USAID
FROM THE AMERICAN PEOPLE

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION/MINORITY RESOURCE CENTER

# U.S. SMALL BUSINESSES: CREATING OPPORTUNITIES WITH USAID

*" USAID will undertake a much more systematic effort to leverage its funds and technical expertise. . . to serve poor people in the developing world and build stronger self-sustaining institutions."*

**ANDREW S. NATSIOS, ADMINISTRATOR USAID**

**We hope you find the information in this book useful in pursuing business opportunities with USAID. For additional information, visit USAID's website at www.usaid.gov.**

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**Mississippi Consortium for International Development (MCID) and University of Mosul World Water Day Celebration**

**ON THE COVER:**

A displaced woman in Mornei, West Darfur, is grateful to receive plastic sheeting to use as shelter during the rainy season. USAID is airlifting plastic sheeting, blankets, water containers, and other essential non-food items to vulnerable civilian populations in Darfur.

PHOTO CREDIT: USAID

# INTRODUCTION TO USAID

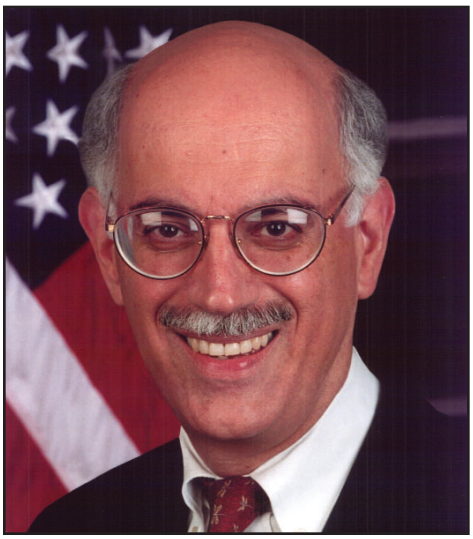
USAID plays a vital role in promoting U.S. national security, foreign policy, and the War on Terrorism. It does so by addressing poverty fueled by lack of economic opportunity, one of the root causes of violence today. As stated in the President's National Security Strategy, USAID's work in development joins diplomacy and defense as one of three key pieces of the nation's foreign policy apparatus. USAID promotes peace and stability by fostering economic growth, protecting human health, providing emergency humanitarian assistance, and enhancing democracy in developing countries. These efforts to improve the lives of millions of people worldwide represent U.S. values and advance U.S. interests for peace and prosperity.

USAID provides assistance in sub-Saharan Africa, Asia and the Near East, Latin America and the Caribbean, and Europe and Eurasia. With headquarters in Washington, D.C., USAID's strength is its field offices in many regions of the world. The agency works in 100 developing countries and in close partnership with private voluntary organizations, indigenous groups, universities, American businesses, international organizations, other governments, trade and professional associations, faith-based organizations, and other U.S. government agencies. USAID has working relationships, through contracts and grant agreements, with more than 3,500 companies and over 300 U.S.-based private voluntary organizations.

## THE TYPES OF ASSISTANCE USAID PROVIDES INCLUDE:

- Technical assistance and capacity building
- Training and scholarships
- Food aid and disaster relief
- Infrastructure construction
- Small-enterprise loans
- Budget support
- Enterprise funds
- Credit guarantees

# FROM THE ADMINISTRATOR



USAID

New international challenges that now face the United States have prompted the most thorough reassessment of the country's development mission since the end of World War II. As part of this reassessment, USAID has embraced five core goals:

- Supporting transformational development
- Strengthening fragile states
- Supporting U.S. geostrategic interests
- Addressing transnational problems
- Providing humanitarian relief

Each of these goals is vitally relevant to combating terrorism and strengthening American security at home and abroad.

## SUPPORTING TRANSFORMATIONAL DEVELOPMENT

In the developing world, USAID supports far-reaching, fundamental changes in institutions of governance, human services such as health and education, and economic growth. Through the agency's assistance, capacity is built for a country to sustain its own progress. While these efforts have long been justified in terms of U.S. generosity, they are not always appreciated as investments in a stable, secure, interdependent world.

## STRENGTHENING FRAGILE STATES

The President's National Security Strategy wisely recognizes the growing global risks of failing states: "The events of September 11, 2001, taught us that weak states… can pose as great a danger to our national interests as strong states… Poverty, weak institutions, and corruption can weaken states vulnerable to terrorist networks and drug cartels within their borders." The failure of states such as Afghanistan, Lebanon, Bosnia, Somalia, and Liberia had repercussions far beyond their own regions. USAID is dealing with the consequences today. There is, perhaps, no more urgent matter—and no more difficult and intractable set of problems—facing USAID's portfolio than fragile states.

## SUPPORTING U.S. GEOSTRATEGIC INTERESTS

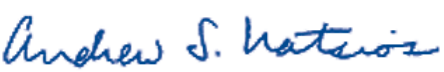
Aid is a potent leveraging instrument for keeping countries allied with U.S. policy while they win their own battles against terrorism. The tasks today are broader and more demanding than just winning the allegiance of key leaders. For example, while it is vital that the U.S. government help keep Pakistan allied with the United States in the War on Terrorism, the United States must also help Pakistan move toward becoming a more stable, prosperous, democratic society.

## ADDRESSING TRANSNATIONAL PROBLEMS

Global and transnational issues are those where progress depends on collective effort and cooperation among countries. Examples include combating HIV/AIDS and other infectious diseases, forging international trade agreements, and combating criminal activities such as money laundering and trafficking in persons and narcotics. USAID will continue to play a leading role on these issues, assisting countries to address these problems that create danger and instability.

## PROVIDING HUMANITARIAN RELIEF

The United States has always been a leader in humanitarian aid and disaster relief. It is the largest contributor of the food aid that has fed the hungry and combated famine around the world. This moral imperative has not changed. USAID is also making sure that the recipients are aware of the help and of U.S. generosity. This is particularly important in areas of the world subjected to anti-Americanism and terrorist propaganda.



**Andrew S. Natsios**
*USAID Administrator*
March 2005

# TABLE OF CONTENTS


INTRODUCTION TO USAID . . . . . 01

FROM THE ADMINISTRATOR . . . . . 02

UNDERSTANDING USAID'S MISSION AND ORGANIZATION . . . . . 04
Who We Are . . . . . 04
USAID's Mission . . . . . 04
USAID Organization Chart . . . . . 07
Summary of USAID's FY 2005 Budget . . . . . 08
Key Funding Sources . . . . . 13

ACQUISITION AND ASSISTANCE INSTRUMENTS . . . . . 18
Acquisition Activities . . . . . 18
1. Obtaining the Services of an Individual . . . . . 18
2. Obtaining Services of Firms, Universities and Non-Profits . . . . . 19
3. Indefinite Quantity Contracts (IQCs) - Task Order Contracts . . . . . 19
4. Simplified Acquisitions . . . . . 19
5. Commodity Procurement . . . . . 20
6. Title XII Set-Aside . . . . . 20
7. Competition Exceptions . . . . . 20
Assistance Activities . . . . . 21
1. Grants . . . . . 21
2. Cooperative Agreements . . . . . 21
3. Competition Requirements . . . . . 21

SMALL BUSINESS PROGRAMS . . . . . 24
8(a) Program . . . . . 24
Small Business Set-Aside Contracts . . . . . 25
Small Disadvantaged Business Program . . . . . 25
Minority Serving Institutions (MSI) Program . . . . . 25
Women-Owned Small Businesses . . . . . 26
Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses . . . . . 26
HUBZone Small Businesses . . . . . 26
Private Voluntary Organizations Controlled by Socially and Economically Disadvantaged Individuals . . . . . 27
Procurement Preference Program . . . . . 27
USAID Small Business Goals FY 2005 . . . . . 27

SUBCONTRACTING . . . . . 28

HOST COUNTRY CONTRACTS . . . . . 29

UNSOLICITED PROPOSALS . . . . . 30

PAYMENT PROCEDURES . . . . . 30

USAID KEY RESOURCES AND NEW TOOLS . . . . . 31
OSDBU/MRC . . . . . 31
USAID Procurement Information on the Internet . . . . . 33
Automated Directives System . . . . . 33

ANSWERS TO THE QUESTIONS MOST FREQUENTLY ASKED BY THE OSDBU CONSTITUENCY . . . . . 34

APPENDIX A: USAID MISSION DIRECTORY . . . . . 39

APPENDIX B: OFFICES OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (OSDBU) . . . . . 44

APPENDIX C: ACRONYMS AND ABBREVIATIONS . . . . . 50

# UNDERSTANDING USAID'S MISSION AND ORGANIZATION

**USAID is the independent federal agency that manages U.S. foreign economic and humanitarian assistance programs around the world.**

USAID

**A USAID airlift of relief commodities arrives in Nyala, South Darfur and delivers plastic sheeting from USAID's pre-positioned stockpiles in Dubai to provide temporary shelter for 6,400 families.**

## WHO WE ARE

The U.S. Agency for International Development (USAID) is the independent federal agency that manages U.S. foreign economic and humanitarian assistance programs around the world.

Unlike most U.S. government agencies, USAID's ultimate customers are outside our borders. Our customers are the people in developing countries whose quality of life we strive to improve. This work is an integral part of America's foreign policy.

U.S. foreign assistance has always had the twofold purpose of furthering America's foreign policy interests in expanding democracy and free markets while improving the lives of the citizens of the developing world. Spending less than one-half of one percent of the federal budget, USAID works around the world to achieve these goals.

USAID's history begins as an outgrowth of the reconstruction of Europe after World War II under the provisions of the Marshall Plan and the Truman Administration's Point Four Program. In 1961, President John F. Kennedy signed the Foreign Assistance Act into law and created USAID by Executive Order. Since that time, USAID has been the principal U.S. Agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.

USAID's assistance to our overseas customers is delivered through a variety of development partners. Our partners include private businesses, private voluntary organization (PVOs), non-governmental organizations (NGOs), universities, community colleges, other U.S. government agencies, host country governments at all levels, multilateral organizations, professional and business associations, and other donors.

Partners are also customers when they directly receive USAID's resources that enable them to deliver effective products and services to our ultimate customers. The purpose of this guide is to assist our partners in doing business with us.

## USAID'S MISSION

The Agency works to support long-term and equitable economic growth and to advance U.S. foreign policy objectives by supporting:

- Economic growth, agricultural and trade
- Global health
- Democracy, conflict prevention and humanitarian assistance

We provide assistance in four regions of the world:

- Sub-Saharan Africa
- Asia and the Near East
- Latin America and the Caribbean
- Europe and Eurasia

## SUB-SAHARAN AFRICA

USAID has taken a long-term perspective on Africa's development objectives to systematically address the root causes of its poverty and to lay the foundation for long-lasting improvements in average lives. The Agency uses investments in economic growth and social equity to achieve these long-lasting improvements by:

- Promoting broad-based economic growth with equity, through investments in small-holder agriculture and small enterprises and complementary investments in people through basic education
- Stabilizing population growth and improving health conditions
- Protecting the environment
- Fostering democracy and participation in social and economic decision-making
- Providing emergency relief to help nations make the transition from crisis to long-lasting development

## ASIA AND THE NEAR EAST

The Asia and the Near East (ANE) Bureau supports five key U.S. priorities: securing comprehensive peace in the Middle East; strengthening trade and technology links; combating serious global issues affecting regional stability and economic development (e.g., rapid population growth, HIV/AIDS, and environmental degradation); strengthening governance and democratic participation, and reducing gender disparities in the region for greater development impact.

Over half of the world's economically poor (more than 600 million people) live in the region. The region also has some of the most economically dynamic countries. The Bureau's mission reflects this dichotomy and aims to balance its programs to help create a favorable climate for sustainable development and greater interdependence in the region.

***USAID has working relationships with more than 3,500 American companies and over 300 U.S.-based private voluntary organizations.***

## LATIN AMERICA AND THE CARIBBEAN

Latin America and the Caribbean (LAC) and the United States have a shared destiny by virtue of geography, history, culture, demography, and economics. As stated by Secretary Powell in September 2003, "there is no region on earth that is more important to the American people than the Western Hemisphere." The United States has a profound interest in the successful, sustainable development of our hemisphere. A prosperous LAC region provides expanded opportunities for increased trade, and a peaceful hemisphere is paramount for our national security. USAID is fulfilling its development and humanitarian mandate in LAC countries as it continues to respond to the U.S. National Security Strategy. This strategy, as stated by President Bush, links "the future of our Hemisphere to the strength of three commitments: democracy, security and market-based development."

## EUROPE AND EURASIA

U.S. assistance to Central and Eastern Europe supports the following key U.S. policy objectives in the post-Cold War era: to develop competitive, market-oriented economies in which the majority of economic resources are privately owned and managed; to help develop democratic political systems; to develop transparent and accountable governance; to empower indigenous civic and economic organizations that ensure broad-based participation in political life; and to provide assistance toward redefining public and private sector roles in the management of humanitarian, health, and related social services fundamental to a stable transition.

## USAID ORGANIZATION

With headquarters in Washington, D.C., USAID's strength is its field offices around the world. We work in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other U.S. government agencies. USAID has working relationships with more than 3,500 American companies and over 300 U.S.-based private voluntary organizations.

## LEADERSHIP

USAID is headed by an Administrator and a Deputy Administrator. They are both appointed by the President of the United States and confirmed by the U.S. Senate.

## BUREAUS

In Washington, USAID's major organization units are called Bureaus. Each Bureau houses the personnel who are responsible for major subdivisions of the Agency's activities.

USAID has geographic Bureaus which are responsible for the overall activities in the countries where we have programs. In addition, USAID has functional, or pillar Bureaus that conduct Agency programs that are implemented world-wide or that cross geographic boundaries. Each Bureau is headed by an Assistant Administrator, appointed by the President and confirmed by the Senate.

## THE AGENCY'S GEOGRAPHIC BUREAUS

- Sub-Saharan Africa (AFR)
- Asia and the Near East (ANE)
- Latin America & the Caribbean (LAC)
- Europe and Eurasia (E&E)

## THE AGENCY'S PILLAR BUREAUS

- Global Health (GH)
- Economic Growth, Agriculture, and Trade (EGAT)
- Democracy, Conflict, and Humanitarian Assistance (DCHA)
- Global Development Alliance (GDA)

In addition, certain staff functions are also assigned to Bureaus.

## HEADQUARTER BUREAUS

- Management (M)
- Legislative and Public Affairs (LPA)
- Policy and Program Coordination (PPC)

## INDEPENDENT OFFICES

In addition to the aforementioned Bureaus, USAID has several independent offices that carry out distinct functions for the Agency. These offices are headed by Directors who are appointed by the USAID Administrator. USAID's Independent offices are:

- Office of the Executive Secretariat (ES) & Chief of Staff
- Office of Equal Opportunity Programs (EOP)
- Office of the General Counsel (GC)
- Office of Small Disadvantaged Business Utilization (OSDBU)
- Office of Security (SEC)

## INSPECTOR GENERAL

USAID is one of the Federal Entities covered by the Inspector General Act. As such, USAID has an Inspector General whose Office reviews the integrity of Agency operations through audits, appraisals, investigations and inspections.

## OVERSEAS STRUCTURE

USAID programs and personnel overseas are part of the U.S. Country Team and fall under the general oversight of the U.S. Ambassador. In addition to USAID Missions, USAID may also have a presence in the form of a USAID Office in those countries where no U.S. Embassy exists.

In some cases there are USAID multi-country missions that administer and provide services involving multiple countries or a regions. Regional offices also may represent U.S. interests in development assistance matters to other organizations such as various international development organizations and bilateral donors. Field offices of the Inspector General carry out comprehensive programs of audits and investigations. These offices include Regional Inspector General for Audit Offices, and Investigative Field Offices.

