



**USAID**  
FROM THE AMERICAN PEOPLE

# Partner's Day

December 1, 2015

## Working With USAID 101

Jean Horton, M/OAA  
PDT Division Chief



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## Challenge

November 3, 1961 President John F. Kennedy signed the Foreign Assistance Act into Law creating USAID

**USAID Mission:** We partner to end extreme poverty and to promote resilient, democratic societies while advancing US security and prosperity.

**USAID is looking to increase its Partner Base to ensure it has capability to handle the 21<sup>st</sup> century development challenges.**

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## What We Are Doing

### **PRESIDENTIAL INITIATIVES**

FEED the FUTURE

**Agriculture and Food Security**

GLOBAL HEALTH INITIATIVE

**HIV AIDS, Maternal and Child Health, Tropical Diseases**

U.S. GLOBAL CLIMATE

**Environment and Global Climate Change**

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## What We Are Doing

Peace and Security

**Help societies prevent and recover from conflicts**

**Citizen Voice**

Governing Justly and Democratically,

**Democracy, Human Rights and Governance**

Investing in People

**Education**

**Gender Equality and Women's Empowerment**

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## What We Are Doing

### Economic Growth & Trade

Access to Markets

Improving Infrastructure and Water Sanitation

### Humanitarian Assistance

Working in Crises and Conflict

Life Saving Disaster Assistance

### U.S. Global Development Lab

Use science, technology, innovation, and partnerships as tools to accelerate USAID's development objectives

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## Where We Work

### AFGHANISTAN/PAKISTAN:

Provided 450 megawatts of Power for 6M people in Pakistan  
500 schools, 12K Teachers, 3K Administrators trained in Pakistan  
Support of the public health system expanded access to basic health services to nearly two-thirds of Afghanistan

### AFRICA: 42 countries

Feed the Future address root causes of Hunger

### ASIA: Bangladesh 400K farmers increase yield by 15%

India successful battle against Polio

Kyrgyzstan partnered with others to support Central Asia's 1<sup>st</sup> parliamentary democracy

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## Where We Work

### EUROPE AND EURASIA:

Helped to integrate countries into global markets and partnerships,  
European Union and transatlantic  
11 countries that have graduated from our assistance

### LATIN AMERICA/CARIBBEAN

Poverty has declined from 49 percent to 31 percent

### MIDDLE EAST

New “water-smart” technologies, and opportunities to improve  
sustainable access to water for 20M people

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## Organizations Working with USAID

Faith-based and Community Organizations

Private sector

Colleges and Universities,

Non-governmental organizations,

Small Business, Local Organizations in host countries,

Diasporas,

Other Donors

US Government Agencies,

Research/Scientists and Innovators and

Humanitarian Responders



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# How Funding Decisions are Made

## Strategy and Planning

**Program Cycle:** evidence-based decision-making at every stage.

**Country Development Cooperation Strategies:** a five-year documented country specific development strategy designed in close collaboration with stakeholders.

**Program Evaluation:** the systematic collection and analysis of information and evidence about program performance and impact.

