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ADS 304 – Selecting the Appropriate Acquisition and Assistance (A&A) Instrument

304.1 OVERVIEW
Effective Date: 04/18/2016

This chapter provides policy, procedure, and guidance for selecting the appropriate legal instrument (contract, grant, or cooperative agreement) in accordance with the criteria prescribed in:

- The **Competition in Contracting Act of 1984 (CICA), 41 U.S.C. 3301**;
- The **Federal Grant and Cooperative Agreement Act of 1977 (FGCAA), 31 U.S.C. 6301-6308**;
- The **Foreign Assistance of 1961, as amended, 22 U.S.C. 2151, et. seq.**;
- **2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)**, adopted and supplemented by USAID in **2 CFR Part 700 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**;
- **48 CFR Part 1, Federal Acquisition Regulation (FAR)**; and
- **48 CFR Part 7, Agency for International Development Acquisition Regulation (AIDAR)**.

For the purposes of this chapter, the term “procurement” and “acquisition” are used interchangeably, and “procurement contract” and “contract” are also used interchangeably. The terms “assistance,” “grants,” and “cooperative agreements” refer to the legal mechanisms referenced in **2 CFR 200** and **ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations**.

This chapter does not apply to agreements with foreign governments, public international organizations, and bilateral development partners or other types of instruments as authorized under the Foreign Assistance Act.

304.2 PRIMARY RESPONSIBILITIES
Effective Date: 04/18/2016

a. The **Director, Bureau for Management, Office of Acquisition and Assistance (M/OAA)**, who serves as the **Agency Senior Procurement Executive** and as the **Assistance Executive**

- Provides executive leadership in communicating the importance of selecting the most appropriate acquisition or assistance instrument to Operating Unit (OU) leadership; and
- Makes the final instrument determination when there is a disagreement between the Contracting Officer/Agreement Officer (CO/AO) and the Operating Unit (see 304.3.6).

b. Operating Units (OUs) assist the CO/AO with determining the appropriate type of instrument in accordance with relevant statutes, regulations, and policies. Operating Units

- Conduct strategic planning, project design, and project/mechanism selection and design in accordance with the ADS 200 Series. The project selection and design includes an A&A Strategy that lists proposed A&A actions;

- Describe the proposed project in sufficient detail, appropriate to the instrument type;

- Designate the Planner for each planned acquisition or assistance action listed on the Agency A&A Plan (see ADS 300, Agency Acquisition and Assistance (A&A) Planning);

- Develop, in consultation with the cognizant CO/AO, the Agency A&A Plan in accordance with ADS 300;

- Prepare statements of work, program descriptions, and all other documents associated with the acquisition or assistance consistent with the selected type of instrument and complies with the appropriate regulations, policies, procedures, and terminology for the selected instrument; and

- Maintain OU project design files that include appropriate documentation supporting the selection of instrument decisions.

c. The Planner, in consultation with the CO/AO, is responsible for drafting and documenting the recommendation for the selection of instrument.

d. The Contracting Officer/Agreement Officer (CO/AO)

- Collaborates with the Planner at the planning phase and provides guidance on selecting the appropriate A&A instrument (see ADS 201, Program Cycle Operational Policy and ADS 300);

- Reviews the Planner’s recommendation and supporting documents and makes the final determination on the selection of instrument in accordance with applicable statues, regulations, and policies;

- Maintains documentation in the Agency Secure Image and Storage Tracking System (ASIST) file to support the type of instrument selected; and
• Ensures statements of work, program descriptions, and all documents associated with acquisition and assistance are consistent with the selected type of instrument and contain appropriate terminology for the selected instrument.

e. The Office of the General Counsel (GC) and Resident Legal Officers (RLOs) advise the Planner and CO/AO, as needed, on selection of instrument determinations in accordance with applicable statutes, regulations, and policies.

304.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

304.3.1 Applicable Legal Framework

Effective Date: 04/18/2016

a. The Foreign Assistance Act and Other Agency-Specific Authorizations

The Foreign Assistance Act (FAA) of 1961, as amended, is USAID’s principal authorizing legislation. Section 635(b) of the FAA provides that “[t]he President may make loans, advances, and grants to make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, friendly government or government agency, whether within or without the United States and international organizations in furtherance of the purposes and within the limitations of this Act.”

