U.S. Agency for International Development
SBA Small Business Procurement Scorecard
Plan for FY 2009

Evaluation Measure #1: Implemented strategic plan to increase the value of competitively awarded contracts to small businesses during the period.

Yes. In FY2008, the U.S. Agency for International Development (USAID) implemented a new "Acquisition and Assistance Reform" initiative which expanded opportunities for new partners. A key element of this reform was the institution of a mandatory small business set aside policy for all new institutional support contracts to be performed predominantly in the United States including assessments, evaluations, designs and other activities that support agency operations, regardless of size. The initiatives complemented existing programs currently being implemented by USAID's Office of Small and Disadvantaged Business Utilization (OSDBU) and the Office of Acquisition and Assistance (OAA). In FY2009, OSDBU plans to conduct training to ensure that all contract and technical staff have the knowledge and skills to carryout the new training.

To help attain the FY 2009 small business goals set by the Small Business Administration (SBA), the USAID Administrator, through the Chief Operating Officer (COO), will hold each Senior Officer accountable for meeting their proposed fiscal year targets. The Senior Officers are required to report on their goals and achievements on a quarterly basis. USAID strategic initiatives to achieve and exceed the small business goals include:

Vendor Outreach Sessions. Bi-Monthly Vendor Outreach Sessions are organized and hosted by OSDBU with the assistance of USAID program/technical staff. The USAID staff provides the invited small businesses with detailed information on doing business with USAID, and current and future procurement opportunities. The small businesses are also provided opportunities to network with OSDBU, Contracts, and program/technical staff.

Information Technology (IT) Outreach Sessions. Bi-Monthly IT Outreach Sessions are organized and hosted by OSDBU with the assistance of USAID IT prime contractors. The prime contractors provide the invited small businesses with information on their company, current and future projects at USAID and potential subcontracting or teaming opportunities.

Teaming Workshops. OSDBU hosts occasional workshops for small businesses to obtain information on teaming opportunities to increase their capacity to compete and be considered for USAID procurements. Teaming arrangements help small businesses to complement each other's unique capabilities and offer the government enhanced capabilities to perform on upcoming contractual requirements. In FY2009, we plan to expand these teaming workshops to include a component focused on educating the large businesses on the use and advantages of partnering with small businesses.

Mentor/Protégé Program. The Mentor-Protégé Program is designed to assist small businesses in enhancing their capabilities to perform contracts and subcontracts for USAID as well as other Federal agencies. It is also designed to improve the performance of USAID contractors and subcontractors by providing developmental assistance to Protégé entities, fostering the establishment of long-term business relationships between small business and prime contractors, and increasing the overall number of small businesses that received USAID contract and subcontract awards.

Task Order Awards. USAID's 2002 Appropriations Act contains special authority that allows USAID to award Task Orders to small and small disadvantaged businesses without competition under multiple award indefinite quantity contracts (IQCs). This authority applies to multiple-award IQCs that were initially funded with FY 2002 money. After that, for the life of these contracts, USAID has the option to direct a Task Order to any small or small disadvantaged business that was awarded a prime IQC. Thus, the requiring office, OSDBU and the contracting officer, work together from the earliest stages of procurement planning to ensure that the agency is using the most effective contracting methods to include small and small disadvantaged businesses.

Service-Disabled Veteran-Owned Small Businesses. Executive Order 13360 was signed by President Bush on October 20, 2004, to increase Federal contracting and subcontracting opportunities to service-disabled veteran-owned small businesses (SDVOSB). Provisions of the Federal Acquisition Regulations (Subchapter D, Part 19.14) granted new authorities for awards to SDVOSBs. The Defense Acquisition University (DAU) developed a one-hour online course on SDVOSBs for USAID contracting officers which provided them with new authority for awards to SDVOSBs.

Small Business Liaisons. A Small Business Liaison (SBL) has been designated by each office to work directly with the OSDBU. The SBLs have the ability to track and monitor information for the OSDBU and small businesses. The SBLs can also provide referrals on the quality and performance of small businesses to the missions. The SBLs participate in our annual conference and are our first point of contact when we attempt match firms with the appropriate technical or program staff.

