



TOP USAID, STATE, CDC RECIPIENTS, CONTRACTORS, SMALL BUSINESSES IN 2024
by Robert E. Stross

Every year is different when it comes to USAID’s acquisition and assistance (A&A) awards and 2024 was no different. The top line funding for A&A was down by \$10 billion, coming in at \$28.3 billion, even though sizable awards were made by USAID for institutional staffing support, Ukraine and for West Bank/Gaza. A few smaller awards were also made for work in Afghanistan and Iraq. Note: All funding data cited herein is up-to-date as of October 17, 2024.

For the first time, USAID funding of public international organizations (PIOs) has surpassed that received by U.S. and local partners. Breaking into State’s BPRM, one PIO scored non-competed grants amounting an astounding \$1.16 billion, a sum exceeding that received by the next ten highest State Department awardees, combined. Another PIO secured \$105 million in non-competed grants from CDC. These developments, taken together, are resulting in a hollowing out of awards to, and are sapping the capabilities of, U.S. and local partners.

To serve as a context for the size of USAID A&A awards this past year, one has to look at the total amount of funding USAID had available for making A&A awards. Only \$45.12 billion was appropriated for USAID in FY 2024. This reduced USAID overall funding is similar to that seen in sizable funding cuts in the next two largest foreign aid donor countries: Germany and the UK.

This contrasts with funding in the previous year. In FY 2023, USAID’s appropriations topped out at \$50.09 billion. This surge was caused principally by the level of direct payments made to Ukraine, amounting to almost \$15 billion in 2023 and \$8 billion in 2022. In fact, before the funding for Ukraine in 2022 and 2023, USAID’s total amount of A&As had been \$26.9 billion in 2021 and \$21.4 billion in 2020. So, the lower funding of USAID A&A in FY 2024 is in line with funding levels during the pre-Ukraine war period.

As shown next, the lower funding for A&A was primarily borne by grants and cooperative agreements to nongovernmental organizations with over a \$1½ billion reduction in this line-item. In contrast, funding for contracts and IDVs saw almost a half a billion dollar jump.

So, let’s look at the detail:

	<u>2024</u>	<u>2023</u>
Grants to PIOs	\$7.93 billion	\$7.20 billion
Direct Payments to Ukraine	4.22	14.80
Grants/CAs to NGOs	7.18	8.76
Contracts and IDVs	7.27	6.80
Other Financial Assistance	<u>1.70</u>	<u>0.64</u>
Total	\$28.30 billion	\$38.20 billion



What is not so obvious by one measure is 2024’s A&A awards represented 61% of USAID’s total funding, whereas for both 2023 and 2022 it had been 77%. Since 2019, this is now a new low point for USAID’s reliance on outside sources for providing foreign assistance.

As you will see in the tables that follow, Chemonics International maintains its hold as the #1 USAID Contractor and Catholic Relief Services (CRS) nosed out Family Health International as the #1 USAID Recipient. CRS’s rise was due to a 44% increase in its year-to-year USAID funding, whereas FHI lost ground with only an 11% increase. The top 25 USAID contractors saw many increasing their revenues from USAID awards this past year, whereas an opposite pattern was observed for USAID’s top recipients.

Of the organizations listed herein, a few showed exceptional growth in their USAID funding. Credence Management Solutions more than doubled its funding to \$319 million from two huge USAID institutional staffing support contracts. Tetra Tech ES and Dexis each have doubled their USAID funding and Education Development Center’s funding shot up by 62%.

Among USAID small businesses, SoCha’s awards doubled last year, with DevTech’s and ZemiTek’s each increasing by 61% and Encompass’s experiencing a 50% surge.

Top New USAID Awards and Awardees in FY 2024

Following up the summary of USAID awards above is the initial obligations of \$10 million or more committed for new awards made last year. As a point of reference, in 2023 there were 55 initial awards made by USAID of \$10 million or more; this past year half the number. Incidentally, 19 of these 27 awards were made to IDIQ holders rather than with definite contracts, and are designated by an asterisk.