FAA Section 102(a) notes that the principal purpose of U.S. bilateral development assistance is “to help the poor majority of people in developing countries to participate in a process of equitable growth through productive work and to influence decisions that shape their lives, with the goal of increasing their incomes and their access to public services which will enable them to satisfy their basic needs and lead lives of decency, dignity, and hope.”

Programs may also be established outside of the statutory framework of the Foreign Assistance Act through freestanding laws that authorize foreign aid or apply new conditions to aid authorized in the Foreign Assistance Act. Examples include the FREEDOM Support Act (Public Law 102–511), the Support for Eastern European Democracy (SEED) Act of 1989 (Public Law 101–179), and other authorities as provided in annual appropriations legislation.

b. Federal Grant and Cooperative Agreement Act (FGCAA)

The FGCAA prescribes criteria that executive agencies must follow in selecting which legal instrument to use to establish a relationship between an agency and a potential awardee. The FGCAA addresses three types of instruments, namely contracts, grants, and cooperative agreements. Grants and cooperative agreements collectively are referred to as “assistance” agreements. One purpose of the FGCAA is to promote uniformity in the use of these three instruments and to further define relationships and corresponding responsibilities associated with each respective instrument. Other purposes are to “promote increased discipline
in selecting and using procurement contracts, grants, and cooperative agreements; maximize competition in making procurement contracts; and encourage competition in making grants and cooperative agreements” (31 U.S.C. 6301(3)).

The FGCAA requires an agency to use a contract as the appropriate legal instrument reflecting a relationship between the agency and the organization when:

1. The principal purpose of the instrument is to acquire property or services for the direct-use or the direct-benefit of the United States Government; or

2. The agency decides, in a specific instance, that the use of a procurement contract is appropriate.

The FGCAA requires an agency to use a grant or cooperative agreement as the legal instrument reflecting a relationship between the agency and the prime awardee when the principal purpose of such relationship is to transfer a thing of value to the prime awardee to carry out a public purpose of support or stimulation authorized by federal statute.

Final OMB FGCAA implementation guidance on the agency decision structure for selection of instrument states, “The determinations of whether a program is principally one of procurement or assistance, and whether substantial Federal involvement in performance will normally occur are basic agency policy decisions. A determination that a program is principally one of procurement or assistance does not preclude the use of any of the types of instruments when appropriate for a particular transaction. Congress intended the Act to allow agencies flexibility to select the instrument that best suits each transaction.”

c. Competition in Contracting Act (CICA)

When conducting a procurement for property (goods and supplies) or services, CICA requires an executive agency to obtain full and open competition through the use of competitive procedures as prescribed in the Federal Acquisition Regulation (FAR) and the USAID Acquisition Regulation (AIDAR). The term “procurement” includes “all stages of the process of acquiring property or services, beginning with the process for determining a need for property or services and ending with contract completion and closeout.”

304.3.2 Planning Phase – Identifying the Intended Purpose of the Award
Effective Date: 04/18/2016

USAID possesses the authority to enter into grants, contracts, and a variety of other mechanisms to advance the mission of the Agency and accomplish its objectives. USAID has no preference for acquisition instruments over assistance instruments or vice versa. USAID selects each instrument on the applicable facts and circumstances at the time of selection of the instrument consistent with applicable laws, regulations, and
The OU and CO/AO must not set aside or reserve any sector or sub-sector for exclusive or predominant selection of acquisition or assistance instruments unless statutorily required.

The Planner and CO/AO must identify the appropriate A&A instrument as early as possible in the planning phase as each type is subject to a different set of statutory and regulatory requirements.

USAID planning policies and considerations in ADS 201 and ADS 300 reinforce the importance of selecting the appropriate instruments. Selection of the most appropriate instrument should result from rigorous project design. In order to select the appropriate instrument, the CO/AO, as a member of the Project Design Team, must assist the team in identifying the principal purpose of the instrument and the relationship between USAID and the awardee.

