAR's provisions that pertain to incentive awards for personal services contracts with individuals. This rule became effective on December 16, 2019.
2. USAID published a final rule in Federal Register 85 FR 11859 to amend the AIDAR to streamline the procedures for issuing Contracting Officer (CO) and Agreement Officer (AO) warrants to U.S. Personal Services Contractors (USPSCs) and Cooperating Country National Personal Services Contractors (CCNPSCs). This rule became effective on March 30, 2020.
3. USAID published a proposed rule in Federal Register 84 FR 41954 to amend appendix D of the AIDAR to revise the General Provision contract clause entitled "Leave and Holidays (APR 1997)" for U.S. personal services contracts with individuals. This revision would: (1) broaden the categories of prior service used to determine the rate of accrual of annual leave; (2) clarify the application of sick leave; (3) add home leave for qualifying posts; and (4) authorize family and medical leave for eligible USPSCs in the United States and abroad. The final rule was published in the Federal Register on October 16, 2020, becoming effective on November 16, 2020.

USAID's Assistance Regulation (2 CFR 700)

2 CFR 700 is USAID's Assistance Regulation implementing OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200), supplemented by Agency-specific regulations for Federal awards.

The Management Bureau has approved a class exception to 2 CFR 700.13(a)(2), which prohibits program income earned by a for-profit grant recipient from being added to its award. For-profit recipients may now use the additive method for program income. When program income is generated, the additive method means that the recipient may add such income back into the award to continue supporting the activity. The class exception was approved in advance of rulemaking to amend 2 CFR 700 for the same purpose.

Paperwork Reduction Act (PRA) Notification

1. USAID published a notice in Federal Register 85 FR 16606 on March 24, 2020, to request public comment for 60 days on the continuing information collection on the form entitled "Contract with an Individual for Personal Services" (AID Form 309-1). A follow-on 30-day notice was published in Federal Register 85 FR 39160 on June 30, 2020.

The Automated Directives System (ADS)

USAID's ADS serves as the Agency's operational policy and procedure guide. The ADS contains over 200 chapters and is aligned with current Federal regulations, as well as policies approved by the Agency's Administration. The Agency's ADS 300 Series focuses on acquisition and assistance. In FY 2020, 20 revisions to policies and procedures across five ADS chapters related to acquisition and assistance were made. Highlighted below are the major revisions that are relevant for the Agency's partners.

ADS 300: Agency Acquisition and Assistance (A&A) Planning

- New mandatory reference for ADS chapters 300, 302, and 303 entitled "Guidance for Broad Agency Announcements" (300mat) was issued on June 4, 2020.
- Partial revision on August 11, 2020, reordered ADS 300 sections to more closely follow the chronological flow of the A&A cycle, emphasized vetting and M/CIO pre-approval requirements for IT components of acquisitions, clarified GLAAS request requirements, updated IT requirements, and updated definitions.

ADS 302: USAID DIRECT CONTRACTING

- New mandatory reference entitled "Uniform Use of Line Items" (302mbn) was issued on October 15, 2019.
- Partial revision on January 16, 2020, included policy and procedures for use of other than full and open competitive procedures when issuing or modifying contract awards under the authority of an Expedited Acquisition and Assistance Procedures package (EPP). New mandatory reference for ADS chapters 302, 303, and 309 entitled "Guidance for Use of the Authorities under EPPs" (302mbo) was issued on January 16, 2020, and later revised on April 10, 2020.
- Partial revision on April 10, 2020, included additional policy and procedures for use of other than full and open competitive procedures when issuing or modifying contract awards under the authority of an EPP, revised mandatory reference 302mbo, and archived mandatory reference 302maw, "EPPs with a Determination and Findings (D&F) - Procedures for Justifications & Approvals (J&As)."
- Partial revision on June 2, 2020, incorporated a revision to FAR Subpart 29.4 to include a requirement for agencies to withhold a two percent tax on behalf of the IRS on payments made under contracts to certain foreign entities,

unless an exception applies. The revision also documented the inapplicability of FAR 52.229-11 and FAR 52.229-12 to USAID-issued solicitations and contracts.

