Streamlining Assistance & Flexible Contracting

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Adapt: “To undergo modification so as to fit new circumstances.”
Combination of the Latin words “ad” (to) + “aptus” or “aptare” (fit)
Topics for Discussion

- Iterative Acquisition and Assistance
- Grants under Contracts/Assistance Streamlining
- Mission-Based Indefinite Quantity Contracts
- Hybrid Contracts – Cost-Plus-Fixed Fee-IQC Combination
- Assistance – Continuing Application Process (Phased Approach)
- Assistance Streamlining Procedures (Procurement Executive Bulletin 2015-01)
- Streamlining the Acquisition and Assistance Process - Partner’s Perspective
Background

To provide effective development assistance, procurement mechanisms must be:

• Adaptable
  • Iterative
  • Phased
• Flexible and easy to amend/modify
• In some contexts, particularly quick to award
Challenge

Traditional Standard Process

I have known exactly what I need for the next five years!
What We Are Doing

Iterative A&A– Using Work Plan as Tool
A&A Options

Progress to Date

Grants Under Contracts (GUCs)/Grants Under Grants

• Allows for multiple activities that respond to new opportunities/challenges
• Implementing Partner uses RFA/APS to respond to unforeseen circumstances during project implementation.
• Examples:
  ○ **Colombia**: Three major Alternative Development Programs ($113 mil. to $189 mil. each)
  ○ **Somalia**: SYLI Education/Youth Project ($18 mil.)
  ○ **South Sudan**: VISTAS Project (OTI-like design)
Streamlining Under GUC – Partner Perspective

- Design the solicitation process with knowledge of the potential applicants and their capacity
- Minimize solicitation requirements
- Conduct a getting-to-grants workshop
- Use a multi-tiered review process or award based on a concept paper when appropriate
- Only negotiate budgets for successful offerors – budget does not play a large role in the evaluation criteria
- Design appropriate pre-award risk assessment methodology
- Don’t be afraid of specific conditions
- Capacity building is paramount - needs appropriate level of staff
- Use of fixed amount awards
Acquisition Options

Mission Based ICQs

- Institutional Support to USAID Somalia Program Office
- Feed the Future IQC in Senegal
- East Africa Regional IQC for Construction
Hybrid Contracts

• Useful when there is some certainty, but also likelihood of change/evolution or need for flexibility

Examples:
• Cost-plus-fixed fee (CPFF)-IQC combination contract
  ○ Core instrument (what we know) + “Supplemental Technical Assistance” (i.e. Task Orders for TBD work)
Subject to the availability of funds, USAID anticipates awarding one Cooperative Agreement with a total estimated cost of US$63 million to support these activities over an approximate five year period split into two phases broken down as: 18 months (Phase I) and 3-1/2 years (Phase II). However, the duration and continuation of Phase II will depend on the availability of funds and the effectiveness of the program during the first 18 months. The recipient will make a presentation at the end of the eighteenth month of the activity. The recipient will be required to submit to the Agreement Officer a written non-competitive continuation application for review and approval for the second phase. The approval of the second phase will be made no later than 22 months after award.
PRE-AWARD
a. Evaluation criteria are now limited from three to one
b. Competitive ranges are now eliminated in Assistance
c. Only a cost review of apparently successful applicant(s)
d. Allowing assistance recipients that have never been reimbursed for indirect costs to use a standard de minimus rate of 10% that supports the fundamental operations of the organization
e. Incorporating changes to Fixed Obligation Grants (FOGs), now called Fixed Amount Awards DO NOT have a threshold

POST-AWARD:
a. Removing the requirement for prior written approval of foreign travel
b. No requirement for budget change if less than 10% of the total budget. (Approvals DO apply for construction activities)
Streamlining the Procurement Process – Assistance & Acquisition

Pre-solicitation stage:
• Accurate & updated Business Forecast
• Choice of instrument
• Pre-Solicitation with draft SOW
• Ensuring applicable information is in DEC
Streamlining the Procurement Process – Assistance & Acquisition

Solicitation:

• Section C, L, & M make sense together
• RFPs/RFAs without errors and contradictions – reduces PALT
• Bidders conference & ability to communicate with the Mission
• No extraneous information requested
• Answer questions in a timely manner and timely extensions
Streamlining the Procurement Process – Assistance & Acquisition

Promote flexibility:

• Reduce approval requirements, use of blanket approvals, & timely approvals
• Respect the implementation instrument
• Rely on implementing partners established policies
Streamlining the Procurement Process – Assistance & Acquisition

Open communication, partnership, & trust:
• Joint work planning on an annual basis & timely work plan approval
• Publicly available Mission notices
• Allowing sufficient LOE for IP to manage the award/contract
• Use of quick-close
Key Takeaways!

- There are options!
- Choice of instrument is critical!
- Involve OAA early!
- There are resources!

PEB 2014-01 – Adaptable and Flexible Contracting
PEB 2015-01 – Assistance Streamlining