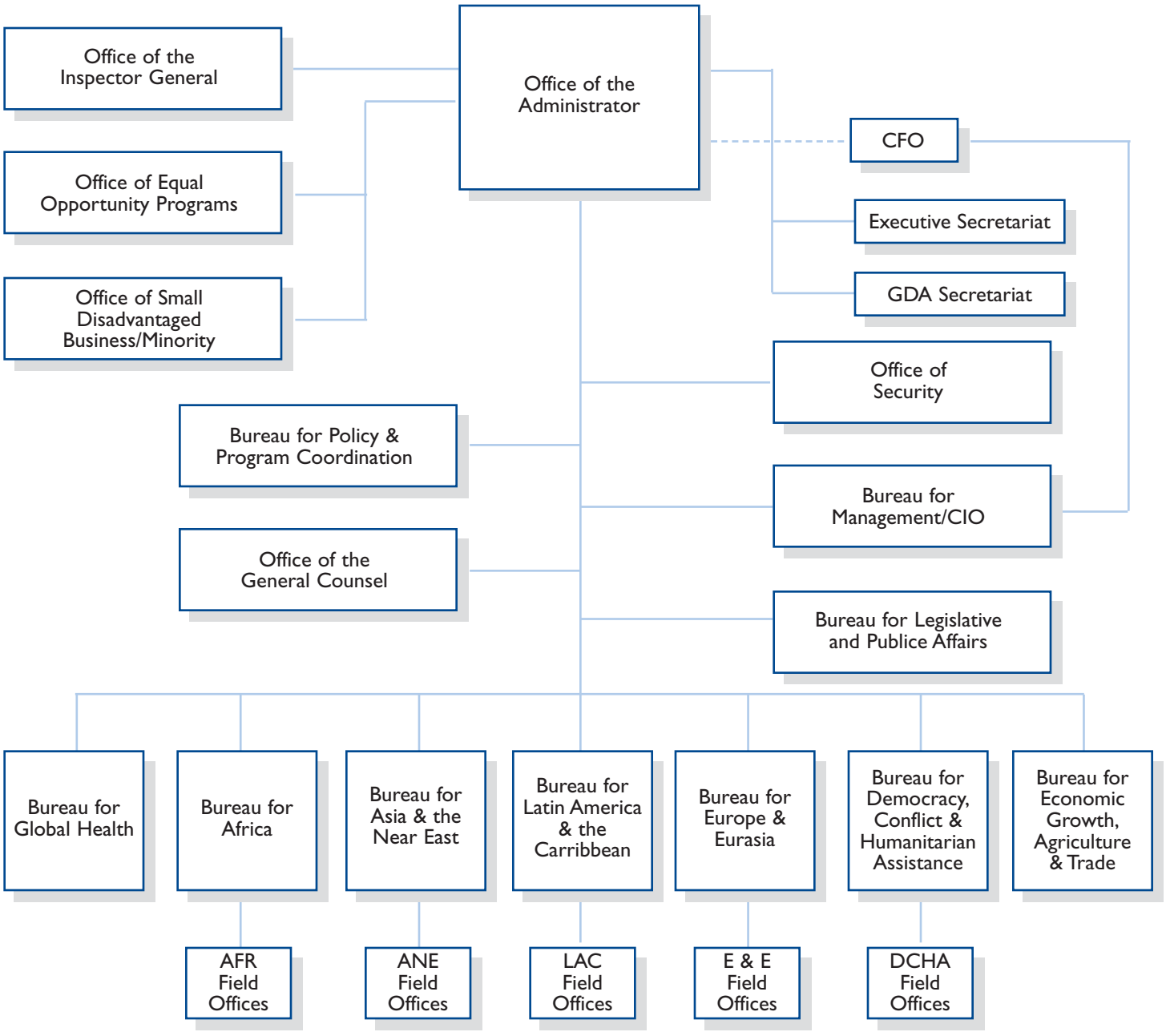
USAID

**Agriculture has been a USAID Development Initiative since our beginning as evidenced by this food packaging plant in Peru.**

### DID YOU KNOW?

A more complete description of these organizational units, authorities and responsibilities is available in Chapter 101 of the Agency's Automated Directives System (ADS), accessible at: www.usaid.gov/policy/ads.

# USAID ORGANIZATION CHART



**USAID has embarked upon a major effort to meet the demands of this new and extremely challenging environment.**

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**A school in Africa where USAID programs improve children's welfare, health, nutrition and education.**

## SUMMARY OF USAID'S FISCAL YEAR 2005 BUDGET

**Statement of the Administrator:** The post-September 11th world has put a premium on the effectiveness of this country's foreign assistance. Consequently, USAID has embarked upon a major effort to meet the demands of this new and extremely challenging environment.

We have five top priorities for the coming year: building a free and prosperous Iraq; winning the peace in Afghanistan; fighting HIV/AIDS; championing peace in Sudan; and supporting 17 Presidential or Administration initiatives. These priorities, along with the other elements of our FY 2005 programs, reflect our core mission: promoting transformational development; strengthening fragile states; and providing humanitarian relief.

Equally important, we are continuing an ambitious program of management improvements. Our highest priority in this domain is the Development Readiness Initiative (DRI). A three-year program that began in FY 2004 and was modeled after a similar State Department Diplomatic Readiness Initiative, the USAID DRI is designed to give the Agency's workforce the skills they need to meet the challenges of the future.

To meet these challenges, USAID requested $3.9 billion for its FY 2005 programs. We anticipate working with the Departments of State and Agriculture on joint programs valued at $4.8 billion. We will also manage a portion of the $1.45 billion requested for the Global HIV/AIDS Initiative in conjunction with the State Department's Global AIDS Coordinator and of the $2.5 billion for the Millennium Challenge Corporation.

## PROGRAM PRIORITIES

**Building a Free and Prosperous Iraq:** When USAID initiated programs in Iraq in 2003, a vacuum of political power coupled with limited infrastructure made for a difficult operating environment. Amid challenges, USAID is working closely with the Coalition of Provisional Authority in Iraq to provide humanitarian and reconstruction assistance with funds from the Iraq Relief and Reconstruction Fund to help the Iraqi people reclaim their country. Of the country's 25 million people, more than 19 million Iraqis have the new opportunity to engage in political discourse at the local level through interim bodies that USAID has supported at the community level. USAID is also restoring the power supply to health and educational facilities, water supply facilities, and infrastructure that contribute to the local economy and employment generation. Simultaneously, USAID is helping to restore basic healthcare services to vulnerable people and is strengthening the national education system.

**Winning the Peace in Afghanistan:** USAID is committed to the President's goal of seeing a stable and democratic Afghanistan that is free from terror and no longer harbors threats to our security. As an integral implementing agency for the supplemental funds for Afghanistan, USAID's reconstruction programs remain focused on six visible building blocks to support Afghan efforts to transform their society:

infrastructure, particularly improving secondary roads; agriculture and rural development targeted at enhancing food security through agricultural productivity and market development; targeted communities to improve education; economic governance programs aimed at banking, budget and investment law reform; health care, particularly reducing maternal mortality rates; and reconstituting the basic organs of governance. In fulfillment of one of the Presidential initiatives, USAID completed the first phase of reconstruction of the Kabul-Kandahar Highway in December 2003. This initiative has revitalized entire villages along the 389 kilometer route and is enabling the movement of the people, aid resources, and agricultural and trade goods essential to Afghanistan's development. The Administration's FY 2005 funding request for Afghanistan is $397 million to support these efforts by USAID.

**Fighting the HIV/AIDS Pandemic:** The HIV/AIDS pandemic is more than a health emergency. It is a social and economic crisis that is threatening to erase decades of development progress. The pandemic has tended to hit hardest in the most productive age groups and in developing countries that can least respond. Sub-Saharan Africa remains the most affected region with 70 percent of the total number of people worldwide living with HIV/AIDS. USAID's programs aim to reduce HIV/AIDS transmission and improve access to care, treatment, and support for people living with HIV/AIDS and children affected by HIV/AIDS. Under the leadership of the State Department's Global AIDS Coordinator, USAID will scale up its work in expanding access to anti-retroviral treatment, reducing mother-to-child transmission, increasing the number of individuals reached by community and home-based care, providing essential services to children impacted by HIV/AIDS, and promoting education and behavior change programs that emphasize prevention of transmission. The FY 2005 request for HIV/AIDS is $600 million. In addition, $1.45 billion is requested for the Global HIV/AIDS Initiative managed by the State Department Coordinator in partnership with USAID and other U.S. Government agencies.

**Championing Peace in Sudan:** USAID continues to be at the forefront of sustained international engagement to end Sudan's long North-South civil war. USAID and other donors are now preparing to shift from the long humanitarian focus in southern Sudan to longer-term recovery and development programs. However, during 2003, armed opposition to the central government broke out in western Sudan, where attacks on civilians and general insecurity have displaced more than one million people. USAID is working intensely with the Department of State, other donors and the United Nations to bring a political solution to this western conflict. It is unlikely that a North-South peace agreement that will require heavy support from the international community can be implemented while another war rages in the West. USAID's three-year strategic plan for Sudan for 2004-2006 has a new objective of support to the peace process, and continues the focus on education, health, economic recovery, and governance. For FY 2005, $81 million has been designated from the Development Assistance account and the Child Survival and Health Programs Fund for assistance to Sudan, $140 million in International Disaster and Famine Assistance, and $6 million in Transition Initiatives assistance.

**Supporting Other Key Presidential and Signature Initiatives:** The President's core development-related initiatives achieve a broad range of outcomes, from improving agricultural productivity to strengthening democratic institutions to protecting tropical forests. USAID is implementing these initiatives in a variety of ways, including delivering services directly, providing technical assistance and training to strengthen institutions, sponsoring policy analysis, and facilitating the sharing of ideas and approaches among people facing similar problems. All of these initiatives, four of which were already mentioned above, are being implemented in whole or in part by USAID.

In addition, USAID is playing a key role in implementing a number of Administration initiatives announced at the World Summit on Sustainable Development, including the Congo Basin Forest Partnership, the Initiative to End Hunger in Africa, the Trade for African Development and Enterprise Initiative, and the Water for the Poor Initiative. Other key pursuits include:

- Afghanistan Road
- African Education Initiative
- Centers for Excellence in Teacher Training
- Central America Free Trade Agreement
- Clean Energy Initiative

- Congo Basin Forest Partnership
- Digital Freedom Initiative
- Emergency Plan for AIDS Relief
- Faith-based and Community Initiatives
- Famine Fund
- Global Climate Change
- Global Fund to Fight AIDs, TB and Malaria
- Initiative Against Illegal Logging
- Initiative to End Hunger in Africa
- Middle East Partnership Initiative
- Mother and Child HIV Prevention Initiative
- Trade for African Development and Enterprise
- Volunteers for Prosperity
- Water and the Poor Initiative

## HARMONIZING STATE-USAID EFFORTS: BUILDING A COMMON VISION

In partnership with the Department of State, USAID developed a Joint Strategic Plan (JSP) for fiscal years 2004-2009. The JSP synchronizes diplomatic, security and development efforts around a set of common goals drawn from the President's National Security Strategy of 2002. In conjunction with the JSP, USAID is exploring new directions for development assistance, particularly as they relate to:

- Promoting transformational development
- Strengthening fragile states
- Providing humanitarian relief
- Supporting U.S. geostrategic interests
- Mitigating global and transnational ills

USAID is currently discussing these potential new directions with stakeholders within the Administration, in the Congress, and in the non-governmental foreign assistance community. USAID will factor the results of these discussions into changes that may be proposed for the structure or approach to program implementation.

## STRATEGIC DIRECTION

The FY 2005 Congressional budget justification carefully balances USAID's commitment to the five aforementioned development challenges. Several key themes that have formed the foundation of prior USAID programs cut across the broader themes of this new direction. Democratic governance, economic growth, agricultural development, environmental improvement, health and education enhancement, global market integration, conflict mitigation, disaster assistance, and public-private alliances are interdependent components of USAID's development, strategic and humanitarian programs. By working in concert with one another, these sectoral components and partnership approaches promote an agenda of improved governance, accelerated economic performance, and enhanced standard of living.

***Transformational development not only raises living standards and reduces poverty, but also transforms countries.***

**Promoting Transformational Development:** "Transformational" development is development that not only raises living standards and reduces poverty, but also transforms countries through far-reaching, fundamental changes in institutional capacity, human capacity, and economic structure. The primary determinant of progress in transformational development is political will by a country's leader, demonstrated by ruling justly, promoting economic freedom, and making sound investments in people. For USAID, this process would mean allocating resources among countries based on need and on commitment to good governance, as evidenced by actual policies and institutional performance. Where commitment to good governance is weak, USAID would sharply limit assistance that is intended to contribute to transformational development. Efforts toward transformational development would support fundamental changes in governance and institutional capacity, human capacity, and economic structure. The largest group of countries that have yet to experience transformational development is located in sub-Saharan Africa. Mali, for example, is a low-income country that has shown the political will to reform its policies and the institutional commitment to improve its economy. USAID would collaborate with its partners to assist such countries in attracting the financing they need and, equally important, acquiring technologies and ideas that will invigorate their development.

**Strengthening Fragile States:** Fragile states are characterized by a growing inability or unwillingness to provide even basic services and security to their populations. The goal in fragile states is stabilization, reform and recovery that provide the foundation for transformational development. Programs effective in providing this

foundation address the social components of instability and conflict, both microeconomic and macroeconomic aspects of the business climate, trade capacity, and oftentimes, agricultural productivity. Resources for fragile states would promote stabilization and consolidation in countries where a link to U.S. national security is present, and where U.S. assistance can make a difference. This is a new, difficult, and increasingly important area for foreign assistance, where all donors still have a great deal to learn about how to achieve results. USAID is developing a strategy for fragile states that focuses on the causes of institutional weakness and violent conflict, whether in circumstances of complex disaster, post-conflict reconstruction or stagnant growth. Resources would be allocated selectively, taking into account need, commitment (particularly quality of leadership), and the feasibility of achieving results. In Liberia, improving basic institutions of governance and enabling critical public services to be delivered are elements of USAID assistance aimed at promoting stability and recovery.

**Providing Humanitarian Relief:** As a global superpower, the United States maintains both the responsibility and impetus to save lives and alleviate the suffering of people in distress, regardless of the character of their governments. USAID is the lead U.S. Government agency in providing international humanitarian relief through food aid and disaster assistance resources. In collaboration with other U.S. Government agencies, humanitarian assistance is often provided to countries where USAID is concerned with development progress, overcoming fragility, combating HIV/AIDS and other communicable diseases, and addressing conflict and internal displacement of people. A second part of humanitarian relief is seeking means of preventing the recurrence of health and environmental emergencies. USAID humanitarian assistance, such as famine relief in Ethiopia, when coupled with programs to strengthen macro- and micro-level economic institutions, lessens the likelihood that individual crises will recur.

**Supporting U.S. Geostrategic Interests:** As an essential arm of U.S. foreign policy, foreign aid plays a vital role in supporting U.S. geostrategic interests. Strategic states are those countries in which the U.S. Government is pursuing a specific, high priority, foreign policy objective. For strategic states, USAID will manage resources, in close consultation and coordination with the Department of State and other U.S. Government agencies, to accurately identify and agree on the objectives and desired results in each country.

**Mitigating Global and Transnational Ills:** As communication and transportation improvements reduce relative distance between countries, our collective vulnerability to disease, global environmental concerns, and international criminal activity has increased. Progress in global and transnational issues depends on collective efforts and cooperation among countries. Attacking the global HIV/AIDS pandemic illustrates one transnational ill that is best served by a coalition of forces. The Global AIDS Initiative unites efforts of the Department of State, Department of Defense, Department of Health and Human Services, and USAID to enhance the effectiveness of resources in addressing the pandemic. Strategic planning to address transnational challenges must include emphasis on interagency and international cooperation, coordination and collaboration. USAID is committed to do its part by continuing to develop the Global Development Alliance (GDA). Private sources of foreign assistance provide nearly $33.6 billion per year. GDA focuses these resources to benefit from the economies of scale that are generated when all sources are working in concert to achieve common development goals.