- Partial revision on August 10, 2020, provided agency-level policy and procedures to supplement the interim rule revising the FAR to implement the technology prohibitions in Section 889(a)(1)(B) of the National Defense Authorization Act (NDAA) of 2019, which became effective on August 13, 2020. The partial revision also issued a new mandatory reference entitled “Waivers for Covered Telecommunications and Video Surveillance Services or Equipment under FAR 4.2104” (302mbp) to provide agency procedures for requesting waivers.
- Partial revision on September 3, 2020, updated agency policy and procedures on waivers at 302.3.6.14 that supplement the FAR implementing the technology prohibitions in Section 889(a)(1)(B) of the NDAA of 2019. ADS mandatory reference 302mbp was also revised to update the waiver review process.

ADS 303: GRANTS AND COOPERATIVE AGREEMENTS TO NON-GOVERNMENTAL ORGANIZATIONS

- Partial revision on December 23, 2019, fulfilled EPPR Recommendation 116, “ADS 303 Flexibilities,” by implementing numerous flexibilities and streamlining measures to fulfill the Administrator’s priorities to diversify the Agency’s partner base and increase the use of adaptive management.
- Partial revision on January 16, 2020, included policy and procedures for use of other than full and open competitive procedures when issuing or modifying contract awards under the authority of an EPP.
- Partial revision on February 7, 2020, removed a reference to notwithstanding authority in section 303.3.6.4a on eligibility and preference for maximum competition.
- Partial revision of mandatory reference “USAID Policy Guidance on Exemptions to Assistance Reporting Under the Federal Funding Accountability and Transparency Act of 2006 (FFATA)” (303maz) on April 17, 2020, added three steps for data entry in GLAAS when exempting information from www.usaspending.gov.
- Partial revision on May 18, 2020, updated the Certification Regarding Support to Terrorists and the related standard provisions. Mandatory references 303maa, 303mab, 303mat, and 303mav were partially revised.
- Partial revision on May 29, 2020, added new section 303.3.34, Abortion Restrictions. The new language highlights that USAID assistance awards are subject to statutory and policy abortion restrictions. The revision also reminds AOs to include the mandatory provision “Voluntary Population Planning Activities – Mandatory Requirements” in all assistance awards and include the standard provision “Protecting Life in Global Health Assistance” when applicable.

- Partial revision on August 4, 2020, added a section (303.3.10) on the use of program income, a standard provision on program income for U.S. non-governmental organizations (NGOs), and a revised standard provision for non-U.S. NGOs.
- Partial revision on August 18, 2020, implemented Section 889 Prohibitions on Covered Telecommunication and Video Surveillance Services or Equipment, revised standard provisions and added new section 303.3.35, Information Technology and Telecommunication.

ADS 306: INTERAGENCY AGREEMENTS

- Partial revision on March 19, 2020, stated that the preferred method and forms for entering into Interagency Agreements are the Interagency Agreement – Agreement Between Federal Agencies/General Terms and Conditions (FMS Form 7600A), and the Interagency Agreement – Agreement Between Federal Agencies/Order Requirements and Funding Information (Order) Section (FMS Form 7600B). Revision also clarified the deviation process from the standard provisions within the chapter (see section 306.3.14) and stated that a deviation is not required when using the FMS 7600A and 7600B and the standard provisions in ADS 306.