The Planner, in consultation with the CO/AO, must make recommendations for a final determination by the CO/AO and document the selection of instrument as early as feasible in the project design process. As the selection of instrument varies on a case-by-case basis, the Planner and the CO/AO may consult with the GC/RLO for advice in performing this analysis and preparing appropriate supporting documentation as needed. The Planner’s initial recommendation must be based on application of the criteria described in the relevant statues and as described in the appropriate use of each type of instrument below. If sufficient data is not available for the Planner to make a recommendation on the type of instrument at the project design stage, the CO/AO determination must be made at the earliest possible time before finalizing the requirements document or program description.

304.3.3 Appropriate Use of Acquisition Instruments
Effective Date: 04/18/2016

Acquisition involves acquiring property or services (broadly defined to include goods, commodities, equipment, and other forms of property other than land) from a vendor or contractor:

1. For USAID’s direct-use or direct-benefit.

   USAID must select acquisition when the principal purpose of the instrument is to acquire property or services for its own use or benefit.

2. In a specific instance as determined by the Agency.

   The CO has discretion in determining that a contract would be appropriate in a specific circumstance, but the instrument selection must not be arbitrary in this regard. For example, USAID may determine whether a contract is appropriate if the award involves implementing activities that the USG has committed to provide under a treaty or other international agreement (this does not refer to or include bilateral or multilateral assistance agreements between the USG and a cooperating country).
304.3.3.1 Examples of Appropriate Uses of Contracts

Effective Date: 04/18/2016

Contracts solicited and awarded in accordance with the FAR, the AIDAR, and ADS 302, USAID Direct Contracting are used to acquire a wide variety of services and supplies as required by USAID, such services and supplies may be delivered either directly to USAID for its direct-use or benefit, including the following, non-exhaustive list:

(1) Consulting and professional services of various kinds, including capacity development technical services provided for the Agency’s direct-use or benefit.

(2) Evaluation services, surveys, studies, and research as required by the Agency for its direct-use or benefit.

(3) Generation of management information or other data for Agency use.

(4) Conferences conducted by or on behalf of USAID.

(5) Construction Activities – Using contracts to manage both the design and construction of infrastructure projects allows USAID to specify the engineering requirements including design, tendering, and construction oversight activities, as well as ensure that safety or other operational construction standards and specifications are met.

NOTE: For more information on contracts, see ADS 302. When choosing between procurement instruments, the CO should also look to FAR Part 16, Types of Contracts, for guidance on selecting the contract type.

304.3.4 Appropriate Use of Assistance Instruments

Effective Date: 04/18/2016

Pursuant to the FGCAA, a grant or cooperative agreement is the appropriate legal instrument to transfer money, property, services, or anything of value to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States. For example, if the principal purpose is to "assist" a recipient to provide its services or property to third parties, such as partner country government institutions, local organizations, or target civilian populations, a grant or cooperative agreement may be appropriate.

Assistance differs from acquisition in that with assistance, the principal purpose of the relationship is to benefit the recipient through a transfer of a thing of value, not to procure property or services. In other words, USAID’s focus is on providing financial support or assistance to a prime recipient who merits federal support or assistance by reason of its mission, programs, or activities, not on acquiring property or services for the direct-use or benefit of the Agency. If USAID’s principal purpose is to provide financial and other assistance to the prime recipient to carry out its own mission,
programs, or activities, then an assistance instrument is appropriate.

304.3.4.1 **Examples of Appropriate Uses of Assistance Instruments**  
**Effective Date: 04/18/2016**

USAID awards grants and cooperative agreements in accordance with the applicable requirements and procedures in 2 CFR Parts 200 and 700 and ADS 303. Such grants and cooperative agreements provide financial or other support to recipients to carry out a public purpose of support or stimulation authorized by law (see 304.3.1.b). Several non-exhaustive examples of appropriate use of assistance when authorized by law include the following:

(1) Supporting a recipient through cash or in-kind contributions to enable it to fulfill its mission of providing urgent humanitarian assistance to displaced individuals affected by a civil war.

(2) Providing funding to eligible recipients to stimulate their activities to promote political competition and consensus building through support to electoral and political processes, and fostering more accountable and responsive political parties and institutions.

(3) Financing a recipient's ongoing efforts to improve maternal and child health.

(4) Enabling an organization to carry out its proposed activity of assisting farmers, cooperatives and associations, and small and medium-sized businesses in developing countries to fight hunger and poverty.