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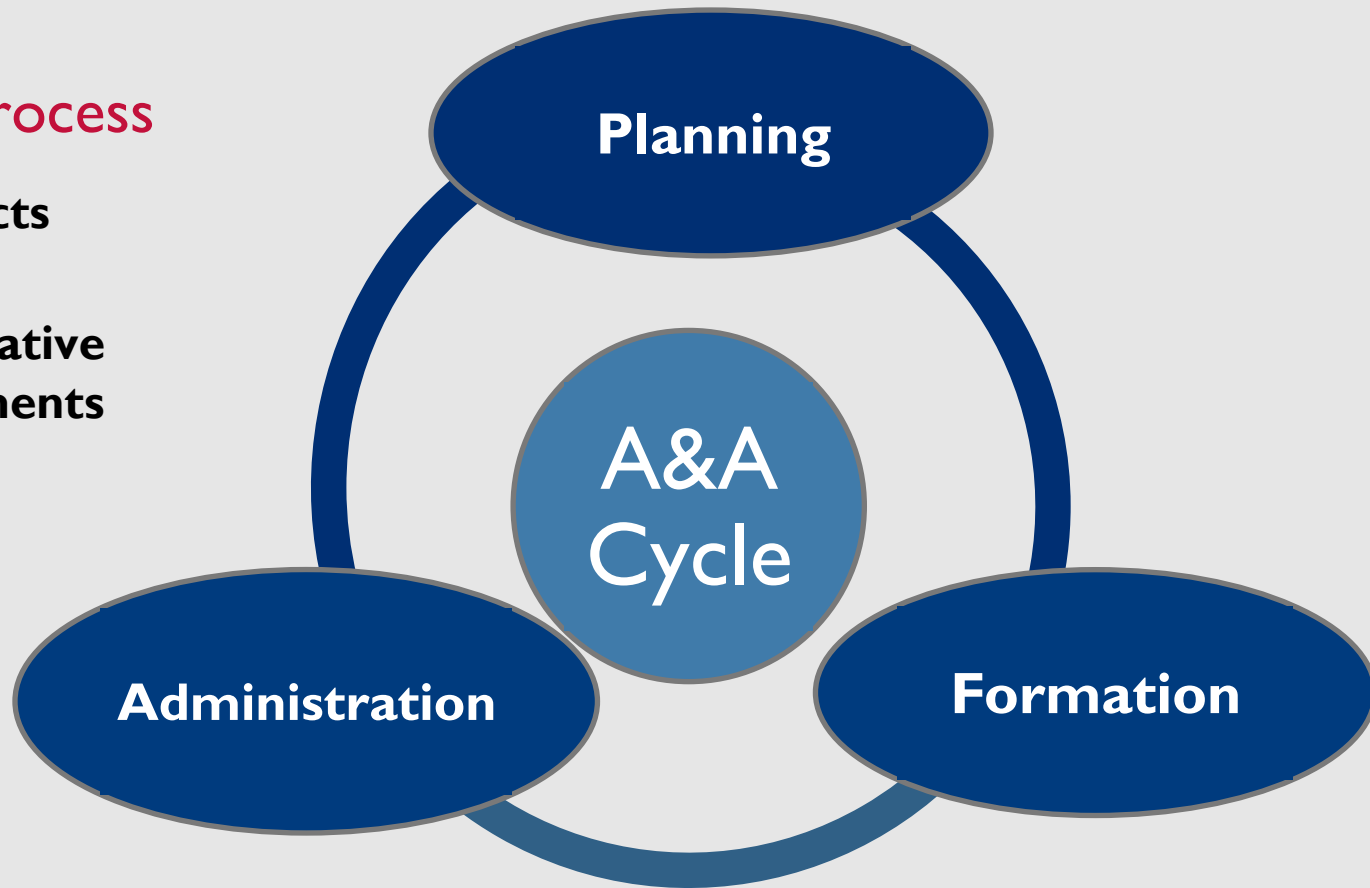
## A&A Process

**Contracts**

**Grants**

**Cooperative**

**Agreements**



## A&A Process

### Planning

- Program Cycle
- Activity Design
- Business Forecast

### Formation

- FBO.gov
- Grants.gov
- Organizations submit proposals/ applications
- Award

### Admin

- Programs begin
- Monitor Results
- Performance Evaluation

### Program Ends

Program Evaluation  
Learning Applied to new projects  
Cycle begins again

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## Direct Award Mechanisms

### **Acquisition:**

**Direct purchase of goods or services for benefit or use by the Federal Government with deliverables.**

**Contracts/Purchase Orders**

**Government is the Buyer**

**Technical Direction Allowed**

### **Assistance:**

**Transfer of funds to support a Recipient's programs that contribute to the public good and further the objectives of the Foreign Assistance Act.**

**Grant or Cooperative Agreements**

**Government role is Sponsor**

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## Remember

- USAID Web site = valuable information
- Business Forecast, FBO.gov and Grants.gov
- Read solicitation thoroughly, Align you experience and capabilities with requirements and Partner when needed
- Be aware of timeframe for Q&A stated in the Solicitation
- Don't be late with your submission



# Working with USAID 101

## *USAID Partners' Day*

Carol Smith  
Chief Operating Officer, Winrock International  
Chair of Government Relations, InsideNGO

December 1, 2015



# Why recipients like working with USAID

- Rules & Regulations largely promote best business practices
- Rules & Regulations are openly shared with recipients
- USAID is committed to providing its “fair share” of funding so recipients can achieve project goals and objectives
- USAID is truly interested in supporting good development work