ADS 309: PERSONAL SERVICES CONTRACTS WITH INDIVIDUALS

- Partial revision on December 4, 2019, implemented FAR requirements regarding uniform line items, incorporated workspace request policies for all PSC positions, and issued new mandatory reference entitled “Uniform Use of Line Items” (309mak), which contains the Agency’s implementing policies for the creation of PSC line items in compliance with the requirements of FAR subpart 4.10.
- Partial revision on May 18, 2020, included revisions to procurement planning requirements for PSC position pre-approvals, in accordance with Agency Notices; updated competition requirements, including reference to EPPs; clarified the requirements for contractor responsibility determinations; and included Agency policies for contractor use of government furnished property.
- Partial revision on June 11, 2020, updated mandatory reference “Competition and Publicizing, and Class Justification and Approval (J&A) for Limited Competition for PSCs” (309mad) to extend the deviation from the AIDAR for other than full and open competition in section 706.302-70, and Appendices D and J, through December 19, 2020. The updated 309mad also replaces internal Agency policy previously found in CIB 99-15, which specified that no additional benefits from what is already in Appendix D may be provided to Resident Hire USPSCs unless a deviation was approved. In addition, the revised 309mad amends and replaces the clearance process in CIB 99-15 to now require advance clearance by the Director of M/OAA for any deviation from the requirements of AIDAR Appendix D or J.

ACQUISITION AND ASSISTANCE POLICY DIRECTIVES (AAPDs)

USAID AAPDs are official Agency sources for updates to policy and requirements for the A&A function.

In FY 2020, the Agency issued seven new AAPDs, revised six AAPDs, and retired four AAPDs/CIBs:

- **AAPD 15-02, Revised 2**, Continuation of Deviation from the “Leave and Holidays” clause, including Family and Medical Leave, under AIDAR Appendix D, was issued on December 12, 2019, to extend the applicability of the deviated regulatory text from AIDAR Appendix D previously published in AAPDs 15-02 and 15-02, REVISED (archived), now effective December 14, 2019, until December 14, 2021, pending rulemaking.
- **AAPD 18-02, Revised**, Revisions to Medevac Policies for USPSCs and TCNPSCs, was issued on December 20, 2019, to update the medevac clause for USPSCs performing abroad and USPSCs who are on official travel status abroad on temporary duty or training. This AAPD also substantively updates the medevac clause for Third-Country National Personal Services Contractors (TCNPSCs).
- **AAPD 18-01, Revised**, Whistleblower Protection for Contractor Employees, was issued on April 3, 2020, to inform A&A staff that the pilot whistleblower protection program will continue, without changes, until the FAR is revised to make the program permanent. The whistleblower protection requirements will continue to apply to commercial and non-commercial items other than Personal Services Contracts. The revised AAPD and the class deviation from the FAR were approved by the Director, M/OAA and will be effective for two years from the date of the signature (April 5, 2022) unless rescinded earlier when the permanent whistleblower protection program is incorporated into the FAR.
- **AAPD 20-01**, USAID Requirements for Conference Planning and Required Approvals (AIDAR Deviation No. M-OAA-DEV-AIDAR-20-01c), was issued on April 6, 2020, to inform A&A professionals of revisions to the AIDAR Section 731.205-43 and clause at 752.231-72, Conference Planning and Required Approvals, following approval of a class deviation M-OAA-DEV-AIDAR-20-01c.
- **AAPD 20-02**, Flexibilities for Suspending or Debarring Officials, was issued on May 13, 2020, to inform A&A professionals of additional communication methods available to Suspending or Debarring Officials (SDOs) and contractors when corresponding with each other on suspension or debarment. These flexibilities and corresponding revisions to the FAR are authorized by class deviation M-OAA-DEV-FAR-20-02c approved by the Director, M/OAA.
- **AAPD 18-03 Revision 1**, Strengthening Prevention of Sexual Exploitation and Abuse in the Partner Community (revised AIDAR 752.7013, USAID Contractor-Mission Relationship), was issued on June 1, 2020, to extend the applicability of the deviated regulatory text from AIDAR clause 752.7013, Contractor-Mission Relations, without changes, following approval of class deviation M/OAA-DEV-AIDAR-20-03c. The deviation is effective from June 1, 2020, until May 31, 2022, unless rescinded or extended, or the AIDAR is formally revised through rulemaking, whichever occurs first.
- **AAPD 20-03**, Paid Leave under Section 3610 of the CARES Act, was issued on June 12, 2020, and its **Revision 1** was issued on September 3, 2020, to provide a special contract requirement and instructions for determining when to include the paid leave reimbursement authority in USAID contracts when implementing section 3610 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (PL 116-136). Section 3610 provides agencies additional discretionary authority to reimburse costs of paid leave to federal contractors and subcontractors, subject to conditions described below when in the best interest of the Government. The authority may only be used as described in Section 3 below, for leave that a contractor has provided during the period of March 27, 2020, through September 30, 2020. Revision 1 provides further information on the supporting documentation that a contractor must provide for claims made under Section 3610.
- **AAPD 20-04**, Accelerated Payments to Small Business Contractors and Subcontractors, was issued on June 18, 2020, to inform A&A professionals of the issuance of a class deviation from the FAR aimed at providing accelerated payments to small business contractors and subcontractors. The deviation is effective through June 18, 2022, unless rescinded earlier when the FAR is amended by FAR case 2020-0007.
- **AAPD 20-05**, COVID-19 Pandemic Flexibilities for Payments and Reduce Administrative Burden, was issued on June 18, 2020, to inform A&A professionals of the issuance of a class deviation (M/OAA-DEV-FAR-20-06c) from the FAR aimed at maintaining the resiliency of our contractors by providing better cash flow and reducing some administrative burdens. This deviation is effective through June 18, 2022, unless rescinded earlier.
- **AAPD 20-06**, Use of Additive Approach for Program Income by For-Profit Entities, was issued on July 14, 2020, to notify AOs that a class exception to 2 CFR 700.13(a)(2) was approved by the AA/M to allow AOs to authorize the additive approach of program income for assistance awards to for-profit entities to be used for the purposes and under the conditions of the USAID award.
- **AAPD 18-04 Revision 2**, Competition and Publicizing (Class deviation from the AIDAR), was issued on August 31, 2020, to inform A&A professionals of a class deviation (M/OAA-DEV-AIDAR-20-04c) that revises the regulatory text related to publicizing and competition in AIDAR 705 and 706.
- **AAPD 20-07**, United States-Mexico-Canada Agreement (class deviations from the FAR and the AIDAR), was issued on September 2, 2020, to inform A&A professionals of the