Business Forecast. Early submission of Acquisition & Assistance (A&A) plans from the bureaus/offices to the OAA ensures that execution of A&A requests are distributed over several quarters rather than having the vast majority arrive during the fourth quarter. This forecast is published on USAID's public website and is a consolidated version of the A&A plans submitted to OAA. The forecast contains basic information on acquisitions and assistance anticipated for award during the fiscal year and provides small businesses with the information they need to develop effective strategies to market to USAID.

Partnership Agreement. The Small Business Administration (SBA) and the USAID have entered into a Partnership Agreement to expedite the award of 8(a) contracts and purchase orders. The authority to obligate acquisition instruments has been delegated to USAID Contracting Officers and Executive Officers.

Annual OSDBU Procurement Conference. First held in FY2008, the OSDBU Annual Procurement Conference is an opportunity for interested small businesses to hear from and question USAID Senior Officials. The conference also includes a procurement fair which provides small businesses with the opportunity to network with USAID contracting, program and technical staff.

External Conferences/Workshops. To increase small business awards in FY2009, the OSDBU staff will participate in conferences and workshops conducted by the Small Business Administration and other industry events.

OSDBU Newsletter. OSDBU's iNreach Electronic Newsletter is a vehicle used to disseminate information regarding the USAID acquisition reform initiatives as they reach the implementation stage, as well as OSDBU activities aimed at supporting expanded use of Small Business in USAID initiatives and support activities. The newsletter is also an avenue for OSDBU to highlight and introduce small businesses to Agency staff.

Evaluation Measure #2: Demonstrated top-level Agency commitment to small business contracting during the period.

Yes. Small business contracting has taken on an increased focus since the overall Foreign Assistance Reform or "F" process that now streamlines the interaction between USAID and the State Department. Because the USAID Administrator also serves as the Director for Foreign Assistance, the Deputy Administrator at USAID now plays an even greater role in the day-to-day operations of the agency. The USAID OSDBU Director reports directly to the Deputy Administrator and they have weekly one-on-one meetings to discuss current issues regarding the small business initiatives. The USAID Administrator, through the Chief Operating Officer (COO), holds each bureau accountable for periodically reporting on bureau and office accomplishments in meeting their proposed fiscal year small business goals.

The USAID Administrator sends out an annual Executive Memorandum to all Assistant Administrators and Independent Office Directors announcing the small business utilization goals as set by the SBA and encouraging the use of small businesses in USAID contract awards. The notice is broadcast throughout USAID/Washington headquarters and its Missions and emphasizes the importance of meeting and exceeding the agency's small business goals. The Program Managers are requested to seek ways to include small businesses in their acquisition strategies. The Administrator states that "The goals set for us are a challenge, but are ones that we can certainly attain. I thank you for all that you are doing to identify and create opportunities for U.S. small businesses."

The USAID Administrator also issued a General Notice to the Agency regarding the importance of Procurement Planning. Advanced procurement planning ensures that there is sufficient time in the acquisition cycle to conduct market research enabling staff the opportunity to locate qualified small businesses.

Evaluation Measure #3: Planned significant events to increase small business participation in the procurement process during the period.

Yes. USAID has a comprehensive small business program which includes organizing and hosting significant outreach events and activities that focus on increasing small business participation in the procurement process. Examples of planned activities for FY 2009 include:

Vendor Outreach Sessions. Bi-Monthly Vendor Outreach Sessions are organized and hosted by OSDBU with the assistance of USAID program/technical staff. The USAID staff provides the invited small businesses with detailed information on doing business with USAID, and current and future procurement opportunities. The small businesses are also provided opportunities to network with OSDBU, Contracts, and program/technical staff.

Information Technology (IT) Outreach Sessions. Bi-Monthly IT Outreach sessions are organized and hosted by OSDBU with the assistance of USAID IT prime contractors. The prime contractors provide the invited small businesses with information on their company, current and future projects at USAID and potential subcontracting or teaming opportunities.

Small Business Conference. In FY2008, OSDBU hosted a small business conference showcasing the agency's renewed focus on the small business initiatives. The conference included key motivational remarks by the USAID Administrator and a small business procurement fair. This year, we plan to continue the successful aspects of that conference and incorporate workshops for USAID staff as well as the small businesses in attendance.