## MANAGEMENT REFORMS

The demand to meet complex foreign policy and international development challenges requires a USAID with modern business systems, organizational discipline, and the right number of qualified, well-trained people to manage its programs. The ability to hire the right people ready to be deployed quickly to the right place plays an essential role in USAID's capacity to serve as a leader in international development. Staffing U.S. missions overseas with the appropriate number of qualified personnel to meet the demands of development and humanitarian relief ensures competent, adequate U.S. representation on the ground. This budget request includes the funds necessary to establish recruitment and hiring resources to ensure that USAID has the proper staffing to achieve program success. With current staffing levels, we have made great progress in management improvements that are in concert with the President's Management Agenda priorities. USAID's successes include:

- Nearing completion of a Human Capital Strategy which includes the Development Readiness Initiative modeled after the Department of State's Diplomatic Readiness Initiative
- A new organizational restructuring that has de-layered the Agency and continues to strengthen program management capacity in the field by centralizing technical leadership
- Improved financial performance that has culminated in the first-ever unqualified, clean audit opinion awarded by the Office of the Inspector General for all five categories of year-end financial statements
- Establishment of an Agency "best practices" model for Enterprise Architecture (EA) and making progress on developing a joint EA with the Department of State
- Progress on joint financial management systems collaboration with the Department of State and progress on procurement systems modernization, including plans to accelerate a joint acquisition and assistance automation application that will be deployed to overseas missions
- A new, operational Capital Planning and Investment Control process to manage, monitor, and evaluate the efficiency and effectiveness of major technology investments
- A comprehensive review of programs in Development Assistance and Child Survival and Health in the Bureau for Latin America and the Caribbean, the Office of Transition Initiatives, and in our contribution to the State Department's Europe and Eurasian Affairs program in accordance with the Office of Management and Budget's Program Assessment Rating Tool (PART)

## THE ROAD AHEAD

The FY 2005 budget for USAID builds on the progress achieved in management improvements already undertaken. USAID is prioritizing collaborative activities with the Department of State in management areas common to both agencies such as standardization of operations, implementation of a staff and workforce plan to meet the challenges of the future, and using the PART to inform strategic budgeting practice.

A hallmark of our new role under the National Security Strategy is the closer relationship USAID is developing with the Department of State as reflected in the joint strategic plan. As a result of this closer collaboration, USAID and the State Department have established the Joint Policy and Management Councils. These councils provide a formal venue for timely cooperation and coordination on a range of program, budget, and management issues. This closer cooperation with the Department of State will facilitate our efforts to develop joint financial management and procurement systems as well as a joint Enterprise Architecture. This cooperation has led to a pilot program to allow cross-over assignments in which staff from each agency can bid on a selected list of positions in the other agency. We are also exploring how to better share other services and to coordinate our program and budget process.

USAID's budget priority is to ensure that improvements in the management and performance of our programs are carried out by the appropriate number of qualified people. The Development Readiness Initiative (DRI) will strengthen the Agency's ability to respond to crises and emerging priorities by closing critical staffing gaps that are currently restricting the Agency's ability to position the right people in key positions overseas and in Washington. USAID plans to hire up to 50 new foreign and civil service staff in FY 2005. This budget also seeks authority to convert up to 50 currently program-funded personal services contractors to permanent direct-hire employees. These new staff, in addition to the up to 255 new non-career, limited-term, program-funded, Foreign Service employees that USAID plans to hire for overseas assignments through FY 2006, using the authority provided in the FY 2004 Consolidated Appropriations Act, will help ensure that USAID employees are well-trained and prepared to meet the challenges of a post-September 11th world.

Beginning with the Foreign Operations chapter of the FY 2004 Consolidated Appropriations Act, USAID is tasked with development of an administrative cost rate that it can apply to programs in the Asia and Near East region that are not covered under the current budget. The act authorizes USAID, in collaboration with the State Department and the Office of Management and Budget, to develop and implement a pilot program to determine and recover the actual operating and administrative costs of two-country or regional programs. The results of these pilots will inform the development of possible alternatives or revisions to the current budgeting approach for USAID operating expenses.

With respect to the Office of Management and Budget's program assessment rating tool (PART) for evaluating the budget and performance integration element of the President's Management Agenda, USAID plans to assess the Child Survival and Health Fund and Development Assistance programs in the Bureau for Asia and Near East, the Development Credit Authority, the Office of the Inspector General, and the Operating Expense budget for the entire Agency. By the end of FY 2005, USAID will have assessed 80 percent of its programs. USAID uses PART results to shape the Agency's budget request.

As a result of the PART assessment of USAID's population program, for example, USAID has taken steps to allocate funds more strategically, taking account of country-level needs (measured in terms of population density, fertility, and unmet need for family planning). As a result, USAID shifted over $30 million of the Child Survival and Health Programs Fund population allocation to countries with higher needs.

## THE BUDGET REQUEST

The FY 2005 budget request for USAID represents a new approach toward meeting complex challenges in a post-September 11th environment. The request sets priorities that move the President's economic growth and governance agenda forward in ways that promote aid effectiveness and real transformation. It also helps states not yet committed to transformation move toward stability, reform, and recovery. The assistance addresses global and transnational ills, supports individual foreign policy objectives in geostrategically important states, and continues USAID's premier capacity to offer humanitarian and disaster relief to those in need.

## KEY FUNDING SOURCES

At present there are various funding sources which support USAID's sustainable development mission. Key funding sources are discussed below.

Note: Additional information is available in the Agency's Congressional Budget Justification, found at: http://www.usaid.gov/policy/budget/cbj2005/

***HIV/AIDS programs focus on prevention, care, and treatment efforts and the support of children affected by AIDS, and include $100 million for the Global Fund for AIDS, Tuberculosis, and Malaria. USAID will play a significant role in the implementation of the President's Emergency Plan for AIDS Relief.***

### 1. Child Survival and Health Programs Fund

USAID's Child Survival and Health Program Fund (CSH) reflects the President's continuing commitment to improved health interventions that address critical health, HIV/AIDS, nutrition and family planning needs world wide. Investing in health of the world's population contributes to global economic growth, reduction of poverty, a sustainable environment and regional security. CSH funding supports programs that expand basic health services and strengthen national health systems to significantly improve people's health, especially that of women, children, and other vulnerable populations. A major focus for the use of these funds is in sub-Saharan Africa. As HIV/AIDS and other infectious diseases continue to threaten the health of families and children in developing countries world wide, the Agency works to eliminate these threats.

HIV/AIDS programs focus on prevention, care, and treatment efforts and the support of children affected by AIDS, and include $100 million for the Global Fund for AIDS, Tuberculosis, and Malaria. USAID will play a significant role in the implementation of the President's Emergency Plan for AIDS Relief. USAID programs are integrated within the overall policy and strategic direction of the President's Emergency Plan for AIDS Relief (PEPFAR).

USAID will play a significant role in the implementation of the PEPFAR, particularly in 14 focus countries in Africa and the Caribbean.

### 2. Development Assistance

Development assistance is now recognized as playing a pivotal role in meeting U.S. national security challenges in the developing world, especially in supporting economic growth through fighting hunger and poverty, promoting education, and helping sustainable management of the world's natural resources, as well as promoting democratic governance and reducing the sources of conflict.

The Development Assistance account includes funding for two of the Agency's program pillars (Economic Growth, Agriculture and Trade; and Democracy, Conflict and Humanitarian Assistance), and limited funding for the Global Development Alliance, to encourage stronger partnerships with a full array of private and public sources.

The Administration's request for the Development Assistance account, $1.329 billion, includes funding for two of the Agency's program pillars (Economic Growth, Agriculture and Trade; and Democracy, Conflict and Humanitarian Assistance), and limited funding for the Global Development Alliance, to encourage stronger partnerships with a full array of private and public sources.

The $1.121 billion in funds requested under the **Economic Growth, Agriculture and Trade** pillar will focus on building stronger economies that are soundly governed, broader based, and integrated into the global trading system. Programs also encompass environment, energy, gender, urban development and education activities. This pillar focuses on the following:

Agriculture programs will rebuild agricultural capability in developing countries, especially sub-Saharan Africa under the Presidential Initiative to End Hunger in Africa. Programs will focus on promotion of sustainable agriculture, reducing hunger, and providing for technology transfers, including biotechnology.

Economic growth programs focus on trade and investment by strengthening private markets, providing access to economic opportunity for the rural and urban poor, and supporting microenterprise lending-thereby increasing the capacity of developing countries to participate in, and benefit from, global trade and investment. Notable programs include the Presidential Initiatives of Trade for African Development (TRADE) Initiative, the Central America Free Trade Agreement (CAFTA) program, and the Digital Freedom Initiative. Education and training programs include basic education programs to strengthen pre-primary, primary, and secondary education, and adult literacy, as well as teacher training. Efforts are focused primarily in Africa and Latin America with two Presidential initiatives—African Education and the Centers for Excellence in Teacher Training. Programs also include targeted work in South Asia and the Near East. Development Assistance will also fund programs for higher education and training. USAID's programs strongly emphasize the need to ensure equitable access for girls, especially in Africa and the Near East. Funds will also be used for programs for higher education and workforce training.

***Development Assistance will focus on conflict prevention, democracy and local governance, and human rights.***

Environment programs will reduce the threat of global climate change, conserve biological diversity, promote sound management of natural resources including forests, reduce illegal logging, provide access to clean water and sanitation, improve watershed management; promote sustainable urbanization and pollution control, and increase renewable and clean energy services. The request includes funding for four Presidential environmental initiatives—Water for the Poor, Clean Energy, Congo Basin Forest Partnership, and Global Climate Change. The Initiative Against Illegal Logging is the most comprehensive strategy yet undertaken by any nation to address this critical challenge.

The request for **Democracy, Conflict, and Humanitarian Assistance (DCHA)** funding is $208 million.

Development Assistance will focus on conflict prevention, democracy and local governance, and human rights by strengthening the rule of law and respect for human rights, encouraging credible and competitive political processes, promoting the development of a politically active civil society, and making government institutions more transparent and accountable. USAID will continue to fund programs that strengthen democratic systems of governance by supporting elections, encouraging credible and competitive political processes, encouraging vibrant and politically active civil societies, engendering respect for the rule of law, promoting security, addressing anti-corruption requirements, and fostering human rights. USAID will also fund programs to help prevent trafficking of persons and assist victims of war and victims of torture. This request is based on the understanding that democratic governments are

more likely to observe international laws and pursue policies that reduce poverty and terrorism.

In addition to this Development Assistance request, the request for the DCHA pillar also includes funding for the following accounts: International Disaster and Famine Assistance (IDFA), Transition Initiatives (TI), and P.L. 480 Title II. Under this authority approximately half of the food assistance budget will be set aside for emergency situations and programmed as events unfold. The balance is programmed both to relieve chronic food shortages and finance developmental activities.

**The Global Development Alliance (GDA)** mobilizes resources from and alliances with U.S. public and private sectors in support of USAID objectives. In Brazil, for example, USAID is working with private companies and NGOs to encourage low-impact logging. In Angola, USAID is cooperating with a U.S. oil company to promote small business development in rural communities. FY 2005 represents the forth year of existence for GDA, and its principles have become integrated into Agency strategies and practices.

**3. International Disaster and Famine Assistance (IDFA)**
The International Disaster and Famine Assistance fund supports emergency relief, rehabilitation and reconstruction assistance in response to natural and man-made disasters that often are accompanied by displacement of large numbers of people. These programs include support for health interventions, agriculture and food security, nutrition, and water and sanitation. IDFA also provides funds for famine prevention and relief, helping to avert famine in places such as Ethiopia. The IDFA includes post-peace agreement relief, rehabilitation and reconstruction in Sudan. It also includes funding for famine prevention and relief. Use of these famine-related funds is subject to Presidential approval and is intended to support early intervention either to preempt famine or mitigate the impact.

Increasing emphasis is being placed on applying preparedness and mitigation lessons learned to deal with complex emergencies; countries such as Afghanistan and Sudan continue to be a cause for concern. The President has designated the USAID Administrator as Special Coordinator for International Disaster Assistance. USAID works closely with the Departments of State and Defense to coordinate American relief efforts and coordinates with U.S. private voluntary organizations, non-governmental organizations, other USG agencies, and other donors.

**4. Transition Initiatives (TI)**
The Transition Initiatives account provides funding that advances peace and stability by conducting fast and flexible interventions in priority conflict-prone and post-conflict countries. The funds address the needs of pre- and post-transition countries experiencing significant political changes or facing critical threats to basic stability and democratic reform. TI programs are initiated in countries or situations where the nature of governance is shifting from authoritarian rule to more open societies.

These short-term, high-impact projects involve local, national, international, and non-governmental partners and are designed to increase momentum for peace, reconciliation, and reconstruction. In FY 2005, funds will support programs currently in Angola, Burundi, Democratic Republic of Congo, Iraq, Sri Lanka, Sudan, and Venezuela, and new programs in Liberia and Bolivia.

**5. Development Credit Program**
The requested transfer authority for FY 2005 would apply to FY 2005 appropriations and funds transferred would remain available for use through FY 2008. In FY 2005, the transfer authority will be used to support activities such as bond financing, micro small and medium enterprise (MSME) development, competitive financial services, and creative municipal financing, clean energy, and clean water initiatives.

The Development Credit Program (DCP) allows USAID to use credit as a flexible development tool for a wide range of development purposes in historically under-served markets. It also increases grant assistance by mobilizing capital in developing countries for sustainable development projects, and it is often the best means to leverage private funds for development purposes. It is not intended for sovereign credit activities.

The request for FY 2005 includes funds for administrative costs to manage the DCP. This budget includes funds for contractors to conduct analyses of the financial and economic viability of DCP projects.

**6. Capital Investment Fund (CIF)**
The Capital Investment Fund is a one-year fund that provides the Agency with greater flexibility to manage investments in information technology

systems and overseas facility construction that the annual appropriation for USAID Operating Expenses does not allow.

The CIF includes funding for Information Technology, that will support major systems and infrastructure improvement projects that have substantial impact on Agency operations and results, including the implementation of worldwide accounting, procurement systems modernization, full participation in E-Government initiatives, and development of joint enterprise architecture with the Department of State.

In addition, funds are reserved for construction overseas to build new USAID office facilities co-located on embassy compounds to locate staff in secure work environments through the Department of State's proposed new capital cost-sharing program and relocation and communication costs for these offices. The Secure Construction and Counterterrorism Act of 1999 requires that USAID co-locate on new embassy compounds.

**7. Economic Support Fund**
The Economic Support Fund supports the economic and political foreign policy interests of the United States. The request focuses on the top U.S. priorities—the war on terrorism, providing assistance to the front-line states and building new relationships as the campaign against global terrorism widens. To the extent possible, the use of Economic Support Funds also conforms to the basic policy directions underlying development assistance and programs that support USAID's four strategic pillars.

**8. Assistance for Eastern Europe and the Baltic States**
The Assistance for Eastern Europe and the Baltic States will help stabilize southeast Europe and support the region's transition into the European and trans-Atlantic mainstream. Although there are no longer USAID missions in the European northern tier, legacy mechanisms are in place for grant-making funds, managed by private foundations, such as the Baltic-American Partnership Fund.

In Southeast Europe, highest priority programs promote stability, rule of law and efforts against corruption and trans-border crime, effective governance, and crucial growth in the private sector to spread the benefits of difficult reform.