<u>Awardee</u>	<u>\$Award(M)</u>	<u>Award ID</u>	<u>#Offers</u>	<u>Description</u>
Credence Mgt. Solutions*	\$200.0/899	7200AA24N00001	3	BHA Support Contract
Unnamed Domestic Source	98.4/250	72012124C00001	3	Harvest in Ukraine
DAI Global LLC*	47.3/90	72012124M00001	3	Reduce Corruption in Ukraine
Unnamed Domestic Source	41.0/439	72012124C00003	7	Tech Procure Assist Ukraine
Education Development Ctr*	38.5/80	72061524F00003	3	Kenya Primary Literacy Prog
DevTech Systems Inc.*	35.4/113	72MC1024M00002	2	Follow-on Award
Blumont Engineering Sol.*	31.8/45	72029424F00005	1	Jenin Wastewater Management System
Chemonics International*	30.4/200	7200AA24F00008	1	FEWS Net Decision Support Team
IBM Corp.*	29.8/95	7200AA24M00002	3	New Cyber Security
IT Concepts, Inc.*	23.9/194	7200AA24N00002	2	Personnel Assist to HCTM
Chemonics International, Inc	21.5/85	72067424C00001	5	Empowering Southern Africa
Winrock International	20.0/57	72036724C00002	8	Catalyze Ag Transformation Nepal
AECOM Technical Srvc,*	20.0/90	7200AA24F00004	4	Global Infrastructure & Investment Fund
Chemonics International*	18.7/73	72026724N00001	3	Iraq Together
ICF International*	16.1/237	7200AA24N00003	1	Demographic and Health Surveys
DAI Global LLC	15.4/80	7200AA24C00062	4	Advance EU Market Integration
ZemiTek LLC*	15.2/164	7200AA24M00005	10	PLR Institutional Support Contract

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Tetra Tech ES, Inc.*	15.1/38	72067424F00007	1	So. Africa Res Cities Limpopo
Rwanda Medical Supply*	12.9/13	72069624F00001	1	Procure Health Commodities
Family Health International	12.5/245	7200AA24C00092	10	Strengthen Infectious Disease Detection
DAI Global LLC	12.0/60	72030624C00001	4	Tech Srvc Women/Men in Ag in Afghanistan
ARD, Inc.	11.5/29	72068524C00001	7	Impr Sanitation and Water Services Senegal
ZemiTek, LLC*	11.1/50	7200AA24M00001	9	Office of USAID Administrator Staff Support
Creative Associates Int'l*	10.8/40	72051924F00008	1	Local Governance Solutions in El Salvador
Chemonics International*	10.4/35	7200AA24F00002	4	Support Democracy Stability El Salvador
Chemonics International*	10.3/15	72026724F00001	1	DCEO Task Orders in Iraq
DAI Global LLC*	10.0/33	72052124F00001	1	Haiti Water Security Sys Str.

Obligations made by USAID using predominantly cooperative agreements and less so grants to mainly nongovernmental organizations are summarized next. It is noteworthy that an abysmal record of just six recipients received more USAID funding, but a whopping 19 received less.

	<u>2024</u>	<u>2023</u>
1. Catholic Relief excl Ocean Fr.	\$476 million	\$331 million
2. Family Health Int'l	464	408
3. Research Triangle Institute	219	192
4. Save the Children excl Ocean Fr.	190	211
5. Mercy Corps	168	208
6. JHPIEGO Corp.	159	136
7. Consort. Elect. & PPS	137	163
8. JSI R&T and John Snow	137	147
9. CARE excl PL 480	135	161
10. World Vision	119	157
11. Population Services Int'l	93	98
12. Johns Hopkins University	89	91
13. Palladium International	86	116
14. Int'l Rescue Committee	80	273
15. DAI Global (FP)	72	168
16. University Research Co. (FP)	71	88
17. International Medical Corps	58	70
18. PACT, Inc.	57	111
19. Chemonics International (FP)	56	68
20. CHF (d/b/a Global Comm.)	53	50
21. CNFA	44	70
22. Pathfinder International	42	35
23. Mgt. Sciences for Health	41	62
24. Education Development Center	40	58

Next, take note of the levels of non-competed awards received by the top ten PIOs. Much of the funding for International Bank for Reconstruction and Development (IBRD) went to fund Direct Payments to Ukraine. Here’s the breakdown of USAID’s awards to PIOs last year.

	<u>2024</u>	<u>2023</u>
Int’l Bank Reconst/Develop	\$4.10 billion	\$7.75 billion
World Food Program	4.00	1.85
Global Fund to Fight AIDS	2.33	811 million
UNICEF	535 million	452
Int’l Organ. for Migration (IOM)	534	425
Int’l Finance Corporation	350	255
United Nations	267	2.39 billion
UN Office for Coord. Hum. Aff.	133	44 million
UN Food and Agriculture Office	105	217
World Health Organization	105	206
UNDP	72	69
UNOPS	45	80

Note: \$4.0 billion of the funding for the International Bank for Reconstruction and Development represented direct payments to Ukraine.

The next part covers contract obligations made by USAID. With two or three exceptions, there hasn’t been a seismic shift in awards received by the top USAID contractors. But what is noticeable here is the large number of small businesses in the top 25 echelon in 2024 – six in total. This uptick is likely the result of the amendment to FAR 19.000(b), requiring consideration to U.S. small businesses in contracts awarded by USAID’s Missions.