External Conferences. USAID's OSDBU staff, Small Business Liaisons and Program/Technical staff attend frequent Small Business Conferences throughout the year. These include Minority Enterprise Development (MED) Week, the annual OSDBU Procurement Conference, Access to Capital Fair, ProBiz Procurement Conference, Congressional Procurement Conference & Expo, National Veterans Small Business Conference, National Women's Business Conference, the Congressional Black Caucus, the US Hispanic Chamber of Commerce, and other similar events.

SBA 8(a) Program. USAID actively participates in one-on-one counseling with 8(a) program participants at the SBA's monthly 8(a) Program Workshop. During the one-on-one counseling sessions, USAID's OSDBU staff provides an overview of agency programs and explain how small businesses can obtain contracting opportunities and become partners in our development programs.

Small Business Program. USAID/OSDBU continues to invite SBA representatives from the HUBZone, Small Disadvantaged Business and 8(a) Program to speak at our internal training sessions for contracting and program offices.

Subcontracting Plan Workshop. The OSDBU plans to conduct a workshop for large businesses. The workshop walk the large businesses through the subcontracting plan process and inform them of USAID/OSDBU's requirements for an acceptable plan.

In addition to these activities, USAID is also in the process of training the Agency on the mechanics of the new acquisition reform which revised its written procedures for small business contracting in FY2008. The purpose of this reform was to institute a class small business set-aside for assessments, evaluations, designs and operational activities acquired under domestic institutional support contracts.

The agency will also be hiring an 8(a) contractor to review our Mentor-Protégé Program and provide guidance on implementation strategies and marketing of the program. This program was designed to assist small businesses in enhancing their capabilities to perform contracts and sub-contracts for USAID and other Federal agencies. It was also designed to improve the performance of USAID contractors and subcontractors by providing developmental assistance to Protégé entities, fostering the establishment of long-term business relationships between small business and prime contractors, and increasing the overall number of small businesses that receive USAID contract and subcontract awards. We are hiring a consultant to ensure that we are utilizing the program in the most effective and efficient manner.

Evaluation Measure #4: Demonstrates that small business data is accurately reported in FPDS-NG during the period.

Yes. USAID's Procurement Executive (the Director of the Office of Acquisition and Assistance (OAA)) provides an annual certification regarding the completeness and accuracy of USAID's procurement data to FPDS-NG. USAID is currently in the process of switching its reporting system from its current outdated automated procurement system to Compusearch's PRISM system. This new system will be known as the Global Acquisition and Assistance System ("GLAAS"). In the interim, USAID implemented the Electronic Procurement Information Capture System (EPICS), to capture procurement data (along with other types of data) until GLAAS is fully deployed.

USAID performs quality control checks to ensure that small business data is reported accurately to FPDS-NG. These include:

One Source Review. Information regarding the accuracy of each contracting officer and contracting unit's data will be provided to OAA's Evaluation Division for consideration in the analysis of risk included in the "Evaluation Scorecard" used to evaluate USAID's contracting system. In addition, unacceptable error rates will lead to additional scrutiny of an operating unit's FPDS-NG data until a determination is made that the data being inputted meets the required standard.

Follow-on Oversight and Training. USAID's verification and validation policy addresses training and available resources. When GLAAS is implemented worldwide starting in FY 2009, on-site training and CBT will both be offered that will also include training relating to FPDS-NG fields.

Additional Resources and Technical Support. USAID's verification and validation policy will also include a list of on-line resources that will help those employees responsible for inputting and verifying procurement data to correctly input that data. These resources will include the FPDS-NG manual, data dictionary and training, the Product Service Code site, the North American Industrial Classification Codes site, the Central Contractor Registration site and the Federal Information Processing Standards Publication FIPS Pub 10-4 (Country Codes and Country Names).

Evaluation Measure #5: Demonstrates that policies and procedures are in place to ensure compliance with subcontracting plans and attainment of subcontracting goals during the period.

Yes. USAID's OSDBU works closely with the Office of Acquisition and Assistance (OAA) to establish policies and procedures to ensure compliance with subcontracting plans. Policies and procedures are detailed in the Agency for International Development Acquisition Regulation's (AIDAR) 719.2, which provide Agency's guidance on the subcontracting program.