***FSA funds will continue to support small- and medium-sized private businesses through training, exchanges and greater access to credit.***

**9. Assistance for the Independent States of the Former Soviet Union**
The Assistance for the Independent States of the Former Soviet Union supports continuing programs of USAID and other agencies supporting economic and democratic transition and the war on terrorism. Funding underscores the continued U.S. commitment to the region and the vital role played by the front-line states in the coalition against terrorism, as well as supporting efforts against illicit narcotics, HIV/AIDS, and trafficking in persons.

Funds for Russia will support market reform programs in Russia and economic and political reforms in Georgia. An intensive counternarcotics program is aimed at stemming the flow of heroin from Afghanistan through Central Asia, and support for civil society, independent media, the rule of law, and civic education.

Central Asian countries having elections scheduled in 2005 will receive funding to support free and fair electoral processes, to train political parties, support unbiased media, election monitoring, and technical assistance to reform electoral laws.

FSA-supported health care programs will assist inefficient health care systems, improve maternal and infant health, and enhance the ability of Eurasian countries to fight infectious diseases (particularly HIV/AIDS and tuberculosis in Russia, Ukraine, and Central Asia). Funds also will be directed toward prevention and education, pilot treatment efforts, and technical assistance to leverage assistance from the Global Fund and others sources to address the threat of HIV/AIDS and TB.

FSA funds will continue to support small- and medium-sized private businesses through training, exchanges and greater access to credit.

In addition, The Organization for Security and Co-operation in Europe (OSCE) will receive funds to promote human rights, democratization, economic development and environmental

protection in Eurasia. Funds will again be provided to facilitate more trade and to enhance law enforcement cooperation among Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova.

**10. Andean Counterdrug Initiative (USAID-Managed Portion Only)**

The Andean Counterdrug Initiative account (ACI) supports a comprehensive strategy to reduce the flow of drugs to the United States and prevent instability in the Andean Region. This account is appropriated to the Department of State; the State Department transfers some of these funds to USAID to manage alternative development programs. The State Department FY 2005 request for alternative development programs includes funds to be managed by USAID.

USAID uses Andean Counterdrug Initiative funds in four Andean countries—Bolivia, Colombia, Ecuador and Peru. In each country USAID seeks to change the underlying conditions that lead people to cultivate illicit narcotics.

In Bolivia, USAID provides technical assistance and infrastructure to eliminate illegal and excess coca by increasing net household income from licit sources, providing productive and social infrastructure and making local governments more effective and efficient in responding to increased citizen demands.

In Colombia, the USAID program has three objectives: stemming the flow of illegal drugs into the United States by encouraging small producers to join the legal economy through legal economic activities; promoting more responsive, participatory and accountable democracy; and relieving the plight of Colombian refugees.

In Ecuador, USAID seeks to contain the spread of a coca/cocaine economy by strengthening northern border communities through providing productive and social infrastructure, strengthening of local government capacity and citizen participation, and increasing employment and income through licit productive activities.

In Peru, USAID uses a multi-sector, integrated development approach focused on providing immediate economic and social impact via temporary income, community organization and other short-term support in communities where coca is eradicated and promoting sustainable economic and social development in and around the primary coca-growing areas via infrastructure projects, technical assistance, and training.

In all four of the countries USAID also seeks to generate political will, encourage key behavior change, and disseminate accurate information to beneficiaries through a crosscutting communications program.

**11. Title II P.L. 480 Food for Peace Programs**

The United States uses its abundant agricultural resources and food processing capabilities to enhance food security and combat problems of malnutrition in the developing world both through emergency food aid responding to the critical food needs of targeted vulnerable groups and through development food aid focused on enhancing household nutrition or increasing incomes and agricultural production. Provided via private voluntary organizations (PVOs) and the UN's World Food Program (WFP), emergency food aid, such as in Afghanistan and Sudan, not only saves lives but also mitigates the immediate effects of conflict and contributes to the stabilization of war-torn societies. Development food aid is provided via multi-year commitments to PVOs, as well as through a portion of the biennial pledge to the WFP.

**DID YOU KNOW?**

For additional information on the USAID funding sources and FY 2005 budget go to the Agency website at http://www.usaid.gov/policy/budget/.

# ACQUISITION AND ASSISTANCE INSTRUMENTS

## USAID utilizes various acquisition and assistance instruments to implement its activities.

USAID

**Children in Mali benefit from USAID programs designed to improve children's welfare, health, nutrition and education.**

USAID utilizes various acquisition and assistance instruments to implement its activities. Contracts, indefinite quantity contracts, grants, cooperative agreements, and purchase orders are some of the instruments that are negotiated and signed worldwide by USAID. These instruments provide a variety of commodities and technical assistance to support the attainment of the Agency's objectives.

It is important to note the distinction between assistance and acquisition for procurement purposes. **Acquisition** refers to obtaining goods and services, through various types of contracts, for the use or benefit of the Agency. Acquisition is governed by the Federal Acquisition Regulations (FAR), the USAID Acquisition Regulations (AIDAR), and the USAID Automated Directive System (ADS). **Assistance** refers to transferring funds (or other valuables) from USAID to another party for the implementation of programs that will contribute to the public good through the furtherance of the objectives of the Foreign Assistance Act. Assistance is governed by USAID Regulation 26 (22 CFR 226) 0MB Circulars and the ADS.

At present, the Office of Acquisitions and Assistance performs the following services:

- Provides direct contracting and grant services for Washington and overseas offices
- Provides Washington contact with U.S. commodity suppliers and foreign embassies
- Provides direct contracting for ocean freight services as well as aircraft in support of the Office of Foreign Disaster Assistance
- Establishes provisional and final overhead rates for organizations doing business with USAID

Only warranted Contracting/Agreement Officers in Washington and overseas have the authority to sign procurement and assistance instruments.

### ACQUISITION ACTIVITIES

**1. Obtaining the Services of an Individual**

Services of an individual fall within two categories: personal services and non-personal services.

- **Personal Services**: are those which, because of the nature of the services, require an employer/employee relationship.
- **Non-Personal Services**: are those services that are performed independently based upon a scope of work that requires an end product or service. These services can be obtained by contract or, more

commonly, by purchase order. Purchase orders may be awarded for amounts of $100,000 or less.

**2. Obtaining the Services of Firms, Universities and Non-Profits**

To obtain the services of firms, universities, and non-profits through contracts, the Government requirement must be generally advertised, negotiated, and awarded through full and open competition procedures. The sequence of some of the key steps involved in the contracting process is described below:

- **Step 1**: 8 (a) and Small Business Set-aside applicability is determined by the Contracting Officer in consultation with Office of Small and Disadvantaged Business Utilization.
- **Step 2**: The requirement is advertised in the Government Point of Entry (GPE), http://www.fedbizopps.gov and posted on the USAID Internet Site at least 15 days prior to the issuance of the Request for Proposals (RFPs).
- **Step 3**: The RFP is issued in hardcopy, if requested, or through the internet site with proposals due at the designated location not less than 30 days later.
- **Step 4**: Technical proposals are evaluated by a Technical Review Committee while cost proposals are evaluated by the Contracting Officer.
- **Step 5**: Based upon the combined technical and cost evaluations, the Contracting Officer determines a competitive range which includes all those offers with reasonable expectation of winning the contract; (be advised that award may be made upon initial proposals, in which case go to Step 8b).
- **Step 6**: Negotiations are conducted with all those included in the competitive range; negotiations may include technical and/or cost considerations.
- **Step 7**: Best and Final Offers (BAFOs) are requested at the conclusion of negotiations; offerors may revise technical and cost elements of their proposals.
- **Step 8**: a) The BAFOs are evaluated and b) award is made to the offeror providing the greatest value to the Government, cost and technical factors considered.

***Micro-purchases are those defined as purchases at the $2,500 threshold or less. These purchases do not require competitive quotes to be submitted.***

**3. Indefinite Quantity Contracts (IQCs) – Task Order Contracts**

The Agency has awarded several IQC/Task Order Contracts to provide services quickly. Most contracts are awarded by USAID/Washington with orders generated from Washington as well as overseas. They cover many functional categories including but not limited to the following: health, education, governance, and management. Some features of the contracts are:

- They are awarded competitively (see #2 above)
- The Agency is committed to a minimum payment under each contract
- Each contract establishes a maximum for the amount and level of services to be supplied by the contractor
- The Agency cannot specify individuals who will be provided under the order
- Orders are normally processed within 3 weeks

**4. Simplified Acquisition**

The term "simplified acquisition" is the state-of-the-art term for small purchases. As a result of the implementation of the Federal Acquisition Streamlining Act (FASA) of 1994, various changes to the simplified acquisition process are now in effect. All acquisitions exceeding $2,500 and not exceeding $100,000 (the current simplified acquisition threshold) are reserved for small businesses.

### MICRO-PURCHASES

Micro-purchases are those defined as purchases at the $2,500 threshold or less. These purchases do not require competitive quotes to be submitted. Prompt payment discounts will be accepted and are encouraged.

### PURCHASES EXCEEDING THE MICRO-PURCHASE THRESHOLD

Competition must be obtained unless a sole source justification has been approved. Competition is deemed to have occurred when three sources have been solicited. Both written and oral solicitations are acceptable. Award is usually made on a best value basis where price alone, or price as well as other factors, are considered.

Pursuant to Federal Acquisition Regulations (FAR) 5.101, contract actions expected to exceed $10,000, but not expected to exceed $25,000, are displayed on the USAID Business and Procurement website

(http://www.usaid.gov) under the heading "Download Available USAID Small Purchases Opportunities." These proposed procurement actions are listed on the website in lieu of being posted on an announcement board in the Ronald Reagan Building.

**5. Commodity Procurement**

### COMMODITY IMPORT PROGRAM (CIP)

USAID provides grant assistance in the form of a Commodity Import Program (CIP). These grants finance the procurement of a wide variety of basic commodities needed in the host country economy. To participate in a CIP, suppliers submit bids in response to competitive tenders issued by foreign importers. Resulting transactions then occur directly between American suppliers and foreign importers.

### PROJECT COMMODITIES

USAID provides funding to finance the procurement of commodities. These commodities are purchased in support of various USAID country specific objectives.

### ADVERTISING COMMODITY REQUIREMENTS

CIP and project commodity procurement requirements are advertised in the Procurement Information Bulletin (PIB). The PIB is a USAID publication listing Agency commodity requirements.

Formerly distributed by U.S. Mail, the PIB is now available on the USAID internet web page. The internet web address is www.usaid.gov. When in our web page, click on "Business and Procurement," then on "USAID Procurements" and then on "Procurement Information Bulletins."

**6. Title XII Set-Asides**

Title XII of the Foreign Assistance Act (FAA) permits other than full and open competition when contracting with U.S. land-grant universities for agriculture-related activities.

**7. Competition Exceptions**

While most acquisitions are conducted under full and open competition procedures, there are times when "other than full and open competition" procedures may be appropriate. The following seven circumstances (found in Federal Acquisition Regulation, Part 6), if justified, may allow for other than full and open contracting procedures to be conducted.

### SOLE SOURCE

When there is only one source deemed capable of filling the requirement

### UNUSUAL AND COMPELLING URGENCY

The requirement is so urgent that a delay in the award would cause serious injury to the U.S. Government

### INDUSTRIAL MOBILIZATION, RESEARCH OR ENGINEERING CAPABILITY

Used in certain cases where industrial mobilization, engineering development, or research capability is required

### INTERNATIONAL AGREEMENT

To be used when the terms of an international agreement or treaty requires contracting through other than full and open competition

### AUTHORIZED OR REQUIRED BY STATUTE

Such as Federal Prison Industries, the 8(a) program, blind-made products, and the Robert T. Stafford Disaster Relief and Emergency Assistance Act, etc.

### NATIONAL SECURITY

To be used when disclosure of the Government's needs would compromise the national security (e.g., would violate security requirements)

### PUBLIC INTEREST

To be used when none of the other authorities listed above apply. This exception requires determination by the Administrator and 30 days advance notice to Congress.

In addition to the above exceptions to full and open competition, USAID acquisition regulations (AIDAR) provide further circumstances that allow for other than full and open competition procedures to be utilized. The AIDAR authorizes other than full and open competition when not to do so would impair or otherwise have an adverse effect on programs conducted for the purpose of foreign aid, relief, and rehabilitation. The authority may be used for the following circumstances:

- **Personal Services**: which are to be exclusively performed overseas or if otherwise authorized by law
- **Contracts for $250,000 or less**: which are procured by an overseas USAID Mission
- **Multiple Award Indefinite Quantity Contracts**: Exception for any category of small or small disadvantaged business that received one of the contracts awarded

- **When a judgment is made by the cognizant Assistant Administrator or the Administrator**: that compliance with full and open competition procedures would impair the objectives of the Foreign Assistance Act
- **Disaster Assistance**: to support disaster assistance efforts under certain circumstances. (Applies to the Office of Foreign Disaster Assistance, only.)
- **Follow-On Contract Modification**: An award for the continued provision of highly specialized services when an award to another resource would result in substantial additional costs to the government or would result in unacceptable delays

## ASSISTANCE ACTIVITIES

### 1. Grants

With a grant USAID agrees to fund, in whole or in part, the program of a non-governmental organization (NGO), university, or institution that will contribute to the public purpose. Responsibility for achieving program objectives rests with the recipient.

### 2. Cooperative Agreements

A Cooperative Agreement is administered in the same manner as a grant with the one difference being that of substantial involvement by USAID. Substantial involvement may include such matters as:

- Approval of annual work plans
- Designation of key positions and approval of key personnel
- USAID approval of monitoring and evaluation plans and USAID involvement in monitoring progress toward the achievement of program objectives during the course of the cooperative agreement

It should be noted that these are areas of involvement, not control. Also, while for-profit firms are eligible for grants and cooperative agreements, it is USAID's policy not to pay a fee or profit under such assistance instruments.

### 3. Competition Requirements

It is USAID policy to compete all grants and cooperative agreements.

***With a grant USAID agrees to fund, in whole or in part, the program of a non-governmental organization (NGO), university, or institution that will contribute to the public purpose.***

Competition is defined as being met when the requirement has been announced and award was made following an impartial review and evaluation of all applications received. USAID shall announce its assistance requirements by publishing an Annual Program Statement (APS) or a Request for Applications (RFA). APS' and RFAs shall be posted on the USAID Internet Site except when a program is specifically designed only to be available for local (indigenous) organizations in which case announcement in local publications, Mission Bulletin Boards, or other means shall substitute for announcement on the Internet.

Competition is not required for the following categories of assistance awards:

- Amendments to existing assistance awards
- Follow-on awards intended to continue or further develop an existing assistance relationship
- Awards based on unsolicited applications, provided that the Strategic Objective/Results Package team or the head of the Operating Unit certifies that the proposals were not solicited by USAID; that they are unique, innovative, or proprietary; and that they represent appropriate use of USAID funds to support or stimulate a public purpose
- Awards for which one recipient is considered to have predominant capability based on experience, specialized facilities, technical competence, or an existing relationship with the cooperating country or beneficiaries
- Those geo-political or exiguous situations which the cognizant Assistant Administrator or the Office Director who reports directly to the Administrator deems to be critical to the objectives of the foreign assistance program

### DID YOU KNOW?

The Procurement Information Bulletin (PIB) is a USAID publication listing Agency commodity requirements.

