Literacy — Agencies: State, USAID, and the Civic Market

The foreign-affairs and domestic-civic layers of the market are where "federal procurement" starts to blur into something wider. The State Department buys globally through de-centralized embassies, USAID funds foreign assistance through a grants-heavy culture, and the state-and-local market operates on entirely different rules from federal — same discipline, different rulebook. This profile maps all three so you know which game you are in.

The State Department: foreign affairs, de-centralized buying

The **Department of State** is the foreign-affairs agency: diplomacy, consular services, and the operation of roughly 270 posts worldwide — embassies, consulates, and missions. Three durable facts about buying at State:

1. **Bureau-driven.** State buys through its bureaus and offices: management and consular systems, IT (including diplomatic-security and foreign-affairs IT systems), facilities, and program offices. The "customer" is a bureau with a foreign-affairs mission, not a single central buyer.
2. **De-centralized post buying.** A great deal of State's buying happens *at the posts* — embassies and consulates contracting locally for support services: security, maintenance, transportation, and the practical operations of a diplomatic mission. Much of this is local procurement in-country, subject to local law and the post's own procedures.
3. **The schedules and shared vehicles ride along.** For what can be bought centrally, State is a heavy user of GSA schedules and GWACs, and of the State-specific vehicles for diplomatic-security and facilities work.

The pursuer's lesson: at State, **know the bureau and the post**. The central vehicles matter, but the de-centralized local market is a distinct and often overlooked lane — one where relationships and in-country presence are the differentiators.

USAID: foreign assistance, the grants-heavy culture

The **United States Agency for International Development** — the foreign-assistance arm, now organized within the State Department after the 2025 federal restructuring — is where the grant economy goes global. Its mission is development and humanitarian assistance, and its buying culture is the purest example of the *assistance, not acquisition* posture from doctrine/01:

- **The instrument is often assistance.** USAID delivers its mission through **grants and cooperative agreements** (and contracts for the work of development delivery) — it funds missions and programs in partner countries rather than buying goods and services for itself.

- **It runs its own acquisition rulebook.** USAID historically operated under its own FAR supplement (**AIDAR**), layered on the federal rules, with its own procedures, contracting officers, and approval chains. The exact organizational and regulatory home has been in flux with the restructuring — the profile's standing caution, applied hard.
- **De-centralized missions.** Like State's posts, USAID's overseas **missions** buy and fund locally — country-level programs, local implementing partners, and a market where in-country understanding is the differentiator.
- **Personal-services contracts.** USAID (and State) make heavy use of **Personal Services Contractors (PSCs)** — individuals hired to perform functions as if they were government staff — a distinctive and large lane of the foreign-affairs market.

For the pursuer, USAID is where the *NOFO skills* from how-to-read-a-nofo and the *grant-economy* lens of the NIH profile meet global development: mission-driven, outcome-focused, evaluation on the quality and impact of the proposed program.

The de-centralized post buying, in more depth

The foreign-affairs de-centralized market deserves its own note because it is so commonly missed. At an embassy, the contracting happens against local requirements: building and grounds maintenance, local staff support, security guard services, vehicles, and the thousand small things a mission needs. The players are often **local firms** and **American small businesses with in-country capability** — and the rules are a blend of the federal acquisition regulations (for U.S.-funded work) and local law. The professional moves are the same moves this course teaches — read the solicitation, understand the evaluation, know the customer — but the *environment* (time zones, local currency, security, partner-country context) is the real terrain.

State and local: the market outside the FAR

For completeness, the civic layer: **state and local government procurement is a large, separate market with its own rules** — and it is the one place in this curriculum where the FAR does not govern.

- **Fifty rulebooks, not one.** Each state has its own procurement law, its own thresholds, its own solicitation formats, and its own procurement offices; cities and counties add a third layer. There is no federal acquisition regulation for a city school district — the rules are local.
- **Same discipline, different vocabulary.** Everything this course teaches about reading a solicitation and building a pursuit transfers directly: the RFP, the evaluation criteria, the deadlines, the proposal. The discipline is portable; the specific statutes are not.
- **Cooperative purchasing.** A large share of state-and-local buying runs through **cooperative purchasing** — shared vehicles run by state-led

cooperatives (for example, NASPO ValuePoint and similar regional cooperatives, and commercial group-purchasing organizations) that let thousands of local governments buy from a single competed contract. For a supplier, getting on the right cooperative vehicle is the state-local equivalent of the GSA schedule — the "shelf" of the civic market.
- **Local set-asides are local.** The federal small-business programs do not automatically apply at the state level. Instead, states and cities run their own small-business and diversity programs — **DBE, MBE, WBE** (disadvantaged, minority, and woman-owned business enterprise) certifications for federally-assisted transportation and infrastructure work, and a patchwork of local certifications and goals. Each is a separate credential with its own rules.

The strategic framing: **state and local is the same profession with a different constitution.** The doctrine (read the solicitation, understand the evaluation, gate your pursuits) is unchanged; the legal texture — and the certifications — are local. For a firm deciding where to play, the civic market is often more accessible (smaller competitors, lower compliance altitude) and more relationship-driven than the federal market.

Set-aside landscape across the three

- **Federal foreign affairs**: the standard federal set-asides apply to State and USAID *contract* buying, with a meaningful small-business goal; the assistance lane is not set-aside-driven in the same way.
- **State and local**: the set-aside picture is local — DBE/MBE/WBE for federally-assisted infrastructure, state and city diversity programs, and small-business registries per jurisdiction. There is no unified national certification; you certify per state, per city, per program.

Learning pointers

> **Learning pointers.** The State/USAID/civic profile is the course's study of the markets beyond the federal core. - **Doctrine** — doctrine/01 (assistance vs. contract; the small-business detour and its local variants), doctrine/02 (the same six questions, everywhere). - **Literacy** — how-to-read-a-nofo (the USAID grants lane), where-the-money-flows (assistance dollars and the public record), further-reading (Grants.gov for foreign-assistance NOFOs). - **Case study** — Ravonics' U.S.-based small-business profile would need an in-country partner to play the post-buying lane; the profile shows what that partnership would be for. - **Course** — the MPA track (modules/mpa.md) reads the civic market as a governance story; the strategic-initiative track (modules/strategic-initiative.md) treats state-local entry as a market decision. - **Verify** — USAID's organizational and regulatory home, State's vehicle portfolio, and every state/local rule

change over time; confirm against the live solicitation and the relevant jurisdiction's procurement office before committing.