issuance of class deviations from the FAR and AIDAR (M/OAA-DEV-FAR-20-07c and M/OAA-DEV-AIDAR-20-05c, respectively) to incorporate into these regulations the United States-Mexico-Canada Agreement (USMCA) and the United States-Mexico-Canada Agreement Implementation Act (PL 116-113), which replace the North American Free Trade Agreement (NAFTA).

Procurement Executive Bulletins (PEBs)

USAID Procurement Executive Bulletins are signed and issued by the M/OAA Director. PEBs are not considered to be formal policy but include information relating to policy reminders, general guidance, best practices, lessons learned, and frequently asked questions for Agency A&A staff.

One PEB was issued by the Senior Procurement Executive (SPE) during FY 2020:

- **PEB 20-01**, “Category Management: Best in Class, Spend Under Management, and Agency Mandatory Solutions,” was issued on May 20, 2020.

PROFESSIONAL DEVELOPMENT AND TRAINING (PDT)

PDT is responsible for addressing the professional development needs for USAID’s Contracting Officers, Agreement Officers, and Contracting and Agreement Officers’ Representatives. PDT accomplishes this through four pillars—training, certification, consultation, and development—to maintain a well-equipped A&A staff globally. Over 100 courses were delivered and conducted in FY 2020, with more than 2,700 staff worldwide taught through PDT Fundamentals, Innovators, E-Learning and EPPR-related training courses. Thirty-five courses were added to the USAID PDT-Center for Continuous Learning (Teaching School) catalog in preparation for FAITAS classes to be scheduled and offered throughout FY 2021. The following are several PDT FY 2020 highlights and accomplishments:

- PDT, along with one of our partners, was among the winners of the prestigious MarCom Gold Award for the revised Acquisition & Assistance (A&A 104) Management for AOR/CORs course video. MarCom awards honor excellence in marketing and communication and recognize the creativity and hard work of industry professionals. Since its inception in 2004, MarCom has evolved into one of the largest, most respected creative competitions in the world.
- PDT led the Agency in virtual instructor-led and self-paced learning opportunities as COVID-19 spread and required all staff to telework. The first virtual instructor-led course was conducted right before the mandatory telework requirement in anticipation of what could be coming in terms of the COVID-19 situation and the need to ensure there were opportunities for feedback loops in how we

conduct such courses and learning opportunities. This ultimately led to a variety of online self-paced “micro-learns” and other videos available to the A&A workforce.

- The PDT Center for Continuous Learning was recognized in early FY 2020 as a recognized Teaching School within the Federal Acquisition Institute (FAI). This recognition allows PDT to provide the types of training and learning opportunities relevant to core functions of the A&A workforce and leads to greater efficiency in gaining CLPs through the FAITAS system. USAID had to previously depend only on FAI and other Federal agency courses and other learning opportunities within FAI.
- PDT launched two new partnership series, GSA@USAID and NCMA@USAID, which provide more diverse learning opportunities for USAID’s A&A workforce from a variety of perspectives, including the private sector. These partnerships create opportunities that are mutually beneficial and offered in a complementary manner. The key focus areas are Education, Innovation, and Collaboration with a variety of planned initiatives targeted toward the acquisition workforce.
- The Acquisition Innovation Council recognized PDT’s work in remote acquisition activities in May 2020, when PDT gave a presentation on its work on Virtual Collaboration and Co-Creation techniques.
- Recognizing that there was a need for all training professionals within the Agency to share knowledge and challenges and to learn together, PDT established the Agency’s first Training Professionals Community of Practice for training professionals Agency-wide. USAID’s training community includes curriculum developers, course designers, instructors and educators. PDT’s Training for Training Professionals (TTP) series offers forums on next steps in virtual learning, Adult Learning (andragogy) in the Virtual World, and Success with SMEs in Developing Curriculum. This community of practice allows training professionals to cultivate a deep understanding of curriculum design, development, and other aspects of instruction. This will also allow for better training throughout the agency on key topics relevant to the workforce (including the acquisition workforce).

FY 2020 HIGHLIGHTS

- Number of staff trained - PDT fundamentals - 1,357
- Number of staff training in PDT e-learning - 902
- EPPR training: number of staff trained (Co-creation, Adaptive Management, Pay4Results, and other related approaches) - 525
- EPPR facilitated learning: number of people who attended PDT external outreach opportunities (including co-creation workshops facilitated by PDT and PSE opportunities) - 597

CONTRACT REVIEW BOARD (CRB)

CRB provides assistance to Agency procurement officials by identifying potential issues and recommending risk mitigation measures for Agency acquisitions of \$25 million and above. The CRB seeks to improve the quality of USAID's development and to strengthen the performance of the Agency's staff by providing procurement-related technical assistance. During FY 2020 the CRB reviewed a total of 69 procurement actions with a total estimated value of \$8.9 billion.

A&A OMBUDSMAN

The primary purpose of the A&A Ombudsman is to ensure equitable treatment of all parties participating in USAID's acquisition and assistance process. The Ombudsman is the designated neutral Agency official responsible for resolving procurement-related issues and providing clarity to USAID's personal service contractors. The Ombudsman reports directly to the M/OAA Director and is independent of all other offices within M/OAA.