**Minority Serving Institutions (MSIs) are institutions of higher education in the United States that either historically or currently have ethnic minority student enrollments of more than 25 percent.**

JOHN L. GRAHAM, OSU

DEPT. OF STATE/BASIL SHAHIN

**The USAID Commodities Program allows for the purchase of U.S. goods and export to people in need.**

# SMALL BUSINESS PROGRAMS

**A small business is an entity that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, organized for profit and qualified under specific criteria and size standards.**

USAID

**A USAID program results in solar energy replacing kerosene lanterns in Uganda.**

A small business is an entity that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, organized for profit and qualified under the criteria and size standards, including its affiliates, as set forth in the 13 Code of Federal Regulations (CFR) and Federal Acquisition Regulation (FAR) Part 19.

## 8 (A) PROGRAM

Section 8(a) of the Small Business Act permits a small business which is unconditionally owned and controlled by one or more socially and economically disadvantaged individuals who are of good character, citizens of the United States, and which demonstrates potential for success to obtain government contracts without competition or through competition limited only to 8(a) firms. Some important points to note are:

1. The small business must register with and be certified by the Small Business Administration (SBA) to be considered an 8(a) firm.
2. 8(a) firms market their capabilities directly to USAID's OSDBU and Program Offices or are identified by USAID's OSDBU or Office of Acquisition and Assistance (OAA) for new requirements. The USAID's OAA will formally indicate intentions to award an 8(a) contract by submitting a written offering letter to SBA.
3. Contracts under $3 million are set-aside for a single 8(a) firm. However, USAID may request SBA approval to compete the contract among a limited number of 8(a) firms selected by USAID.
4. Contracts over $3 million must be awarded on the basis of competition between eligible 8(a) firms.
5. An 8(a) contract is one between USAID and SBA, wherein the 8(a) firm is a subcontractor to SBA.
6. Currently, the SBA and the USAID have Partnership Agreement (PA) which establishes basic procedures for expediting the award of requirements pursuant to section 8(a) of the Small Business Act.
7. The PA reduces the interval between the time USAID sends an offering letter to the SBA and SBA's acceptance of the offering to maximum of five working days.
8. The PA eliminates SBA review of contracts and purchase orders executed under the authority of the PA.
9. 8(a) firms also qualify as disadvantaged enterprises, but the reverse is not necessarily true.

## SMALL BUSINESS SET-ASIDE CONTRACTS

In addition to the 8 (a) program described above, the U.S. Government has a program for small business set-asides.

- Unlike the 8 (a) program, a small business set-aside is an openly competitive process among all qualified small business firms.
- Unlike the 8 (a) program, contracts awarded under small business set-asides are direct contracts with firms and not contracts with SBA.
- USAID/Washington contracts that are equal to or less than the simplified acquisition threshold of $100,000, are automatically set-aside for small business, unless the Contracting Officer determines there is not a reasonable chance of obtaining competitive offers from two or more responsible small business concerns [See FAR 19.502-2(a)].

## SMALL DISADVANTAGED BUSINESS PROGRAM

A small and disadvantaged business (SDB) is a small business entity owned and controlled by a socially and economically disadvantaged individual and is at least 51 percent owned by one or more socially and economically disadvantaged individuals. In the case of any publicly owned business, at least 51 percent of the stock must be owned by one or more socially and economically disadvantaged individuals; and its management and daily business operations must be controlled by one or more socially and economically disadvantaged individuals. SDBs must be certified by the Small Business Administration to claim SDB status.

**From CFR 123.103**: Socially disadvantaged individuals are those who have been subjected to racial and ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities. The social disadvantage must stem from circumstances beyond their control.

**From CFR 124.104**: Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged.

Firms participating as SBA subcontractors in Federal minority procurement programs are required to be SBA-certified and on the SBA-approved list in order for their prime contractors to receive SDB subcontracting credit for these contracts. Certified SDBs are also eligible for the following Program benefits in approved industries.

Qualified prime contractors can receive a credit when using SDBs as subcontractors. The incentive applies only to competitive negotiated acquisitions over $500,000, or $1 million in construction. The evaluation factor does not apply to small business set-asides, 8(a) acquisitions, or contracts performed entirely outside the United States. The evaluation factor for SDB participation allows credit for subcontractors only in the NAICS codes authorized by the U.S. Department of Commerce benchmarks and requires that all SDBs be certified by the SBA. Once certified, firms remain on the SBA's list of SDB-certified firms for a period of three years.

Contracting officers may include a monetary incentive in their contracts so that a contractor exceeding the total monetary target for SDB subcontracting will be eligible for a bonus of between 1% and 10% of the SDB subcontract dollars above the target. These benefits are available only to businesses that are certified as SDBs by SBA.

The Federal Acquisition Regulation also has a requirement to evaluate the past performance of offerors in complying with targets for SDB participation and subcontracting plan goals for SDBs whenever past performance is to be evaluated. USAID reinforces this requirement in AAPD-02-06 and can be found at: www.usaid.gov/procurement_bus_opp/procurement/cib/pdf/aapd02_06.pdf. For more information on the SDB program, contact SBA's SDB Office at (202) 401-1850 or visit SBA's website at: www.sba.gov.

## MINORITY SERVING INSTITUTIONS (MSI) PROGRAM

Minority Serving Institutions (MSIs) are institutions of higher education in the United States that either historically or currently have ethnic minority student enrollments of more than 25 percent. Individual Executive Orders have been issued requiring federal agencies to increase access and opportunities for Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), and Tribal Colleges and Universities (TCUs).

The Office of Small and Disadvantaged Business Utilization (OSDBU) coordinates the MSI and Small Business Programs. OSDBU staff is the initial point of contact for MSIs. USAID established a MSI Committee to develop strategies for creating new partnerships and ensure compliance with the Executive Orders. The Committee, which consists of representatives from each bureau and independent office within USAID, is responsible for recommending policies, initiatives, and activities to increase MSI participation in USAID programs and activities. Committee members also assist in data collection for annual reports to the White House on USAID's plans and performance in utilizing MSIs. USAID, in its desire to carry out the spirit and intent of the Executive Orders, obtained approval from the Department of Justice to award grants and cooperative agreements to MSIs through competition among these institutions. MSIs also can receive awards via open competition as well as through unsolicited proposals.

## WOMEN-OWNED SMALL BUSINESSES

The Federal Acquisition Streamlining Act (FASA) of 1994 established an U.S. Government-wide goal of 5% of all Federal procurement for women-owned small businesses. USAID and other federal agencies contribute to this annual U.S. Government-wide 5% goal through both prime contract awards and subcontracting to women-owned small businesses.

For additional information concerning the Women-Owned Small Business Program, contact the Office of Women's business Ownership at (202) 205-6673 or the U.S. Small Business Administration at 1-800-8-ASK-SBA or visit the website at the following internet address: http://www.sba.gov/womeninbusiness.

## VETERAN-OWNED AND SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES

Veteran business owners were specifically recognized in the Veterans Entrepreneurship and Small Business Development Act of 1999, P.L. 106-50 (August 17, 1999). This law called for developing information about businesses owned by either veterans or service disabled veterans, and their contribution to the country's economy. It also mandated a three percent goal for using service disabled veteran owned small businesses in government contracting. In later legislation, the Veterans Benefit Act of December 16, 2003 (P.L. 108-183) provided for set-aside and sole source authority in some instances for service disabled veteran owned small businesses. These provisions have been incorporated into the Federal Acquisition Regulations. More recently, the President issued an Executive Order (No. 13360) with specific actions for agencies to take to assist in meeting the three percent goal for contracting with service disabled veteran owned small businesses. For more information on the service-disabled veteran or veteran-owned small business programs, contact the SBA's Office of Government Contracting at (202) 205-6460, visit SBA's web site at http://www.sba.gov/gc, the Department of Veteran Affairs web site at http://www.va.gov, or the Center for Veterans Enterprise website at http://www.vetbiz.gov.

***For information concerning the Women-Owned Small Business Program, contact the Office of Women's business Ownership at (202) 205-6673 or the U.S. Small Business Administration at 1-800-8-ASK SBA.***

## HUBZONE SMALL BUSINESSES

The SBA's new Historically Underutilized Business Zone (HUBZone) small business contracting program is intended to encourage the award of contracts to small businesses located in designated economically distressed urban and rural areas. In order to qualify as a HUBZone business, the business must be small; owned by a US citizen; the principal office must be located in a HUBZone; and at least 35 percent of its workforce must reside within a HUBZone. HUBZone businesses can receive sole-source or set-aside federal contracts or receive a price reference up to 10% when competing for full and open competition procurements, for additional information on the HUBZone Program, or to find out if your business is located in a HUBZone, visit the SBA web site at the following internet address: http://www.sba.gov/hubzone.

## PRIVATE VOLUNTARY ORGANIZATIONS CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS

A minority-controlled private and voluntary organization (PVO) is one in which more than 50% of its Board of Directors is comprised either of Black Americans, Hispanic Americans, Native Americans, or of "socially and economically disadvantaged" individuals as defined on page 37 of this document. USAID continues to encourage the utilization of minority-controlled PVOs in USAID-financed development assistance activities in keeping with Congressional intent to involve these enterprises more in USAID programs. USAID's Office of Private and Voluntary Cooperation in the Bureau for Humanitarian Response registers U.S. PVOs that wish to partner with USAID in promoting development assistance throughout the world. PVOs registered with USAID are eligible to compete for grants through its programs for matching grants, child survival grants, cooperative development and farmer-to-farmer program grants, development education, and the ocean freight reimbursement program.

## PROCUREMENT PREFERENCE PROGRAM

The Federal Government encourages full participation in its contracting activities through small business programs for groups that otherwise might not be able to compete on equal terms with large businesses. Section 221 of Public Law 95-507 and Public Law 100-656, Section 502 and 503 require that the head of each federal Agency, after consultation with the Small Business Administration, establish realistic goals for the award of contracts to small business concerns and to small businesses owned and controlled by socially and economically disadvantaged individuals The following is a summary of FY 2005 USAID goals. Prime contract goals are expressed as a percentage of USAID's total prime contract dollars. Subcontract goals are expressed as a percentage of total dollars subcontracted by prime contractors.

***The Federal Government encourages full participation in its contracting activities through small business programs for groups that otherwise might not be able to compete on equal terms with large businesses.***

## USAID SMALL BUSINESS GOALS FISCAL YEAR 2005

| CATEGORY FY 2005 GOAL | |
|---|---|
| **A. Total Estimated Procurement Expenditures** | $9,998,626 (projected) |
| 1. To Small Business | 44.25% (of total contract dollars) |
| 2. Small, Disadvantaged Businesses (includes 8 (a) and Non 8 (a)) | 25.79% |
| 3. Women-Owned Small Business | 5% |
| 4. HUBZone Small Business | 3% |
| 5. Veteran-owned Small Business | 3% |
| 6. Service-Disabled Veteran-Owned | 3% |
| **B. Total Amount Subcontracted** | $400,000,000 (projected) |
| 1. Sub. To small business | 47.54% |
| 2. Sub. To small, disadvantaged business | 7.63% |
| 3. Sub. To women-owned small business | 10.64% |
| 4. Sub To HUBZone small business | 3% |
| 5. Sub to Veteran-Owned Small Business | |
| 6. Sub To Svc. Disabled Veteran-owned | 3% |

# SUBCONTRACTING

**Publishing both intended procurements and awards of procurements is required by the FAR, and it allows U.S. small businesses to identify business opportunities and potential joint ventures and subcontracting partners.**

USAID

**Nurses and female physicians assistants treat women and children in Afghanistan.**

USAID publishes both intended procurements and awards of procurements on the FedBizOpps website (http://www.fedbizops.gov). Publishing this information is required by the FAR, and it allows U.S. small businesses to identify business opportunities and potential joint ventures and subcontracting partners.

The FAR requires that prime contracts exceeding $500,000 (or $1 million for construction) have a Small Business Subcontracting plan, if the Contracting Officer has determined the procurement has components that can be subcontracted, and if the awardee is other than a small business. For contracts performed entirely overseas, there is an exemption to the sub-contracting requirement (see FAR 19.702 (b)(3)), but many overseas contracts nevertheless have sub-contract plans.

FAR 19.704 and FAR 52.219-9 requires the Small Business Subcontracting Plans to express subcontracting goals in terms of both percentages and dollars for small businesses, for small disadvantaged businesses, for women-owned small businesses, for veteran-owned small businesses, and for HUBZone small businesses. The Plan is also required to identify the contractor's employee who will administer the Subcontracting Plan with detail of his/her duties; the procedures the contractor will employ to afford a fair and equitable opportunity for subcontracting with small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, and HUBZone small businesses; the assurance that records will be maintained for review by the contracting Agency and the SBA; and the assurance that FAR-required subcontracting reports will be submitted to the contracting Agency.

The subcontracting reports are used by both the contracting Agency and the Federal Procurement Data Center to measure the contractor's achievement of the subcontracting goals expressed in the Small Business Subcontracting Plan.

A prime contractor's performance in implementing a Small Business Subcontracting Plan and in achieving goals expressed in the Plan are part of "past performance" evaluations that are considered for future awards.

# HOST COUNTRY CONTRACTS

## USAID finances contracts between less developed countries and contractors.

USAID finances contracts between less developed countries and contractors. These "Host Country Contracts" (HCCs) are *not* subject to the Federal Acquisition Regulations (FAR) or to USAID's Acquisition Regulations (AIDAR) but are subject to the requirements of USAID Country Contracting Guidebook and ADS 305.

Before Host Country Contract procedures can be used to undertake a procurement exceeding $250,000 in value, the Mission Director must make a determination in writing that the host country contracting agency has or will obtain the capability to undertake the procurement. Host Country Contracts must contain a limited number of clauses required by U.S. Government statute or regulation.

Host Country Contracts include payment provisions, but because USAID is not a party, the contract alone cannot commit USAID to pay the contractor. The payment obligation is established by USAID when the Mission Controller issues a **Letter of Commitment**.

Host country contractors are unable to file protest of awards under provisions of the FAR or other regulations. The competition procedure normally provides for competition on technical merits *only*. The "short listing" of the top ranked firms is based on the results of a technical evaluation. Negotiation of cost is then conducted with the top ranked firm only. If agreement cannot be reached, negotiations with that firm are discontinued and negotiations begin with the next highest ranked firm.

### DID YOU KNOW?

Host country contractors are unable to file protest of awards under provisions of the FAR or other regulations.

# UNSOLICITED PROPOSALS

**USAID encourages the submission of unsolicited proposals which contribute new ideas consistent with and contributing to the accomplishment of the Agency's objectives.**

**DID YOU KNOW?**

USAID's basic policies and procedures regarding unsolicited proposals for contracts are those established in FAR 15.5 and AIDAR 715.5.

USAID encourages the submission of unsolicited proposals which contribute new ideas consistent with and contributing to the accomplishment of the Agency's objectives. However, the requirements for contractor resources are normally quite program specific and must be responsive to host country needs. Further, USAID's specific objectives are usually designed in collaboration with the cooperating country. These factors can limit both the need for and USAID's ability to use unsolicited proposals. Therefore, prospective offerors are encouraged to contact USAID to determine the Agency's technical and geographical requirements as related to the offeror's interests before preparing and submitting a formal unsolicited proposal.

USAID's basic policies and procedures regarding unsolicited proposals for contracts are those established in FAR 15.5 and AIDAR 715.5. USAID's policies regarding unsolicited proposals for grants and cooperative agreements are set forth in ADS 303.5. Contract Information Bulletin (CIB) 99-18 dated 9/28/99 sets forth USAID's guidelines on submission of unsolicited proposals and procedures for responding to them that may result in the award of a contract, grant, or cooperative agreement.

# PAYMENT PROCEDURES

USAID direct contracts, grants, and cooperative agreements include specific payment terms and the commitment of USAID to make direct payments to the contractor or supplier.

Host Country Contracts and Commodity Import Programs (CIP) do not include USAID as a party to the procurement and therefore cannot establish USAID's commitment to pay the U.S. contractor or supplier.