Parenthetically, even though Tetra Tech, Inc. remains in 3rd place as it has for the past few years, when you combine its contract awards with the USAID awards received by its subsidiaries or affiliates – namely, ARD, Tetra Tech ES, MSI and its recently acquired Kaizen Co. -- its total revenues then top out at \$904 million, well above DAI’s level and, were it not for Chemonics’ huge Global Health Supply Chain Program – Procurement and Supply Management Project, Tetra Tech would wind up as the #1 USAID Contractor.

As you will see next, the pattern of awards to contractors is almost the exact opposite of that experienced by NGOs, with 21 contractors receiving more awards and 4 receiving less.

	<u>2024</u>	<u>2023</u>
1. Chemonics Int’l	\$1.56 billion	\$1.43 billion
2. DAI Global excl. CAs	511 million	494 million
3. Tetra Tech, Inc.	483	468

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4. Credence Management*	319	141
5. Abt Global/Associates est.	223	214
6. Tetra Tech ES	179	69
7. ARD, Inc., a Tetra Tech Co.	153	135
8. RTI, excl. CAs (NP)	152	150
9. Dexis Interactive LLC	144	74
10. Palladium International	85	130
11. Encompass LLC	80	52
12. DT Global	77	80
13. Creative Associates	74	87
14. Remote Medicine*	71	16
15. Deloitte Consulting LLP	UNK	UNK
16. Mgt. Sys. Int'l, a Tetra Tech Co.	64	51
17. Education Devel. Ctr. (NP)	58	36
18. NTT Data Federal Srvc	48	78
19. Winrock International	47	30
20. DevTech Systems*	45	28
21. Jefferson Consulting Group*	45	29
22. Mgt. Sciences for Health (NP)	40	34
23. ZemiTek*	37	23
24. SoCha LLC*	32	16
25. Blumont Engineering Solutions	32	0

* Small business

For all but one of the top 11 small businesses, 2024 was a banner year in terms of USAID awards. However, with the exception of IT Concepts and recent awards received by Environmental Incentives and Panagora Group, last year turned out to be a disappointing year for most of the others.

Here are the top 20 USAID small businesses in 2024:

	<u>2024</u>	<u>2023</u>
1. Credence Management**	\$319 million	\$141 million
2. Encompass LLC (WOSB)**	80	52
3. Remote Medicine	71	16
4. DevTech Systems	45	28
5. Jefferson Consulting Gp. (WOSB)	45	29

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6. ZemiTek LLC ¹ (WOSB)	37	23
7. SoCha LLC	32	16
8. Int'l Business Initiatives (WOSB)	28	24
9. PM Consulting Group**	28	34
10. Panagora Group (WOSB)	27	24
11. IT Concepts	24	0
12. Environmental Incentives	22	27
13. Global Solutions Ventures JV	22	21
14. International Development Group	21	40
15. Bixal Solutions Inc.	16	15
16. USMAX Corporation (WOSB)	15	17
17. Integrity Global	15	23
18. Pragma Corporation	14	13
19. Democracy International	12	9
20. Social Solutions Int'l (WOSB)	11	9

Note: The small business status of each of these firms was verified according to the current posting on USAspending.gov.

**Credence Management still qualifies as an 8(a) program participant and as a small business, and USAID continues to receive credit for its contract awards for its existing set-aside IDIQ and standalone contracts, but is no longer eligible for new set-aside contracts or subcontracts. This status equally applies to Encompass LLC and possibly to PM Consulting Group.

Top State Department Awardees in FY 2024

Appearing for the first time this year is the \$1.16 billion in non-competed awards made by the State Dept. to one PIO, the International Organization for Migration (IOM). To appreciate the scale of these awards to IOM, they constitute more than the sum total of all the awards made to the next ten highest State Department awardees.

IOM's State Dept. funding was used primarily to support its central administrative and operations in Geneva, Switzerland (\$723 million), Gaza (\$144 million), Venezuela (\$85 million), Ukraine (\$78 million), and South Sudan (\$56 million), among its funding for programs in other countries.

Most of IOM's and the remaining awards providing refugee relocation and resettlement services were made by the State Department's Bureau of Population, Refugees and Migration (BPRM),

¹ Had its prime contractor reported ZemiTek's estimated \$125-\$150 million subcontract on the \$899 million 5-year BHASC institutional support contract, combined with its share of the \$22 million in revenues from the Global Solutions Ventures JV with Dexis Interactive LLC, ZemiTek could well be the #3 USAID small business this past year.

but sizable awards were also made to the Institute of International Education and the American Councils for International Education by State’s Educational and Cultural Affairs Bureau (ECA).