The Ombudsman sustained efforts to promote stakeholder engagement and address concerns. Continued emphasis was placed on audits and associated processes. The Office collaborated with PDT to develop training to reinforce the need for regular engagement between A&A colleagues and our implementing partners. Due to the challenges presented in FY 2020, we hosted virtual discussions with partners to demystify processes associated with acquisition and assistance awards.

The issues received were wide-ranging; the breakdown is as follows:

- General data calls and outreach: 35%
- Doing business with USAID: 16%
- Policy: 9%
- Award selection/solicitation/evaluation: 8%
- Other: 32%

COST AUDIT & SUPPORT (CAS)

The CAS Division consists of multiple branches that provide advice and services related to auditing, indirect costs, close-outs, and more.

In FY 2020, CAS Division took the following actions:

Audit recommendations closed	104
Sustained disallowed costs recovered by Agency	\$2.9 million
Negotiated indirect cost rate agreements issued	175
Awards closed out	1,046
Funds deobligated	\$136.1 million

INDUSTRY LIAISON

The Industry Liaison offers an open door to organizations that want to connect with the Agency. It serves as a resource to provide organizations the information they need to work with us by responding to general requests and inviting feedback from vendors and other USAID stakeholders.

In FY 2020, the Industry Liaison released an External Communications and Engagement Strategy that helped to guide its partner outreach efforts. While there was no doubt that COVID-19 impacted the in-person efforts of this communications strategy, the Industry Liaison was able to make progress against most of the elements of the strategy.

In the virtual world of operating during COVID-19, the Industry Liaison provided a pivotal service as the primary point to communicate updates in acquisition and assistance policy guidelines that ensure the safety of our implementing partners. In addition, the Industry Liaison expanded the Agency's ability to work with new and underutilized partners, helping to lead efforts around the New Partnerships Initiative.

Identified below are some of the highlights:

- **Business Forecast:** Organized quarterly Business Forecast outreach engagements where partners were able to ask questions around upcoming funding opportunities and trends at USAID. Enhanced the Business Forecast to include new fields with the start of FY 2021.

- **Industry Liaison and New Partnerships Initiative newsletters:** Provided critical updates to the Agency’s implementing partner community through regular newsletter communications. In addition, provided resources and information to new and underutilized partners in how to work with USAID.
- **@USAIDBizOpps:** Engaged the development community by sharing resources, funding opportunities, and information through the @USAIDBizOpps Twitter handle.
- **IndustryLiaison@usaid.gov:** Provided guidance and resources to partners through the Industry Liaison email box.
- **Webinars:** Hosted regular webinars on topics related to the New Partnerships Initiative, how to work with USAID, Section 889, COVID-19, and more.
- **USAID.gov:** Refreshed and organized all of the “How to Work with USAID” pages of USAID.gov.
- **Stories from NPI:** Helped to create stories highlighting successful approaches to partnership with USAID.
- **Training guides and resources:** Began to revamp the “How to Work with USAID” trainings available on USAID.gov and created a YouTube channel with helpful videos (such as “Acronym Soup” and “Branding Bakery”) to increase understanding of how to work with USAID.