**USAID direct contracts, grants, and cooperative agreements include specific payment terms.**

# USAID KEY RESOURCES AND NEW TOOLS

**USAID employs a variety of resources and tools to accomplish meeting the challenges of development and in order to engage broad-based participation among diverse segments of the business community.**

USAID

**A Malian man receives food aid.**

In meeting the challenges of development and in order to engage broad-based participation among diverse segments of the business community, USAID employs a variety of resources and tools to accomplish these goals. Among the key resources and new tools being utilized by USAID are:

- **OSDBU/MRC:** The Office of Small and Disadvantaged Business Utilization and Minority Resource Center—the Agency's advocate for small businesses and disadvantaged enterprises
- **Global Technology Network**: The Agency's focal point for information collection and dissemination on Agency's programs and activities
- **Internet**: Electronic resource for accessing USAID information
- **Electronic Commerce**: A system which integrates Electronic Data Interchange, E-Mail, Bulletin Boards, Electronic Funds Transfer, and Internal Automated Systems
- **USAID Center for Development Information and Evaluation**: A clearinghouse for development-related information, i.e., the USAID "Library"
- **USAID Handbooks on CD-ROM**: A CD-ROM compact disc containing the complete USAID document and database

These resources and tools are described below.

## THE OSDBU/MRC RESPONSIBILITY FOR ENSURING THE PARTICIPATION OF SMALL BUSINESSES AND SMALL DISADVANTAGED BUSINESSES

USAID's Office of Small and Disadvantaged Business Utilization/ Minority Resource Center (OSDBU/MRC) coordinates the Agency's implementation of the Small Disadvantaged Business Program and the U.S. Small Business Administration's (SEA) Section 8(a) Program. In accordance with governing legislation (Public Laws 95-507 and 100-656) OSDBU/MRC is the initial point of contact at USAID for U.S. businesses, particularly small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, and HUBZone small businesses seeking to increase their participation in USAID-sponsored procurements.

The primary concern of the Office, as required by law, is to help its constituency participate fully in USAID-financed development assistance activities.

OSDBU/MRC is an information clearinghouse and offers in-depth counseling on the Agency's programs, contracting and subcontracting opportunities, and marketing and operational strategies for conducting business with the Agency.

Within USAID, OSDBU/MRC is the advocate for U.S. small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, and HUBZone small businesses. As their advocate, the OSDBU/MRC ensures that its constituent firms receive equal opportunity and appropriate consideration in USAID-financed procurement of goods and services.

OSDBU/MRC undertakes the following initiatives to serve its constituency:

## SMALL BUSINESS RESOURCE DATABASE (SBRD)

The SBRD represents the first, and still the only, Extranet application at USAID. The purpose of the SBRD is to put USAID-relevant information of those vendors who wish to do business with us on the desk-tops of all Agency Program, Technical, and Contract Officers, anywhere in the world. Given the geographic dispersion of these personnel throughout the most remote parts of the third world, the SBRD provides a unique platform from which to market U.S. small and small and disadvantaged businesses capabilities to the Agency's decision-makers.

Registration in the SBRD is voluntary and takes approximately fifteen minutes. SBRD registration is not a prerequisite to doing business with USAID and does not replicate or overlap with the functions of the Central Contractor Registry (CCR), or the publication of USAID business opportunities in FedBizOpps. Nevertheless, registration in the SBRD is highly recommended for those firms that have the capabilities to provide technical assistance services which are in demand by the Agency.

There is no provision for establishing your account and registering in the SBRD other than through the Agency's public Internet website.

***OSDBU/MRC ensures that its constituent firms receive equal opportunity and appropriate consideration in USAID-financed procurement of goods and services.***

Additional information about the SBRD, as well as the logon screen may be found at: http://www.usaid.gov/business/small_business/vendordb.html

## OSDBU/MRC PROVIDES BUSINESS SERVICES AND INFORMATION

- Serves as an information clearinghouse for U.S. businesses, organizations, and institutions interested in participating in USAID's financed development assistance activities
- Counsels U.S. businesses, organizations, and institutions on how to do business with USAID
- Participates in annual outreach conferences in selected cities throughout the U.S. for the OSDBU/MRC's constituency of U.S. small businesses and small disadvantaged businesses
- Participates in conferences, workshops, and seminars sponsored by businesses, professional and trade associations, and other private and public organizations to identify and establish development partners
- Publishes informational materials and provides relevant and current information on USAID worldwide development activities
- Provides USAID missions information on corporate qualifications of U.S. small businesses and small disadvantaged businesses
- Cooperates with the U.S. Small Business Administration, the U.S. Department of Commerce's Minority Business Development Agency (MBDA), and other federal agencies to promote and enhance the participation of U.S. small businesses and small disadvantaged businesses in development assistance activities

## SUBCONTRACTING MONITORING SYSTEM

OSDBU/MRC has designed and will soon place into production an automated subcontracting monitoring system which tracks the subcontract awards to its constituency from various funds drawn upon by the Agency. Our goal is to tap existing Agency financial and procurement automated systems to ensure that USAID meets its statutory mandate to provide subcontracting opportunities for small businesses, small disadvantaged businesses, women-owned small businesses, and HUBZone small businesses, applicable contracts are screened and monitored to ensure compliance.

## USAID PROCUREMENT INFORMATION ON THE INTERNET

You can access information concerning USAID procurement information including Federal Business Opportunity (FBO) announcements, official notices, annual procurement plans, and ongoing USAID procurement reform on the internet. Solicitation documents including Requests for Proposals (RFPs), Requests for Applications (RFAs), and Invitations for Bid (IFBs) are also published on the internet.

### HOW TO FIND USAID PROCUREMENT INFORMATION VIA THE INTERNET

In an effort to communicate more effectively and interact with the business community, USAID is currently using Internet technologies to disseminate our business and procurement information. USAID maintains a Business website located on USAID's homepage (http://www.usaid.gov/business). This dynamic site allows organizations that are interested in doing business with USAID to browse as well as download solicitation documents and learn more about the Agency's business information resources such as the Office of Small and Disadvantaged Business Utilization (OSDBU) and the Global Technology Network (GTN) Additionally, such information as the annual publication of procurement awards can be found in our "Yellow Book" and Common Forms for USAID Solicitations.

The following are examples of posted procurement documents that can be found on the website:

1. FBO Announcements including:
   - Requests for Proposals (RFPs), Invitation for Bids (IFBs), Requests for Application (RFA), and amendments thereto
   - Award Notices
   - Notices of Sources Sought
   - Expressions of Interest
2. Procurement Information Bulletins (PIBs)
3. Ocean Transportation Tenders

## USAID'S AUTOMATED DIRECTIVES SYSTEM (ADS)

The Automated Directives System (ADS) is the agency directives management program. Agency policy directives; required procedures; and helpful, optional material are drafted, cleared, and issued through the ADS. Agency employees must adhere to these policy directives and required procedures.

The ADS is divided into six Series organized by function. Within each Series you will find ADS chapters and the Interim Updates associated with the Series. An ADS chapter usually addresses a single policy area.

**Chapters** contain policy directives and required procedures, and links to related reference documents.

**Interim Updates** are temporary policy directives issued as Policy Notices. The ADS replaces the old AID Handbook system. Some Handbook chapters are still active (see the Handbook Status List for details).

### DID YOU KNOW?

Additional information on the ADS can be found on the USAID website at http://www.usaid.gov/policy/ads.

# ANSWERS TO THE QUESTIONS MOST FREQUENTLY ASKED BY THE OSDBU CONSTITUENCY

USAID

**The USAID Democracy and Governance Initiative results in a town meeting in India.**

## A. QUESTION: HOW CAN USAID'S OSDBU HELP MY FIRM?

**Answer**: One of the first stops in various federal agencies for many small business owners seeking USAID contracts is the Office of Small and Disadvantaged Business Utilization (OSDBU). USAID's OSDBU has the responsibility for making sure that federal goals for using U.S. small businesses and disadvantaged enterprises are met in the Agency. OSDBU personnel counsel and assist firms in their efforts to market goods or services to the Agency. They also review Agency contracts to make sure U.S. small businesses and disadvantaged enterprises are used whenever possible. But, as many OSDBU Directors warn, the OSDBU is only a tool; it's up to small businesses and disadvantaged enterprises to make it work for them.

## B. QUESTION: HOW DOES THE OSDBU/MRC MAKE USAID REGIONAL BUREAUS AND FIELD MISSIONS AWARE OF OSDBU/MRC CONSTITUENCY FIRMS?

**Answer**: USAID's OSDBU/MRC draws upon the firms registered in the USAID Small Business Resource Database (SBRD) to advise the bureaus and missions of qualified OSDBU/MRC constituency firms. The SBRD is an automated system maintained by OSDBU/MRC that 1) assists U.S. small businesses and small disadvantaged businesses, women-owned small businesses, and HUBZone small businesses in marketing their capabilities to the Agency; and 2) assists USAID project and program offices in identifying sources to fill requirements. Currently, the SBRD contains more than 1,500 registrants. Their referral to requiring offices is based on information supplied on their registration forms.

## C. QUESTION: WHAT GENERAL ADVICE DOES THE OSDBU/MRC GIVE FIRMS TO HELP THEM DEVELOP BUSINESS?

**Answer**:

1. Stay in contact with the Office of Acquisitions and Assistance and with the Office of Small and Disadvantaged Business Utilization within each agency that may have a need for your products and services
2. 8(a) Program participants are encouraged to request marketing-assistance information from their Business Opportunity Specialist (BOS) in their local SBA district office
3. Check the FedBizOpps as well as the specific federal agency web site for procurement opportunities. FedBizOpps is an online resource found at: http://www.fedbizopps.gov
4. Contact procurement officers in the private sector (especially prime contractors) and in local, state, and federal government offices. Make an appointment to meet with them to let them know about your products and services.

### D. QUESTIONS: WHAT IS A SMALL BUSINESS? WHAT IS ITS CERTIFICATION PROCESS?

**Answer**: A business concern generally is considered small if it is independently owned and operated, is not dominant in its field of operation, and can further qualify under the criteria set forth in the SBA Small Business Size Standards Regulation set forth in Title 13, Part 121 of the Code of Federal Regulations. In making a detailed definition, SBA may use these criteria, among others: number of employees, annual receipts, affiliates, or other applicable factors. In submitting a bid or proposal on a Government procurement, a concern which meets the criteria in the Regulation may represent or self-certify that it is a small business for the particular procurement involved. Under Federal Acquisition Regulations (FAR) the specific size criterion for procurement must be stated in the solicitation. For information on specific industry classifications (manufacturing, construction, services, transportation, refined petroleum products, research, and development and testing) and refinements of the general definition of a "Small Business," contact the nearest SBA regional office.

### E. QUESTION: HOW CAN THE USAID OSDBU/MRC HELP MY FIRM TO IDENTIFY PRIME CONTRACTORS WHO MAY BE INTERESTED IN SUBCONTRACTING?

**Answer**: The USAID OSDBU/MRC staff stands ready to provide one-on-one counseling to it's constituency of U.S. small businesses and small disadvantaged businesses to assist them in formulating their strategies to identify subcontracting opportunities and potential prime contractor targets. In addition, the USAID public website contains information on recent and existing large prime contracts. Finally, we make the content of our Small Business Resource Database (SBRD) available to large prime contractors.

### F. QUESTION: WHAT ARE AN IFB, AN RFP AND AN RFQ?

**Answer**: There are two ways Federal purchasing agents throughout the country buy what the Government needs. They are:

1. Sealed Bid – Invitation for Bids (IFBs)
2. Buying by Negotiation – Request for Proposals (RFPs) or Request for Quotations (RFQs)

**Invitation for Bid (IFB)**: When advertising for bids, a purchasing agency sends an Invitation for Bid (IFB) to firms that have been placed on its bidders list and anyone who requests one. IFBs may be listed in FedBizOpps (http://www.fedbizops.gov) and posted at Federal installations as well the IFB includes instructions and specifications for preparing bids. Typically, they will include:

- A description of specifications for the product or service to be bought. Under no circumstances should a bidder substitute something he or she thinks might be just as good. Unless the company's product can match the exact requirements of the specifications, the bid will be considered non-responsive.

**DID YOU KNOW?**

When advertising for bids, a purchasing agency sends an Invitation for Bid (IFB) to firms that have been placed on its bidders list and anyone who requests one.

**DID YOU KNOW?**

RFPs may be listed in the FedBizOpps (http://www.fedbizopps.gov), the Internet website, and/or posted at Federal installations as well.

- **Delivery schedule and packaging/shipping requirements**: These requirements must be met exactly as stated. Sometimes there are special conditions attached on a supplementary sheet. Study all conditions carefully and make sure you can meet all of the requirements.
- **Payment schedule and terms**: This is extremely important. All costs to the bidder should be computed very carefully.
- **Standard contract provisions and clauses, such as those relating to default, changes, and disputes**: These are binding to the contractor and should be understood clearly.
- **Deadline for submitting bids**: The deadline is strictly adhered to. The Government may disqualify any bids received after the deadline.
- **Date and time of bid opening**: Bids are opened in public at the agency purchasing office for sealed bidding, but not in negotiated procurement.
- Contract Award. When the bids are opened, the bidder quoting the lowest price wins the contract if the bid is responsive and if the bidder is qualified as a responsible firm.

When sealed bids are not suitable or possible, the Government may buy what it needs through negotiation. Such instances are prescribed by law and applicable regulations. Examples are:

1. When adequate specifications of a product or service are not possible to draft
2. When the product or service is experimental, developmental, or of a research nature
3. Small purchases which are made through the negotiation process. Purchases under $100,000 are "set-aside" for small businesses if more than one small firm having adequate capabilities is able to bid on the requirement with reasonable price quotation

**Request for Proposals (RFP)**: In buying by negotiation, a purchasing agency sends a Request for Proposals (RFP) to anyone who requests one. RFPs may be listed in the FedBizOpps (http://www.fedbizopps.gov), the Internet website, and/or posted at Federal installations as well. Like an IFB, the RFP describes the products or services desired, the delivery time, and other terms of the contract. As with the IFB solicitation process, there is a strict deadline for submitting a response to the RFP.

Proposals submitted must respond to the requirements of the RFP and normally require the offeror's price, descriptions of the offeror's product or service, resources to be used in performing the work, applicable capabilities of the offeror's firms, and the contract terms acceptable to the offeror. After reviewing all of the proposals received, the contracting agency's purchasing officers conduct negotiations with those offerors whose offer falls within a competitive range. The process of negotiations allows the agency to analyze, question, explore, and bargain with respect to costs, performance, delivery time, and methods of payment. The Government, however, generally reserves the right to award a contract on the

basis of initial proposals received, without negotiation; therefore, a small business firm should not rely on an opportunity to change price or terms during negotiations.

**Contract Award**: The contract award is decided through evaluations and negotiations after proposals have been received and reviewed. Award is made to the offeror whose final offer represents the best value to the Government. It is not required that the recipient of the award has the lowest price. Evaluation factors, if other than price, must be listed in the solicitation.

**Request for Quotations (RFQ)**: The Request for Quotations, Standard Form 18 (SF-18), is designed for use in obtaining price, delivery, and related information from suppliers. This form is available for use by all agencies and is normally used to submit written quotations for small purchases, but it may also be used for large purchases. A quotation is not an offer; consequently, it cannot be accepted by the Government to form a binding contract. Therefore, issuance by the Government of an order for supplies or services in response to a supplier's quotation does not establish a contract. The order is an offer by the Government to the supplier to buy certain supplies or services upon specified terms and conditions. A contract comes into being when the supplier accepts the offer by performance of the work.