	<u>State</u>	
	<u>2024</u>	<u>2023</u>
Int’l Organization for Migration	\$1.16 billion	0
International Rescue Com.	186 million	\$134 million
Church World Service, Inc.	179	65
Inst. of Int’l Education	157	165
Tetra Tech, Inc. (FP)	109	113
American Councils for Int’l Ed.	76	78
HIAS, Inc.	70	30
World Relief Corp.	61	17
U.S. Committee for Ref & Immigr.	59	21
Int’l Res. and Exch. Board	46	51
Pan American Devel. Fdn.	45	42
HALO Trust USA	41	23
Family Health International	31	34
Save the Children Fdn.	26	36
World Vision, Inc.	18	13
Handicap International	14	13
Jesuit Refugee Service USA	13	23

Top Centers for Disease Control and Prevention Awardees in FY 2024

Also provided is the list of the top global health awardees in FY 2024 by the Centers for Disease Control and Prevention (CDC). The World Health Organization, a PIO, received \$105 million in non-competed grants. As you will also see, every one of the CDC-funded U.S. organizations had down funding this past year, but five of the 12 top awardees with sizable funding are non-U.S. partners: Nigeria’s Institute of Human Virology, Zimbabwe’s ZIM – TTECH and South Africa’s Aurum Institute, Right to Care and Wits Health Consortium.

	<u>CDC</u>	
	<u>2024</u>	<u>2023</u>
Columbia University	\$160 million	\$180 million
World Health Organization	105	0
Elizabeth Glaser Ped. AIDS	68	84
Research Triangle Institute	UNK	80

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Nat'l Opinion Research Ctr.	63	65
ZIM – TTECH (Zimbabwe)	42	30
Aurum Institute (SA)	40	19
Wits Health Consortium (SA)	39	20
Nat'l Fdn for CDC	36	40
Right to Care (SA)	33	20
Institute of Human Virology (NG)	29	48
Univ. of California at S.F.	26	29

Takeaways

This funding data should mean different things to different organizations. Mainly for large recipients and contractors, it is validation of the success of their past business development (B/D) efforts. However, with fewer than half of the new awards obligating \$10 million or more in this past year versus the previous year, it should give them little comfort going forward in 2025.

For medium-sized and smaller organizations, there should be recognition that there is considerably more competition from PIOs, small businesses and local organizations for the shrinking pie of available funding from USAID and other U.S. foreign aid agencies. This group must better size up the market given their strengths and geographic coverage and work out enduring teaming arrangements with select “Bigs,” possibly setting up mentor-protégé joint ventures, if eligible, to compete for set aside awards.

In the coming year, there will be a need for all organizations to redouble their efforts to better target their B/D dollars. This must be guided by a strengthening of their market intelligence capacity to uncover realistic funding opportunities. Already, Abt, Chemonics, DAI Global and other large partners have formidable analytic capacities and dedicated staff in place. After all, intelligence-gathering is much more than tracking leads from USAID/OAA’s Quarterly Business Forecast which, according to one learned source, has reported only about a quarter of USAID’s forthcoming awards.

Moreover, there has to be broad acceptance by all players that USAID is not a growth market, and to diversify their portfolios accordingly. To this end, many organizations, including Blumont, CARE, Chemonics, CRS, DAI Global, FHI 360, Palladium, Tetra Tech, and URC already have set up Development Finance practices. Going forward, USAID partners should inventory their core competencies for marketing to the subagencies of the departments of Health and Human Services, State, USDA, Defense including Africom, and Homeland Security’s FEMA. In essence, foreign aid programs have a score of domestic program counterparts in other Federal agencies who should find USAID partners’ expertise worthy of consideration.

There is now a “race to the bottom” in offerors’ pricing. That is, there’s a sort of “Catch 22” here with players expected to have solid and expensive IT and cybersecurity controls, along with general compliance controls, yet be price-competitive. Unfortunately, there are some bidders



entering the USAID market with few core staff or controls and with resulting low comparative cost structures. Legacy USAID players must find innovative ways, especially using multiple corporate platforms with different costing practices and employ aggressive forward pricing, to become more price competitive in this New Market.

Finally, a broad-based awareness program should be organized to make the Congressional oversight and appropriations leaders cognizant of the extent of the diversion of U.S. foreign aid to non-competed awards to public international organizations and of the adverse effects it is producing on U.S. and local partners.

The scope, intensity and timing of these self-improvement efforts may well be influenced by the results of the upcoming Presidential national election and the Congressional races.