# Know USAID's Funding Framework

## Assistance/Support

- **Goal:** Assist, stimulate, support a program
- **Benefit:** Flows down to the recipient or the program
- **Relationship:** Transfer of funds to support grantee
- **Funding mechanism:** Grant, Cooperative Agreement

## Acquisition/Purchase

- **Goal:** Acquire, purchase specific deliverable
- **Benefit:** USAID/US Government
- **Relationship:** Exchange of funds for contractor goods/services
- **Funding mechanism:** Contract, Purchase Order



# From the Outset Partners Should

- Appreciate the differences between assistance and acquisition
- Know which regulations apply to your organization, your award and any sub-awardees
- Use pre-award Q&A process wisely
- Develop and follow an internal award review process prior to signature
- Understand roles & responsibilities on your side and on USAID's

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# Pay Particular Attention to your Policies for

- Property & Procurement
- Accounting
- Travel
- Human Resources
- Subrecipient Monitoring
- Indirect Cost Treatment

# USAID Rules and Regulations Map

## Funding Mechanism

### Assistance

#### Cooperative Agreement

- Letter & Schedule
- Program Description
- Standard Provisions (US, Non-US)

### Acquisition

#### Contract

- Letter & Schedule
- FAR Clauses
- AIDAR Clauses

## Key Federal Regulations

Administrative requirements

**2 CFR 200, 2 CFR 700 (US-based)**

**Standard Provisions (US, Non-US)**

Acquisition regulations

**52 FAR, 752 AIDAR**

**2 CFR 200 Subpart E Cost Principles (US, Non-US)**

**Guidelines for Financial Audits Contracted by Foreign Recipients (Non-US)**

**2 CFR 200 Subpart F Audit Requirements (US)**

**22 CFR 228 Source, Nationality Requirements**

## Automated Directives System

ADS 300, Chapter 303, Grants and Cooperative Agreements

ADS 300, Chapter 302, Direct Contracting

Certifications and Assurances

Representations and Certifications

## Other References

**Acquisition and Assistance Policy Directives (AAPD)**

**Mission Orders**

**Organization's Written Policies**

**Standardized Regulations (Per Diems/Allowances etc.)**

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**Thank you!**

**Info@InsideNGO.org**



# Working with USAID 101

Jennifer Simancas, Director of Contracts

Dexis Consulting Group

Perspective from a Graduating For Profit Contractor

# USAID - Mission Focused

- **Understand the USAID Culture first.** Long seen as the benevolent face of the American people. Focuses on 'what's in it for THEM (developing economies) and not us. USAID takes on and tackles some of the most foundational problems facing the world today -- basic education, global health, freedom of expression, agriculture productivity, climate change resilience, and so on.
- **Understand Who USAID Serves.** The soft side of engagement. Know who the program beneficiaries are and understand their needs. The focus of the missions is to better their countries.

# USAID - Mission Focused

- **Incorporate Global Understanding in Your Work, No Matter What Work.** Even if you are doing accounting, IT services for the missions it is important to understand what the agency does.
- **Understand Country Context.** Country Development Cooperation Strategies, also known as CDCS. These five-year, country-based strategies show how Agency assistance is synchronized with other agencies' efforts.

# Direction of USAID – Acquisition vs. Assistance

- USAID is doing more assistance - average 20 to 30% less time to do a Cooperative Agreement than Contract
- NGOs and non-profits that work with AID are sophisticated they must maintain strong financial and contractual compliance systems, which is very hard given the terrain they work in.
- ADS Chapter 304 Selecting Between Acquisition and Assistance (A&A) Implementing Instruments
- Section 7032(e) from the FY16 appropriations bill



# Importance of Compliance

- USAID is very serious when it comes to compliance
- Because of the difficulties working in these countries having strong financial and contracts systems set ups are critical
- USAID has come down hard on both for profits and non-profits for non-compliance
- Every Agency says they are serious about compliance but USAID is serious and mean it

# Final Tips

- If you are Small Business new to USAID - recommend focusing on DC based work and team up (it's a rite of passage).
- Seasoned government contractor - be ready for the long haul. USAID needs you to show related past performance.
- Know the agency, know the mission. People in this industry are career professionals -- from technical to accounting.
- USAID is one of the most sophisticated, demanding and high quality agency to work with.

# Questions & Contact Information

## **Contact Information:**

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