In accordance with the subcontracting program under P.L. 95-507, additional guidance is provided under Federal Acquisition Regulation 19, Part 726. Under AIDAR 719-273-1, USAID requires all contracts awarded to large businesses above $550,000 to submit subcontracting plans. OSDBU is essential to the subcontracting plan review process. OSDBU reviews all required subcontracting plans and makes a recommendation to OAA to either approve or revise the plan prior to contract award.

Under USAID's Mentor Protégé Program, AIDAR 719.273-1 provides guidance on improving the performance of USAID contractors and subcontractors to foster the establishment of long-term business relationships between small business and primes contractors. OSDBU reviews and monitors the subcontracting plans and offer recommendation including posting opportunities in Subcontracting Network (Subnet).

USAID plans to initiate a program to provide assistance and support to prime contractors to ensure compliance with subcontracting plans. The agency complies with the established policies and procedures as set forth by USAID and FAR 19, Part 726. When applicable in contracts meeting the criteria, the liquidation clause shall be included as a part of Section I of the contract. When a contractor fails to make a good faith effort to comply with a subcontracting plan, Federal Law mandates that liquidated damages be paid to the Government. The amount of damages shall be equal to the actual dollar amount by which the contractor failed to achieve each goal.

USAID issued a Procurement Executive Bulletin No. 2005-15 that requires contractors to submit quarterly reports and to input data into the e-SRS that became effective as of December 30, 2005. USAID's Contract Specialists/Officers ensure that large prime contractors submit their required subcontracting reports as part of their contract administration duties.

Evaluation #6: Demonstrated no unjustified bundling has taken place during the period.

Yes. The USAID has systematically followed our internal action plan and reports that no unjustified bundling has taken place during the reporting period. As part of USAID's action plan, the OSDBU and Office of Acquisition and Assistance (OAA) review FPDS-NG data to ensure that no actions contain a bundling code.

First, to avoid unnecessary and unjustified bundling, USAID queried the Agency's individual contract officers, both in Washington, D.C., and overseas and believe that USAID did not award any bundled contracts during the current reporting period. To assure the validity of our findings, we reviewed data from internal and external procurement reporting systems reflecting both our domestic, as well as our overseas activities. This is done to uncover any inconsistencies and to document our findings for reporting. Our intent is to assure that our assessment is both comprehensive and accurate in terms of identification of legitimate bundled awards and dismissal of those procurements that do not meet the definition of a bundled contract.

Like other agencies, USAID's Procurement Executive (the Director of OAA) will have to provide an annual certification regarding the completeness and accuracy of USAID's procurement data to FPDS-NG. USAID is currently in the process of switching its reporting system from its current outdated automated procurement system to Compusearch's PRISM system. This new system will be known as the Global Acquisition and Assistance System ("GLAAS"). USAID also implemented an interim system, known as the Electronic Procurement Information Capture System (EPICS), to capture procurement data (along with other types of data) in the interim until GLAAS is fully deployed. With the successful implementation of this system, we will continue moving forward towards ensuring that small business concerns have access to USAID's procurements by reviewing all data reported to FPDS-NG.

Secondly, as the U.S. Government's primary agent for providing foreign assistance to developing countries around the world, USAID awards contracts for the purposes of providing technical and professional advisory and assistance services to these countries. As such, a large portion of the work under these contracts is performed overseas, but the contractors performing them are U.S. organizations (large businesses, small businesses, non-profits, educational institutions, and individuals). Contracts performed entirely overseas are exempt from Small Business Programs and the definition of "bundling" in the Federal Acquisition Regulation does not apply to contracts awarded and performed entirely outside of the United States. However, these regulations are not clear about their applicability to contracts that are performed almost entirely overseas by U.S. organizations; e.g., a portion of the contract is performed in the United States.

As part of USAID's action plan, we took an unprecedented approach by obtaining special authority under Section 534 entitled "Special Authorities" of Public Law 107-115 Foreign Operations, Export Financing, and Related Programs Appropriations Act to further maximize small business concerns participation on USAID procurements. This special authority allows USAID to award task orders to small business concerns without providing a fair opportunity to all contractors under a multiple award indefinite quantity contract (IQC). To supplement this, USAID instituted a policy to encourage program offices to consider setting aside one or more of the prime contract awards in new multiple-award IQC's for qualified small business concerns. Under this policy USAID staff is further guided to take advantage of this authority for statements of work

that are too broad for small businesses to compete effectively for the entire range of services or goods, by separating out segments of the work that may be more suitable for small businesses to perform.

