



NOTES -- Partners' Day: *Working with USAID*

Session Title: Streamlining Assistance & Flexible Contracting

Date: December 1, 2015

Time & Location: 1:15 PM – 2: 15 PM at the Ronald Reagan Building

Presenters:

- USAID Presenter: Sunil Xavier, Deputy Director of Foreign Operations, M/OAA
- Partner Presenter: Roshana Cohen, Director of Grants, Chemonics

Purpose of the Session

USAID will highlight efforts taken over the last few years to streamline the Assistance award process and help partners understand how the streamlined efforts are helping them. In addition, flexible and adaptive A&A approaches and mechanisms were presented and discussed.

Discussion Topics (and Questions)

Iterative Acquisition & Assistance

- Work plan should be used as tool to make modifications – write SOW/Program Description (PD) at a higher level. If tweaks are still within SOW – AOR/COR can perform and monitor, evaluate, and refine activity on an iterative basis.
- AOR/COR can make these change and CO doesn't have to be involved.

Grants under Contract (from Partner Perspective)

- Annual APS to make changes or adjustments
- Capacity building built into process and this contributes to success in the long term
- Partners with applicants throughout process
- Generate substantial results and improve capacity
- High impact at local level
- Contractors held to the same rules that USAID follows for their own grants
- There are many ways to streamline the process
- For example, research applicants and design process to which they are comfortable responding – ex. Don't include branding and marking plan requirements or other extraneous requirements
- Multi-tiered review process or award based on concept paper
- Only negotiate budgets with successful offerors; doesn't play a large role in evaluation
- Design pre-award risk assessment methodology appropriate for universe of potential applicants. Use weaknesses identified in assessments as specific conditions for grant award (such as hiring accountant)
- Fixed amount awards – takes financial reporting pressure off of the grantee
- Works in remote management as well (ex. Syria, Libya)

Mission Based IQC

- Such as institutional support contract to USAID Somalia Program Office with no fixed labor categories to promote flexibility.
- Feed the Future IQC Senegal – Five year period of performance and then on annual basis issue TOs based on results from previous year.
- East Africa Regional IQC for Construction – all bilateral Missions in East Africa can buy into this; flexibility to issue TOs as needed

Hybrid Contracts – Cost Plus Fixed Fee – IQC Combo

- From PEB No. 2014-01 (Dictates policy to contracting professionals; now public)



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- Have core contract, then within contract have IQC CLIN
- Core = what we know
- Supplemental Technical Assistance = Task Orders for work TBD
- Rapid response component

Assistance – Phased Approach

- Phase 1 – at end of phase, Mission/OU review results achieved
- Phase 2 – Can make necessary changes uncovered in Phase 1; If total estimated cost increases, a JRE may be required depending on availability of funds

PEB on Assistance Streamlining (PEB 2015-01)

- Pre-Award
 - Evaluation criteria reduced to only one – technical merit
 - Competitive ranges eliminated
 - Only cost review of apparently successful applicant(s)
 - De minimus rate of 10% if no indirect rate can be established
 - Fixed amount awards don't have a threshold ceiling
- Post Award
 - Removed requirement for prior written approval of foreign travel
 - No requirement for budget change if less than 10% of the total budget (approvals DO apply to construction activities)
- Estimate that PALT should be reduced by 10-15% and aiming for less than 150 days

Streamlining from Partner Perspective

- Pre-solicitation
 - More accurate info upfront results in high quality proposal
 - Accurate & updated business forecast
 - Choice of Instrument accurate based on SOW and remains unchanged once posted
 - Strong pre-solicitation released with draft SOW
 - Ensuring key info is in DEC; often have to ask for it be uploaded after RFP release
- Solicitation
 - Section C,L, M make sense together
 - RFPs/RFAs without contradiction or errors – reduces PALT
 - Bidders conference & ability to communicate with Mission
 - No extraneous info requested in the RFP/RFA
 - Answer to questions provided in timely manner & an extension is granted timely
- Post-Award
 - Blanket approvals, reduce approval requirements & timely approvals
 - Respect the implementation instrument – ex. don't include line items in budget for CPFF completion-type contracts and hold contractor to each line item
- Open communication, partnership & trust
- Joint work planning on an annual basis & timely work plan approval
- Publicly available Mission notices – extremely useful
- Allowing for sufficient LOE for IP to manage the award/contract
- Use of quick-close – allows CO to approve closing out the contract using provisional rates
 - Close out more quickly
 - Agency able to reclaim unexpended amounts



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Key Takeaways

- There are options in terms of contract types
- Choice of instrument is critical
- Involve OAA early
- There are resources
- PEB 2014-01 – Adaptable Flexible Contracting
- PEB 2015-01 – Assistance Streamlining

Questions/Discussions

- Mission procurements subject to small business goals – recommendations for engaging with Missions
 - Created 10 FSO positions across OAA include OSDBU. The OSDBU position will provide a field perspective with someone familiar with business forecast and will find appropriate opportunities for small businesses
 - M/OAA/OD/Foreign Operations is working to ensure Mission forecast is accurate and up-to-date; internally working to ensure that this is happening
 - FSOs will also be placed in the Compliance, Evaluation and Policy Divisions bringing field perspective back to Washington and vice versa.
- Working together, continuous learning – any thought to establishing feedback mechanism for COs and AOs, i.e. evaluation mechanism like CPARs for CO and AOs?
 - Weekly updates to provide feedback to COs
 - Phone calls with partners to hear what is working and what isn't
 - VTC with COs in the field to provide real-time feedback
- Women-owned and small business
 - Outreach through Bidder's Conferences
 - Mauricio Vera (OSDBU) has a SB course that he provides to Missions and increasing the use of small businesses
 - COs encouraged to set aside small business or at least percentage
 - COs encouraged to include use of U.S. Small Businesses in RFP evaluation criteria
- Removal of prior approval from foreign travel
 - Foreign trips required to be listed in the workplan, then when trips change have to update workplan, and request for approval so in effect still the same requirement
 - Intent isn't to make IP to come back for each change in the workplan; most important item is that travel doesn't exceed line item amount
- Contracts re: travel – 6 day workweek approval - Difficult to get approval for 6-day workweek – any standardization?
 - Historically case –by-case basis
 - Up to each CO/AO discretion
 - May be helpful to release PEB to highlight best practices/business decisions
 - Recommend indicating why it is advantageous to increase the days in the workweek when requesting approval., i.e. better use of per diem.