### G. QUESTION: HOW DO I FIND OUT ABOUT SMALL PURCHASE OPPORTUNITIES AND PROCEDURES?

**Answer**: Simplified Acquisition Procedures are spelled out in the Federal Acquisition Regulations (FAR), Part 13. Generally speaking, simplified acquisitions are a method that the Government uses to acquire supplies, equipment, and services up to a value of $100,000. Purchases are made after seeking informal oral or written quotations generally from one to three vendors, depending on the dollar value of the required supplies or services. Small Purchases estimated to be less than $25,000 are not advertised in the FedBizOpps (http://www.fedbizopps.gov).

### H. QUESTION: WHAT OUTREACH PROGRAMS DOES THE USAID OSDBU/MRC UTILIZE TO INFORM ITS CONSTITUENCY THROUGHOUT THE UNITED STATES?

**Answer**: The OSDBU/MRC currently utilizes USAID's online resources to communicate with its U.S. constituency. This includes dissemination of specific procurement information via FedBizOpps (http://www.fedbizopps.gov); USAID programmatic and procurement forecast information (http://www.usaid.gov); as well as an automated platform allowing small and small and disadvantaged firms and Minority Serving Institutions to register directly with us, i.e., the USAID Small Business Resource Database (SBRD) (https://osdbu.usaid.net/OSDBU/Login.html).

### I. QUESTION: WHAT IS THE PROCEDURE TO PROTEST SIZE AND OTHER PROTESTS TO THE CONTRACTING OFFICER?

**Answer**: **Size Protest**: Any offeror or other interested party (other than a large business) may protest the small business representation of a bidder or

**DID YOU KNOW?**

Generally speaking, simplified acquisitions are a method that the Government uses to acquire supplies, equipment, and services up to a value of $100,000.

**DID YOU KNOW?**

Alternate dispute resolution may be used and in fact is encouraged prior to lodging the more formal, costly and time consuming protest to either GAO or General Services Administration's Board of Contract Appeals (GSBCA).

offeror on a small business set-aside contract. In order to affect a specific solicitation, a protest must be timely. Protests must also have specificity to be valid; simple allegations that another firm is not small are insufficient to constitute a protest. Some factual grounds for the allegations must be included.

**Other Than Size Protests**: Contracting officers will consider all protests or objections to the award of a contract, whether submitted before or after award. If a protest is oral and the matter cannot be resolved, written confirmation of the protest will be requested. The protestor will be notified in writing of the final decision of the written protest.

### J. REQUEST: EXPLAIN A PROTEST TO GAO (GENERAL ACCOUNTABILITY OFFICE)

**Answer**: Any interested party may file a protest with GAO. Usually protests are filed by disappointed bidders or offerors or by potential bidders or offerors. GAO, however, will also consider protests filed by others who have some legitimate interest in the particular action.

A GAO bid protest is initiated by filing a written protest with GAO's Office of General Counsel. A copy of the protest must be provided to the official designated in the solicitation or the contracting officer in lieu of such designation. GAO then requests a report on the matter from the procuring agency. When the agency report is received a copy is provided to the protestor who is given the opportunity to comment. Other parties may also be provided with copies of the protest and the agency report for comment. In some cases an informal conference may be held in which the protestor and others are afforded an opportunity to present their views directly to GAO attorneys responsible for the case. GAO then considers the facts and issues raised by the protest and issue a decision in the name of the Comptroller General. A copy of the decision is sent to the protestor, to interested parties, and to any agency involved. The agency normally takes action in accordance with the decision.

Processing time from date of receipt of the, protest to date of decision usually takes approximately 60 to 90 working days, depending on urgency and complexity. Contract awards or performance is normally suspended during this time period. Protests concerning solicitations, such as on restrictive specifications, must be filed prior to bid opening or the deadline for receipt of proposals.

### K. QUESTION: IS THERE AN ALTERNATE WAY TO RESOLVE A DIFFERENCE OTHER THAN THE PROTEST FORUM?

**Answer**: Yes, alternate dispute resolution may be used and in fact is encouraged prior to lodging the more formal, costly and time consuming protest to either GAO or General Services Administration's Board of Contract Appeals (GSBCA). For further details, contact the Ombudsman within the Office of Acquisitions and Assistance.

# APPENDIX A: USAID MISSION DIRECTORY

USAID

**USAID programs in Iraq encourage girls to attend school again.**

### AFGHANISTAN
USAID/Kabul
6180 Kabul Place
Dulles VA 20189-6180
Tel: 873-762-311955

### AFRICA, EAST
REDSO/EA
USAID/Nairobi
Unit 64102
APO AE 09831-4102
Tel: 254-2-86-2400
Fax: 254-2-86-0870

### AFRICA, SOUTHERN
Regional Center S. Africa
USAID/RCSA
Department of State
Washington, DC 20521-2170
Tel: 267-324-449
Fax: 267-324-404

### AFRICA, WEST
USAID/WARP
Department of State
Washington, DC 20521-2010
Tel: 233-21- 228440, 225087, 225326, 770285, 770292
Fax: 233-21-770101

### ALBANIA
American Embassy/Tirana
Department of State
Washington, DC 20521-2010
Tel: 355-426-6395
Fax: 355-426-6394

### ANGOLA
USAID/LUANDA
Department of State
Washington, DC 20521-2550
Tel: 244-2-399-518
Fax: 244-2-399-521

### ARMENIA
USAID/Yerevan
Department of State
Washington, DC 20521-7020
Tel: 3741-569-656
Fax: 3741-543-871

### AZERBAIJAN
USAID/Baku
Department of State
Washington, DC 20521-7050
Tel: 994-12-980335
Fax: 994-12-906670

### BANGLADESH
USAID/Dhaka
Department of State
Washington, DC 20521-6120
Tel: 880-2-885-5500
Fax: 880-2-882-3648

### BELARUS
USAID/Minsk
Department of State
Washington, DC 20521-7010
Tel: 375-172-101283
Fax: 375-17-211-3032

## BELGIUM
USAID/U.S. Mission to the EU
PSC 82 Box 212
APO AE 09710
Tel: 322-508-2636
Fax: 322-512-7066

## BENIN
USAID/Cotonou
Department of State
Washington, DC 20520-2120
Tel: 229-30-0500
Fax: 229-30-1260

## BOLIVIA
American Embassy/USAID
Unit #3914
APO AA 34032
Tel: 591-2-278-6399
Fax: 591-2-278-6654

## BOSNIA
USAID/Bosnia-Herzegovina
Department of State
Washington, DC 20521-7130
Tel: 387-33-702-300
Fax: 387-33-611-973

## BRAZIL
American Embassy/Brasilia
Unit 3500 USAID
APO AA 34030
Tel: 55-61-321-7248
Fax: 55-61-323-6875

## BULGARIA
(Office/Name), USAID
c/o American Embassy/Sofia
Department of State
Washington, DC 20521-5740
Tel: 359-2-951-5381
Fax: 359-2-951-5670

## BURUNDI
USAID/Bujumbura
Department of State
Washington, DC 20521-2100
Tel: 257-225-591
Fax: 257-222-986

## CAMBODIA
American Embassy/USAID
Box P
APO AP 96546
Tel: 855-23-216-436 x356
Fax: 855-23-427-638

## CENTRAL AMERICA (ROCAP)
American Embassy/Guatemala
Unit #3324
APO AA 34024
Tel: 502-332-0202
Fax: 502-331-1151

## COLOMBIA
American Embassy
USAID 5101
APO AA 34038
Tel: 571-423-6880
Fax: 571-423-6859

## CROATIA
American Embassy/Zagreb
Department of State
Washington, DC 20521-5080
Tel: 385-1-604-0909
Fax: 385-1-604-0920

## DOMINICAN REPUBLIC
USAID/Santo Domingo
Unit #5541
APO AA 34041-5541
Tel: 809-221-1100
Fax: 809-221-0444

## ECUADOR
USAID/Quito
Unit 5330
APO AA 34039-3420
Tel: 593-2-223-2100
Fax: 593-2-222-3701

## EGYPT
USAID/Cairo
Department of State
Washington, DC 20521-7700
Tel: 202-522-7000
Fax: 202-516-4659

## EL SALVADOR
USAID/San Salvador
Unit #3110
APO AA 34023
Tel: 503-298-1666
Fax: 503-298-0885

## ERITREA
USAID/Asmara
Department of State
Washington, DC 20521-7170
Tel: 291-1-12-6546
Fax: 291-1-12-3093

## ETHIOPIA
USAID/Addis Ababa
Department of State
Washington, DC 20521-2030
Tel: 251-1-510-088
Fax: 251-1-510-043

## FRANCE
OECD/AID
PSC 116
APO AE 09777
Tel: 33-1-4524-7434
Fax: 33-1-4524-7489

## GEORGIA
USAID/Tbilisi
Department of State
Washington, DC 20521-7060
Tel: 995-32-938-950
Fax: 995-32-001013

## GHANA
USAID/Accra
Department of State
Washington, DC 20521-2020
Tel: 233-21-228440
Fax: 233-21-231937

## GUATEMALA (BILATERAL)
USAID/Guatemala
Unit #3323
APO AA 34024
Tel: 502-3-320202
Fax: 502-331-1505

## GUINEA
USAID/Conakry
Department of State
Washington, DC 20521-2110
Tel: 224-41-21-63
Fax: 224-41-19-85

## GUINEA-BISSAU
USAID/Bissau
Department of State
Washington, DC 20521-2080
Tel: 245-20-1809
Fax: 245-20-1808

## GUYANA
USAID/GEORGETOWN
Department of State
Washington, DC 20521-3170
Tel: 592-22-57315
Fax: 592-22-57316

## HAITI
USAID/Port-Au-Prince
Department of State
Washington, DC 20521-3400
Tel: 509-22-3805

## HONDURAS
USAID/Tegucigalpa
Unit #2927
APO AA 34022
Tel: 504-236-9320
Fax: 504-236-7776

## HUNGARY
American Embassy/Budapest
Department of State
Washington, DC 20521-5720
Tel: 361-475-4604
Fax: 36-1-475-44278

## INDIA
USAID/New Delhi
Department of State
Washington, DC 20521-9000
Tel: 91-11-419-8000
Fax: 91-11-419-8612

## INDONESIA
USAID Mission
American Embassy Jakarta
Unit 8135 USAID
FPO AP 96520-8135
Tel: 62-21-34359000
Fax: 62-21-380-6694

## ITALY
U.S. Mission Rome
PSC #59, Box 31
APO AE 09624-0001
Tel: 39-06-4674-0001
Fax: 39-06-4674-2306

## JAMAICA
USAID/Kingston
Department of State
Washington, DC 20521-3210
Tel: 876-926-3645
Fax: 876-929-8572

## JAPAN
USAID
American Embassy Tokyo
Unit 45004, Box 265
APO AP 96337-5004
Tel: 81-3-3224-5015
Fax: 81-3-3224-5880

## KAZAKHSTAN
USAID/Almaty
Department of State
Washington, DC 20521-7030
Tel: 7-3272-507612
Fax: 7-3272-507636

## MADAGASCAR
USAID/Antananarivo
Department of State
Washington, DC 20521-2040
Tel: 261-20-22-53920
Fax: 261-20-22-53886 or 261-20-22-53887

## MALAWI
USAID/Lilongwe
Department of State
Washington, DC 20521-2280
Tel: 265-772-455
Fax: 265-783-181

## MALI
USAID/Bamako
Department of State
Washington, DC 20521-2050
Tel: 223-22-23-602
Fax: 223-22-23-933

## MEXICO
USAID/Mexico D.F.
Department of State
Washington, DC 20521-8700
Tel: 52-55-50802000
Fax: 52-55-50802142

## MOLDOVA
American Embassy/Moldova
Department of State
Washington, DC 20521-7080
Tel: 373-2-237-460
Fax: 373-2-237277

## MONGOLIA
USAID/Mongolia
Department of State
Washington, DC 20521
Tel: 976-11-312-390
Fax: 976-11-310-440

## MOROCCO
American Embassy/USAID
PSC 74, Box 022
APO AE 09718-5000
Tel: 212-3-763-2001
Fax: 212-3-763-2012

## MOZAMBIQUE
USAID/Maputo
Department of State
Washington, DC 20521-2330
Tel: 258-1-352-000
Fax: 258-1-352-100

## NAMIBIA
USAID/Namibia
Department of State
Washington, DC 20523-2540
Tel: 264-61-273700
Fax: 264-61-227006

## NEPAL
USAID/Kathmandu
Department of State
Washington, DC 20521-6190
Tel: 977-1–4272424
Fax: 977-1-4272357

## NICARAGUA
American Embassy/USAID/Managua
Unit #2712, Box 9
APO AA 34021
Tel: 505-2-670502
Fax: 505-2-783828

## NIGER
USAID/Niamey
Department of State
Washington, DC 20521-2420
Tel: 227-733-508
Fax: 227-723-918

## NIGERIA
Department of State/USAID
8320 Abuja Place
Washington, D.C. 20521-8320
Tel: 234-9-413-8374
Fax: 234-9-234-2930

## PAKISTAN
USAID/Islamabad
Department of State
Washington, DC 09812-2200
Tel: 92-51-208-00000
Fax: 92-51-227-6427

## PANAMA
USAID/Panama City
Unit #0949
APO AA 34002
Tel: 507-263-6011
Fax: 507-264-0104

## PARAGUAY
USAID/Asuncion
Unit #4734
APO AE 34036
Tel: 595-21-213-727
Fax: 595-21-213-732

## PERU
USAID/Lima
Department of State
Washington, DC 20521-3230
Tel: 511-618-1200
Fax: 511-618-1350

## PHILIPPINES
USAID/Manila
FPO AP 96515
Tel: 632-522-9800
Fax: 632-552-9899

## ROMANIA
American Embassy/Bucharest
Department of State
Washington, DC 20521-5260
Tel: 40-21-335-5809
Fax: 40-21-337-2683

## RUSSIA
American Embassy/USAID/Moscow
PSC 77
APO AE 09721
Tel: 7-095-728-5284
Fax: 7-095-960-2141

## RWANDA
USAID/Kigali
Department of State
Washington, DC 20521-2210
Tel: 250-570-940
Fax: 250-573-950

## SENEGAL
USAID/Dakar
Department of State
Washington, DC 20521-2130
Tel: 221-869-6100
Fax: 221-869-6101

## SLOVAKIA
American Embassy/Bratislava
Department of State
Washington, DC 20521-5840
Tel: 421-7-5443-0667
Fax: 421-7-5443-4711

## SOMALIA
Somalia Field Ofc.
REDSO/ESA
Department of State
Washington, DC 20521-8900
Tel: 254-2-751-613
Fax: 254-2-749-701

## SOUTH AFRICA, REPUBLIC OF
USAID/Pretoria
Department of State
Washington, DC 20521-9300
Tel: 27-12-323-8869
Fax: 27-12-323-6443

## SRI LANKA
USAID/Colombo
Department of State
Washington, DC 20521-6100
Tel: 94-1-472855
Fax: 94-1-472850

## SUDAN
American Embassy/USAID
Unit #63900
APO AE 09829-3900
Tel: 249-11-482240
Fax: 249-11-473091

## SWITZERLAND
USAID/U.S. Mission to the UN-Geneva
Department of State
5120 Geneva Place
Washington, DC 20521-5120
Tel: 41-22-749-4402
Fax:41-22-749-4671

## TAJIKISTAN
USAID/Dushanbe
Department of State
Washington, DC 20521-7090
Tel: 7-3772-21-0356
Fax: 7-3772-21-01-71

## TANZANIA
USAID/Dar es Salaam
Department of State
Washington, DC 20521-2140
Tel: 255-22-2117537
Fax: 255-22-2116559

## TURKMENISTAN
USAID/Ashgabat
Department of State
Washington, DC 20521-6360
Tel: 9-93-12-456130
Fax: 9-93-12-454762

## UGANDA
USAID/Kampala
Department of State
Washington, DC 20521-2190
Tel: 256-41-387-387
Fax: 256-41-387-292

## UKRAINE
USAID/Kiev
Department of State
Washington, DC 20521-5850
Tel: 380-4-446-25678
Fax: 380-44-462-5834

## UZBEKISTAN
USAID/Tashkent
Department of State
Washington, DC 20521-7110
Tel: 998-71-120-6309
Fax: 998-71-133-7656

## WEST BANK/GAZA
USAID
Unit #7228, Box 26
APO AE 09830
Tel: 972-3-511-4848
Fax: 972-3-511-4888

## ZAMBIA
USAID/Lusaka
Department of State
Washington, DC 20521-2310
Tel: 260-1-254-303
Fax: 260-1-254-532

## ZIMBABWE
USAID/Harare
Department of State
Washington, DC 20521-2180
Tel: 263-4-252-400
Fax: 263-4-252-478

### DID YOU KNOW?

Unlike most U.S. government agencies, USAID's ultimate customers are outside our borders. Our customers are the people in developing countries whose quality of life we strive to improve. This work is an integral part of America's foreign policy.