On a final note, to offer small business concerns the maximum extent practicable to participate in USAID procurements, we strongly encourage the participation of small business concerns on all of our requirements as subcontractors as well. To strengthen the use of small business concerns as subcontractors, USAID instituted an evaluation criterion that states "all things being found equal, the proposal offering maximum participation of small business organizations may become a determining factor for selection." Another part of USAID's action plan was to implement a Mentor-Protégé Program. The USAID Mentor-Protégé Program was designed to assist small, disadvantaged, women-owned, HUBZone, veteran-owned, service-disabled veteran-owned small businesses in enhancing their capabilities to perform contracts and subcontracts for USAID and other Federal agencies. The Mentor-Protégé Program was also designed to improve the performance of USAID contractors and subcontractors by providing developmental assistance to Protégé entities, fostering the establishment of long-term business relationships between small business and prime contractors, and increasing the overall number of small business that receive USAID contract and subcontract awards.

The results of our approach offer small business concerns the maximum extent practicable to participate in USAID procurements and detail that USAID's plan has solid mechanisms in place that discourage unjustified bundling with proven review and procurement practices.

Evaluation Measure #7: Planned training to contracting staff/managers in executing small business/socioeconomic procurement during the period.

Yes. OSDBU is developing a training module to educate and enhance the knowledge, skill-base and ability of USAID contracting and program staff. This training will enable staff to become more effective in applying the small business programs in procurements and increase awards to U.S. small businesses to achieve the Agency's contract and subcontract goals. This is a part of an on-going effort to provide basic refresher instructions and guidance on the structure of the small business programs during this period. In FY2008, the OSDBU Director provided training on the small business program at USAID's Contracting Officers Summit held in March 2008. The OSDBU Director will participate in this year's summit as well. In addition, he will ensure that small businesses are included in the summit's Partner's Day. This event has traditionally only been attended by large businesses.

OSDBU has provided a series of "After-Lunch Sessions" that provided training on the HUBZone and Small Business Subcontracting program. OSDBU plans to provide additional training focusing on specific socioeconomic preference programs such as small, disadvantaged, women-owned, HUBZone, veteran-owned and service-disabled veteran-owned small businesses.

The USAID Intranet web site includes detailed information on small business programs both in the OSDBU as well as the Office of Acquisition and Assistance sections. Information includes tips for doing business with USAID, small business programs and agency goals, key documents, links to relevant laws and regulations (Federal Acquisition Regulations, AID Acquisition Regulations, etc.), key points of contact, and other tools and resources for staff with acquisition responsibilities.

Evaluation Measure #8: Planned to collaborate with SBA on formulation of small business procurement policy initiates during the period.

Yes. USAID's OSDBU Director plans and collaborates with the Small Business Administration (SBA) on the formulation of small business procurement policy initiatives throughout the year at monthly Small Business Procurement Advisory Council (SBPAC) meetings. As an active member of the SBPAC, USAID's OSDBU works closely with the SBA in the implementation of the Federal small business contracting programs. Further, OSDBU meets frequently one-on-one with SBA's Office of Government Contracting management and staff to strategize on small business initiatives.

During monthly SBPAC meetings, the council exchanges and discusses information on acquisition methods, issues and strategies; small business program initiatives and processes; and small business related outreach events that permit their respective agencies to increase their utilization of small businesses as prime and subcontractors to meet their annual requirements for services and goods. Among recent pertinent topics USAID has discussed with SBA leadership is the issue of determining the applicability of contracts performed overseas to the small business baseline.

Evaluation Measure #9: Agency submits all strategic plans that became due to SBA during the reporting period.

The Agency plans to submit all of the reports that became due during the reporting period under separate cover. These reports include:

1. Competitive Demonstration Program Report
2. Progress Report on Increasing Opportunities for Women-Owned Small Businesses
3. Annual Report and Fiscal Year Update to Contract with Service-Disabled Veteran-Owned Small Business (SDVOSB)
4. Annual Contract Bundling Report
5. Corrective Actions to Address Unmet FY 2006 Socio-Economic Goals