(5) Providing funding to a recipient to expand its project to improve sustainable livelihoods of ethnic minorities, providing them with skills and knowledge to thrive in a growing market economy.

In all of the above examples, the principal purpose of the relationship between USAID and the awardee is to assist the awardee rather than to obtain a service from them for USAID’s direct-use or benefit. The awardee is the primary beneficiary of the assistance although there may be downstream beneficiaries as well.

NOTE: For more information on grants and cooperative agreements, see ADS 303.

304.3.4.2 **Limitation on the Use of Assistance Instruments for Construction**  
**Effective Date: 04/18/2016**

USAID has determined that construction activities are rarely appropriate under assistance instruments. The limited management oversight that USAID can legally assert over recipients under assistance awards minimizes USAID’s ability to ensure that the design and construction activities are carried out properly. The policy and procedures limiting the use of assistance awards to accomplish construction activities are provided at ADS 303maw, USAID Implementation of Construction Activities.
304.3.5 Non-Determinative Factors in Selecting the Type of Instrument

Effective Date: 04/18/2016

Except as otherwise authorized by law, the Agency must not base the selection of the type of instrument on any of the following considerations:

a. Ultimate Public Purpose

All USAID’s acquisition or assistance awards ultimately intend to benefit a public purpose. Therefore, whether a program furthers a public purpose by serving the needs of ultimate beneficiaries in the host country should not be a factor in selecting the type of instrument.

b. Type of Organization

Market research conducted during the planning phase may indicate that the preponderance of expertise in the proposed sector rests with a particular type of organization (e.g., commercial or non-profit). However, the type of organization that is likely to carry out an award should not constitute a factor in determining the appropriate instrument.

When the appropriate instrument is a contract, acquisition rules apply even if the awardee is a non-profit organization. Similarly, where the appropriate instrument is a grant or a cooperative agreement, assistance rules apply. Commercial organizations may receive grants and cooperative agreements, although assistance awards do not allow for profit.

c. Follow-on Activities

The Planner and the CO/AO must determine and document the appropriate instrument type for each individual award based on applicable legal and policy criteria and on a fact-specific, case-by-case basis and should not be governed by the type of instrument(s) used for any predecessor activity.

d. Effect on USAID Resources and Lead Time

Procurement Action Lead Time (PALT) differs for different types of acquisition and assistance instruments under ADS 300. Lead times are typically longer for competitive acquisition instruments and may be more time and labor intensive than assistance instruments at the solicitation, award, and administration stages. The Planner and CO/AO must not take these factors into consideration when selecting the appropriate instrument.

e. Political Context

The Planner and CO/AO should avoid determining the instrument type based on political considerations. For example, the preference of partner country government, other in-country influential parties, or other U.S. Government
entities for a particular implementing organization should not influence the instrument determination.

However, the political context or environment, particularly those arising from the country context and USAID’s relationship with the host country in which the proposed activity will be implemented, may help inform the intended relationship between USAID and the awardee.

f. Operational Control and Programmatic Involvement

The desire on the part of the Agency to control the details of post-award implementation is not an acceptable instrument selection criterion. It may, however, be an indication that the Agency has a requirement for goods or services to accomplish its own purposes, which would require the Agency to provide technical direction to interpret the technical requirements. COs/AOs and the Planner should closely examine their perceived need for control to determine whether it is an indication that the principal purpose of the award is to acquire goods or services or whether it is just a general preference that should have no role in choosing between acquisition and assistance.

“Substantial involvement” is not a relevant factor to consider in choosing between acquisition and assistance. After selecting between an acquisition and assistance instrument, substantial involvement becomes a relevant factor in selecting between a grant and a cooperative agreement (see ADS 303).

304.3.6 Selection of Instrument Documentation

Effective Date: 03/08/2022

The Planner, in consultation with the CO/AO, is responsible for drafting the initial selection of instrument recommendation memorandum, with a signature block for the CO/AO to accept or reject the recommendation. Selection of instrument recommendation memorandum templates are only available to Agency staff on the intranet at: https://pages.usaid.gov/M/OAA/business-process-improvement. The documentation must clearly and convincingly justify the recommendation of an acquisition or assistance instrument based on applicable statutory and regulatory criteria and Agency policy, including the requirements in this chapter (see ADS 201 and ADS 300). The Planner recommending the type of instrument must sign and date the recommendation.