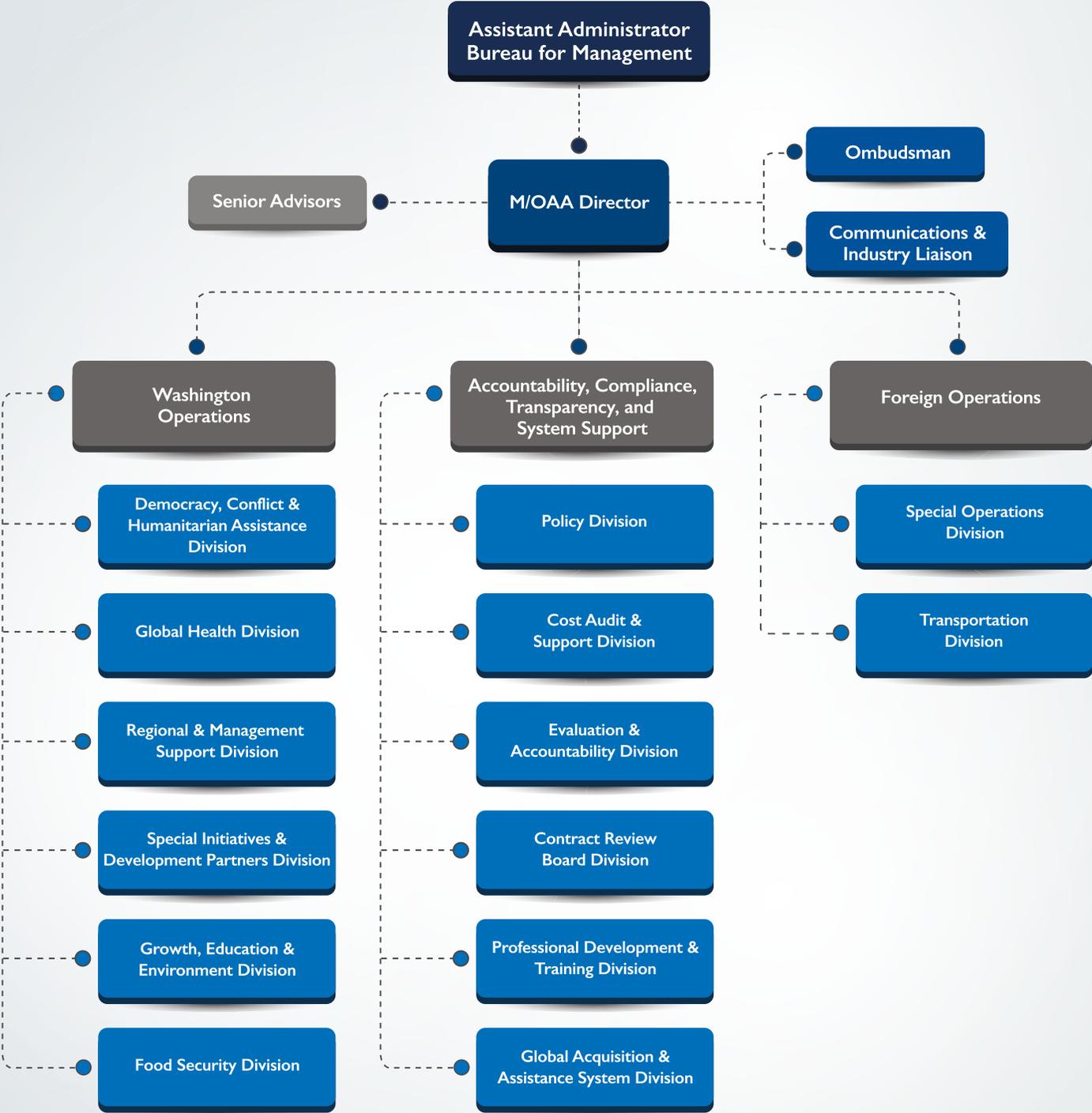
Business Forecast

At the start of FY 2021, USAID will update its Business Forecast to include the following new fields:

- **A&A Plan ID:** This field provides a unique ID for each activity, making it easier to track an activity. We will also be introducing a change log that will show where changes are made or if there are alterations in approaches throughout the solicitation procurement process.
- **Category Management Contract Vehicle:** If an activity falls within USAID’s Category Management objectives, this field will identify the contract vehicle that will be used.
- **Co-Creation:** This field will note whether and how the Agency plans to use co-creation in the design, solicitation, or procurement of an activity.
- **Eligibility Criteria:** This field will be used to note if we anticipate eligibility criteria being restricted to specific organizations.
- **Principal Geographic Code:** This field will be used to help note if there are additional eligibility requirements for the planned activity.



MANAGEMENT BUREAU, OFFICE OF ACQUISITION AND ASSISTANCE ORGANIZATIONAL STRUCTURE



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