# APPENDIX B: OFFICES OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (OSDBU)

**The Offices of Small and Disadvantaged Business Utilization (OSDBUs) offer small business information on procurement opportunities, guidance on procurement procedures, and identification of both prime and subcontracting opportunities.**

USAID

**A Dillard University official listens to a schoolgirl read from a new locally produced textbook in Guinea.**

## DEPARTMENT OF AGRICULTURE

14th & Independence Avenue, SW, 1566 South Building
Washington, DC 20250-9501
Director: James E. House
Women Business Rep.: Sherry Cohen
Veteran Business Rep.: Stella Hughes
Phone: (202) 720-7117, Fax: (202) 720-3001
URL: http://www.usda.gov/da/smallbus/

## DEPARTMENT OF THE AIR FORCE

The Pentagon, SASSB 1060 Air Force
Washington, DC 20330-1060
Director: Joseph Diamond
Phone: (703) 696-1103, Fax: (703) 696-1170
URL: http://www.selltoairforce.org/sell2airforce/toc.htm

## DEPARTMENT OF THE ARMY

The Pentagon, Room 3B514
Washington, DC 20310-0106
Director: Tracey L. Pinson
Deputy Director: Paul Gardner
Phone: (703) 697-2868, Fax: (703) 693-3898
URL: http://www.sellingtoarmy.info/

## DEPARTMENT OF COMMERCE

14th & Constitution Avenue, NW, Room H-6411
Washington, DC 20230
Women Business Rep.: Willette Hamilton
Phone: (202) 482-1472, Fax: (202) 482-0501
URL: http://www.osec.doc.gov/osdbu/

### DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA)
6350 Walker Lane
Alexandria, VA 22310
Director: Ms. Barbara J. Little
Phone: (703) 428-0786, Fax: (703) 428-3578
URL: http://www.dcma.mil/DCMAHQ/dcma-sb/index.htm

### DEFENSE INFORMATION SYSTEMS AGENCY (DISA)
701 S. Courthouse Road, D04 Room 1108B
Arlington, VA 22204-2199
Phone: (703) 607-6436, Fax: (703) 607-4173
URL: http://www.disa.mil/main/sadbu.html

### DEPARTMENT OF DEFENSE
1777 North Kent Street, Suite 9100
Washington, DC 22209
Director: Frank Ramos
Deputy Director: Linda Oliver
Phone: (703) 588-8620, Fax: (703) 588-7561
URL: http://www.acq.osd.mil/sadbu/

### DEFENSE LOGISTICS AGENCY
8725 John J. Kingman Road, DB Room 1127
Ft. Belvoir, VA 22060-6221
Director: Thomas D. Ray (703) 767-1662
Deputy Dir: Anthony Kudders (703) 767-1664
Women Business Rep.: Patricia A. Cleveland
Phone: (703) 767-1652, Fax: (703) 767-1670
URL: http://www.dla.mil/db/

### DEPARTMENT OF HOMELAND SECURITY
Attn: OSDBU/Room 3514
Washington, DC 20528
Director: Kevin Boshears
Women Business Rep.: Mary Ellen Dorsey
Phone: (202) 205-0050, Fax: (202) 777-8467
URL: http://www.dhs.gov/dhspublic/interapp/editorial/editorial_0416.xml

### DEPARTMENT OF EDUCATION
400 Maryland Ave., S.W., Room 7048, PCP
Washington, DC 20202-0521
Acting Director: Kristi Wilson
Phone: 202-245-6300, Fax: 202-245-6304
URL: www.ed.gov/about/offices/list/ods/index.html

**DID YOU KNOW?**

USAID has working relationships with more than 3,500 American companies and over 300 U.S.-based private voluntary organizations.

**DID YOU KNOW?**

Contracting officers will consider all protests or objections to the award of a contract, whether submitted before or after award.

### DEPARTMENT OF ENERGY

Director: Theresa Speake
1000 Independence Avenue, S.W., Room # 5B-148
Washington, D.C. 20585
Phone: (202) 586-7377, Fax: (202) 586-5488
URL: http://smallbusiness.doe.gov/

### ENVIRONMENTAL PROTECTION AGENCY

1200 Pennsylvania Avenue, NW, Code 1230-A
Washington, DC 20460
Director: Jeanette L. Brown
Phone: (202) 564-4100, Fax: (202) 501-0756
URL: http://www.epa.gov/osdbu/

### EXECUTIVE OFFICE OF THE PRESIDENT

14th & Independence Ave. S.W.
Washington, D.C. 2025-9501
Phone: (202) 456-2861
Director: John Straub
E-mail: jstraub@oa.eop.gov

### FEDERAL DEPOSIT INSURANCE CORPORATION

801 17th St., NW, Room 1250
Washington, DC 20434
Chief, Minority & Women Outreach Program: Bob Elcan
Phone: (202) 416-2457, Fax: (202) 416-2466
URL: http://www.fdic.gov/buying/goods/mwop/index.html

### GENERAL SERVICES ADMINISTRATION

1800 F Street, NW
Washington, D.C. 20405
Associate Administrator: Felipe Mendoza
Phone: (202) 501-1021, Fax: (202) 208-5938
URL: www.gsa.gov

### DEPARTMENT OF HEALTH AND HUMAN SERVICES

200 Independence Avenue, SW, Room 517D
Washington, DC 20201
Director: Debbie Ridgely (202) 690-7235
Women Business Rep.: Angel Graves
Phone: (202) 690-6670, Fax: (202) 260-4872
URL: http://www.hhs.gov/osdbu/

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

451 7th Street, SW, Room 3130
Washington, DC 20410-1000
Acting Director: Valerie T. Hayes
Phone: (202) 708-1428, Fax: (202) 708-7642
URL: http://www.hud.gov/offices/osdbu/index.cfm

### DEPARTMENT OF INTERIOR

1849 C Street, NW, Room 5524
Washington, DC 20240
Director: Robert Faithful
Women Business Rep.: Doris Sanford
Phone: (202) 208-3493, Fax: (202) 219-2131
URL: http://www.doi.gov/osdbu/

### DEPARTMENT OF JUSTICE

1331 Pennsylvania Avenue, NW, National Place Building, Room 1010
Washington, DC 20530
Director: David Sutton
Women Business Rep.: Ramona Glover
Phone: (202) 616-0521, Fax: (202) 616-1717
URL: http://www.usdoj.gov/jmd/osdbu/

### DEPARTMENT OF LABOR

200 Constitution Avenue, NW, Room C-2318
Washington, DC 20210
Director: Jose Lira
Phone: (202) 693-6460, Fax: (202) 693-6485
URL: http://www.dol.gov/osbp/welcome.html

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

300 E Street, SW, Room 9K70, Code K
Washington, DC 20546
Associate Administrator: Ralph C. Thomas III
Women Business Rep.: Vernell Jackson
Phone: (202) 358-2088, Fax: (202) 358-3261
URL: http://www.hq.nasa.gov/office/codek/

### DEPARTMENT OF THE NAVY

720 Kennon St., N.E.
Washington Navy Yard, DC 20374-5015
Director: Nancy Tarrant
Phone: (202) 685-6485, Fax: (202) 685-6865

**DID YOU KNOW?**

USAID's OSDBU is responsible for assisting Agency Technical, Program and Contract Officers in the achievement of our portion of the Federal goals for utilization of small and small and disadvantaged business. USAID's OSDBU is also the locus for grant activities with Minority Serving Institutions.

**DID YOU KNOW?**

OSDBU/MRC has designed and will soon place into production an automated subcontracting monitoring system that tracks the subcontract awards to its constituency from various funds drawn upon by the Agency.

### NATIONAL SCIENCE FOUNDATION

4201 Wilson Boulevard, Room 527
Arlington, VA, 22230
Director: Donald Senich
Phone: (703) 292-7082, Fax: (703) 292-9055
URL: www.nsf.gov

### NUCLEAR REGULATORY COMMISSION

Mail Stop T-2F18
Washington, D.C. 20555
Director: Corenthis Kelley
Phone: (301) 415-5953
URL: http://www.nrc.gov/who-we-are/small-business.html

### SMITHSONIAN INSTITUTION

Office of Equal Employment and Minority Affairs
750 9th Street, Suite 8100 MRC 921
Washington, DC 20560-0921
Supplier Diversity Program Manager: Rudy D. Watley
Phone: (202) 275-0157, Fax (202) 275-2055
URL: http://www.si.edu/oeema/sdbu.htm

### DEPARTMENT OF STATE

SA-6, Room L500
Washington, DC 20522
Director: Durie White
Women Business Rep.: Patricia Culbreth
Phone: (703) 875-6822, Fax: (703) 875-6825
URL: http://www.state.gov/m/a/sdbu/

### DEPARTMENT OF TRANSPORTATION

400 7th Street, SW, Room 9414
Washington, DC 20590
Director: Sean M. Moss
Women Business Rep.: Ms. Pat Hodge
Phone: (202) 366-1930, Fax: (202) 366-7228
URL: http://osdbuweb.dot.gov/

### TRANSPORTATION SECURITY ADMINISTRATION

TSA HQ-West Building, 4th Floor, TSA-14
601 S. 12th Street
Arlington, VA 22202
Program Manager: Ramona Jones
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## DEPARTMENT OF TREASURY

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Director: Virginia Bellamy-Graham (202) 622-2826
Women Business Rep.: Renee Fitzgerald, (202) 622-0793; Fax: (202) 622-4963
URL: http://www.treas.gov/offices/management/dcfo/osdbu/

## U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Ronald Reagan Building, USAID/OSDBU/MRC
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Director: Marilyn Marton
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URL: http://www.usaid.gov/business/small_business/

## U.S. POSTAL SERVICE

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Manager, Supplier Diversity: Janice Williams-Hopkins
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URL: http://www.usps.com/communications/organization/doingbusinesswithus.htm

## DEPARTMENT OF VETERANS AFFAIRS

OSDBU, 810 Vermont Avenue, NW (Mail Stop 00SB)
Washington, DC 20420-0001
Physical Location: TechWorld Plaza, Suite 1221, 801 I Street, NW
Washington, DC
Director: Scott F. Denniston
Deputy Director for Small Business Programs: Wayne A. Simpson
Women Business Rep.: Ilene Waggoner
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URL: http://www.va.gov/osdbu/

## VA OSDBU CENTER FOR VETERANS ENTERPRISE

U.S. Mail: CVE, 810 Vermont Avenue, NW (Mail Stop 00VE)
Washington, DC 20420-0001
Physical Location: Mezzanine Level, 1722 I Street, NW
Washington, DC
Deputy Director for Veterans Enterprise: Gail L. Wegner
Phone: (202) 303-3260, toll-free (866) 584-2344; Fax: (202) 254-0238

### DID YOU KNOW?

USAID is the lead U.S. Government agency in providing international humanitarian relief through food aid and disaster assistance sources.

# APPENDIX C: ACRONYMS AND ABBREVIATIONS

USAID

**Children in Central America pose with boxes of Chiquita bananas courtesy of the Rainforest Alliance Project.**

| | |
|---|---|
| AAPD | Acquisition and Assistance Policy Directive |
| ACI | Andean Counter-drug Initiative |
| ADS | Automated Directives System |
| AFR | Africa |
| AIDAR | USAID Acquisition Regulation |
| ANE | Asia and the Near East |
| APS | Annual Program Statement |
| BAFO | Best and Final Offer |
| BOS | Business Opportunity Specialist |
| CAFTA | Central America Free Trade Agreement |
| CIF | Capital Investment Fund |
| CIP | Commodity Import Program |
| CSH | Child Survival and Health |
| DCHA | Democracy, Conflict and Humanitarian Assistance |
| DRI | Diplomatic Readiness Initiative |
| EA | Enterprise Architecture |
| E&E | Europe and Eurasia |
| EO | Executive Orders |
| FAA | Foreign Assistance Act |
| FAR | Federal Acquisition Regulation |
| FASA | Federal Acquisition Streamlinig Act |
| FBO | Federal Business Opportunity |
| GDA | Global Development Alliance |
| GPE | Government Point of Entry |
| GTN | Global Trade & Technology Network |
| HBCU | Historically Black Colleges and University |
| HCC | Host Country Contracts |
| HIV/AIDS | Human Immuno-Deficiency Virus/ Acquired Immune Deficiency Syndrome |
| HSI | Hispanic Serving Institutions |

| | |
|---|---|
| HUBZone | Historically Underutilized Business Zone |
| IDFA | International Disaster and Famine Assistance |
| IQC | Indefinite Quantity Contract |
| IFB | Invitation for Bids |
| JSP | Joint Strategic Plan |
| LAC | Latin America and the Caribbean |
| LACEP | Latin America/Caribbean Environment Program |
| LPA | Legislative and Public Affairs |
| MBDA | Minority Business Development Agency |
| MSI | Minority Serving Institutions |
| NAFTA | North American Free Trade Agreement |
| NAICS | North American Industry Classification System |
| NGO | Non-Governmental Organization |
| OAA | Office of Acquisition and Assistance |
| OSCE | Organization for Security and Co-operation in Europe |
| OSDBU/MRC | Office of Small and Disadvantaged Business Utilization, Minority Resource Center |
| PART | Program Assessment Reporting Tool |
| PEPFAR | President's Emergency Plan for AIDS Relief |
| PIB | Procurement Information Bulletin |
| PPC | Policy and Program Coordination |
| PVO | Private Voluntary Organization |
| RFA | Request for Application |
| RFP | Request for Proposal |
| SB | Small Business |
| SBA | Small Business Administration |
| SBRD | Small Business Resource Database |
| SDB | Small Disadvantaged Business |
| SDVOSB | Service-Disabled Veteran-Owned Small Business |
| TCU | Tribal Colleges and Universities |
| TRADE | Trade for African Development |
| TI | Transition Initiatives |
| USAID | United States Agency for International Development |
| VOSB | Veteran-Owned Small Business |
| WFP | World Food Program |
| WOSB | Woman-Owned Small Business |

**DID YOU KNOW?**

We have five top priorities for the coming year: building a free and prosperous Iraq; winning the peace in Afghanistan; fighting HIV/AIDS; championing peace in Sudan; and supporting 17 Presidential or Administration initiatives.

**Baghdad, Iraq, October 2003: A student from the Hala Bint Khuwaylid secondary girl's school in the Amil district of Baghdad with her new school bag which contains, pens, pencils, notebooks, a calculator and other school supplies. USAID is funding the purchase and distribution of 1.5 million of the bags through a contract with Creative Associates International. All Iraqi secondary students will receive the bags.**

PHOTO CREDIT: THOMAS HARTWELL

USAID
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