The Planner should complete and submit the supporting documentation to the CO/AO for review and approval within thirty (30) days after submitting the recommendation on type of instrument or listing the action on the Agency A&A Plan, whichever occurs first.

Within fifteen (15) business days after receipt, the CO/AO should either approve the Planner’s recommendation or communicate any issues that must be resolved before approval. The Planner and the CO/AO must attempt to resolve any issues to their mutual satisfaction within the next fifteen (15) business days so that the Planner may move forward with the development of a complete procurement contract solicitation.
package or assistance instrument announcement package (except in non-competitive situations). Approval of the Planner’s recommendation constitutes confirmation by the CO/AO that the recommendation supports the Planner’s initial determination of the most appropriate instrument based on the application of statutory and regulatory criteria.

If the Planner and CO/AO are unable to resolve a disagreement over selection of instrument issues, either the Planner or CO/AO must refer the matter to the M/OAA Director for resolution.

The Planner must include the final, approved version of the recommendation in its project design file and the CO/AO must include a copy in the A&A file in the Agency Secure Image and Storage Tracking System (ASIST).

When finalizing the selection of instrument, the OU must enter the data into the Agency Acquisition and Assistance (A&A) Plan and Review tool.

304.3.7 Development of Contract Solicitation Documentation and Assistance Announcement Documentation

Effective Date: 04/18/2016

The information in this ADS chapter provides policy and guidance for selecting the appropriate award instrument. After the type of instrument has been determined, the Planner and the CO/AO must adhere to the statutory, regulatory, and policy requirements applicable to the selected type of instrument. This includes drafting the solicitation documents, including the statement of work or program description, in accordance with the type of instrument selected, as they each have different requirements. Additionally, post-award administration must occur in accordance with the statutes, regulations, and policies pertaining to the selected instrument.

304.4 MANDATORY REFERENCES

304.4.1 External Mandatory References

Effective Date: 04/18/2016

a. 2 CFR Part 200

b. 2 CFR Part 700

c. Federal Acquisition Regulation

d. Foreign Assistance Act of 1961, as amended

e. Federal Grant and Cooperative Agreement Act of 1977

304.4.2 Internal Mandatory References
Effective Date: 04/18/2016

a. ADS 200, Development Policy
b. ADS 201, Program Cycle Operational Policy
c. ADS 300, Agency Acquisition and Assistance (A&A) Planning
d. ADS 302, USAID Direct Contracting
e. ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations
f. ADS 303maw, USAID Implementation of Construction Activities
g. AIDAR

304.5 ADDITIONAL HELP
Effective Date: 05/19/2021

a. ADS 304saa, Amplifying Guidance for Selecting the Appropriate Acquisition and Assistance (A&A) Instrument

304.6 DEFINITIONS
Effective Date: 04/18/2016

See the ADS Glossary for all ADS terms and definitions.

Acquisition
Acquisition means the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling agency needs by contract (FAR 2.101). For purposes of this chapter, the terms “acquisition” and “procurement” are used interchangeably. (Chapter 304)

Agency Acquisition and Assistance (A&A) Plan
The Agency business tool that documents all planned acquisition and assistance actions that are to be executed by a USAID contracting officer or agreement officer
during a fiscal year and identifies milestones and tracks status in the acquisition or assistance process for each action. (Chapter 300 and 304)

**Agreement Officer**
A person with the authority to (1) enter into, administer, terminate, and close out assistance agreements, and (2) make related determinations and findings on behalf of USAID. An Agreement Officer may only act within the scope of a duly authorized warrant or other valid delegation of authority. The term "Agreement Officer" includes persons warranted as "Grant Officers." It also includes certain authorized representatives of the Agreement Officer acting within the limits of their authority as delegated by the Agreement Officer. (Chapter 303 and 304)

**Assistance Executive**
The Director, Office of Acquisition and Assistance (M/OAA/OD), or designee in USAID/W who

- Acts as the Agency's coordinator for all assistance matters (that is, financial assistance that provides support to a non-governmental entity to accomplish a public purpose), which may require OMB approval (such as deviations to OMB regulations);
- Makes the final determination of the choice of implementation instrument when there is disagreement between the contracting activity and the Development Objective team. (Chapter 303 and 304)

