



**Comments:**

Graded Agency:

USAID attributes the reduction in its overall scorecard grade to the change in the methodology used to assess Federal agencies performance, which decreases the importance of prime contracting and increases the importance of subcontracting achievements. In fiscal year (FY) 2017, USAID awarded its highest ever total worldwide dollar and percentage prime contract obligations to U.S. small businesses at \$634.2M (13.18%), exceeding FY 2016's total of \$571M (13.12%). Concurrently, in FY 2017, USAID began to proactively encourage its Contracting Officers stationed overseas to require small business subcontract plans for contracts awarded and performed overseas. As a result, while the Agency's overall subcontract dollars to small businesses decreased only slightly (\$121.4M in FY 2017 vs \$126.8M in FY 2016), total dollars subcontracted increased significantly (\$720.8M in FY 2017 vs \$475.4M in FY 2016), thus resulting in a significant percentage drop in overall subcontracting achievements. USAID will continue to make every effort to provide maximum practicable opportunities for U.S. small businesses as prime and subcontractors.