**Construction**
Construction activities include construction, alteration, or repair (including dredging and excavation) of buildings, structures, or other real property and includes, without limitation, improvements, renovation, alteration and refurbishment. The term includes, without limitation, roads, power plants, buildings, bridges, water treatment facilities, and vertical structures. (Chapter 304)

**Contract**
A mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the Government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301, et seq. For discussion of various types of contracts, see FAR Part 16. (Chapter 300, 304, 331)

**Contracting Officer**
A person representing the U.S. Government through the exercise of their delegated authority to enter into, administer, and terminate contracts and make related determinations and findings. This authority is delegated by one of two methods: to an
individual by means of a "Certificate of Appointment", SF 1402, as prescribed in FAR 1.603-3, including any limitations on the scope of authority to be exercised, or to the head of each contracting activity (as defined in AIDAR 702.170), as specified in AIDAR 701.601. (Chapters 302, 304, 331, 535)

**Cooperative Agreement**
A legal instrument used where the principal purpose is the transfer of money, property, services or anything of value to the recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute and where substantial involvement by USAID is anticipated. (Chapters 300, 303, 304)

**Grant**
A legal instrument used where the principal purpose is the transfer of money, property, services or anything of value to the recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute and where substantial involvement by USAID is not anticipated. (Chapters 300, 303, 304, 591, 595)

**Non-Federal Entity**
Non-federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient. (Chapter 304)

**Operating Units**
The organizational unit responsible for implementing a foreign assistance program for one or more elements of the Department of State’s Foreign Assistance Framework. The definition includes all U.S. Government agencies implementing any funding from the relevant foreign assistance accounts (the 150 accounts). For USAID, it includes field Missions and regional entities, as well as regional bureaus, pillar bureaus, and independent offices in USAID/Washington that expend program funds to achieve DOs identified in a CDCS. In Chapter 201, field OUs are referred to as “Missions”, and those in Washington are referred to as “Washington OUs.” (Chapters 201, 260, 304)

**Planner**
The designated person responsible for developing and maintaining a written Individual Acquisition Plan (IAP), or for the planning function in those acquisitions (FAR 7.101) or assistance actions not requiring a written plan. The Planner may be the Project Manager, where a project approach is used (ADS 201), or the intended Contracting Officer/Agreement Officer Representative (COR/AOR), among other examples. The Planner works with the CO/AO to carry out the planning function. Operating Units (OUs) must ensure that a Planner is identified for a particular procurement. Though OUs have the discretion to determine the appropriate individual based on the organizational structure and functions of the unit, the Planner must be an individual with sufficient authority in the OU to ensure that planning complies with this chapter, FAR acquisition planning requirements, and OMB/OFPP Policy Letter 11-01 Performance of Inherently Governmental and Critical Functions. (Chapter 300 and 304)

**Procurement**
The term “procurement” includes all stages of the process of acquiring property or services, beginning with the process for determining a need for property or services and ending with contract completion and close out. For purposes of this chapter, the terms “acquisition” and “procurement” are used interchangeably (Title 41, Public Contracts, Federal Procurement Policy, 41 USC §111). (Chapter 304)

**Procurement Executive**
The USAID official who is responsible for the management direction of USAID’s assistance and acquisition (“A&A”) system, as so delegated and more fully described in ADS 103.3.10.5 (Chapter 302 and 304)

**Program Cycle**
The Program Cycle is USAID’s operational model for planning, delivering, assessing, and adapting development programming in a given region or country to advance U.S. foreign policy. It encompasses guidance and procedures for: 1) making strategic decisions at the regional or country level about programmatic areas of focus and associated resources; 2) designing projects and activities to implement strategic plans; and 3) learning from performance monitoring, evaluations, and other relevant sources of information to make course corrections and inform future programming, as needed. (Chapter 201 and 304)

**Property**
An umbrella term that includes supplies and land or interest in land. (Chapter 304)

**Supplies**
All property except land or interest in land (FAR 2.101). (Chapter 304)