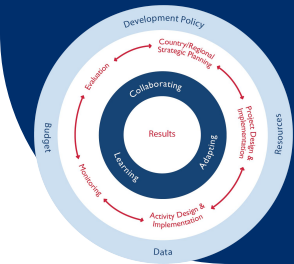




Activity Approval Process for Agency Leadership Review (ALR) of Activities \geq \$100 Million

A Mandatory Reference for ADS Chapter 201

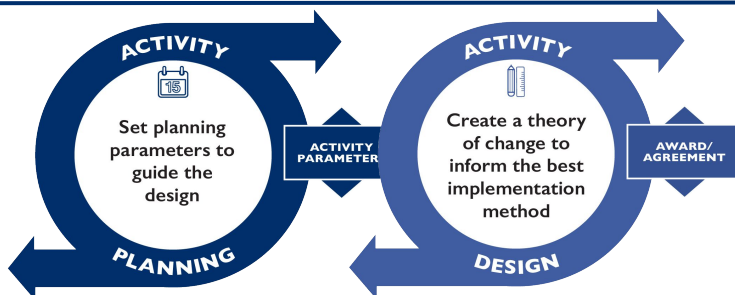
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Activity Approval Process for Agency Leadership Review (ALR) for Activities \geq \$100M

Pursuant to ADS 201.3.4, a B/IO/M must engage with Agency Leadership in the development of activities at or over \$100 million, implemented through acquisition and assistance (A&A) mechanisms. This process, also known as the Agency Leadership Review (ALR), ensures Agency Leadership oversight of large designs and procurements by following a streamlined process within the existing Program Cycle Activity Design and Implementation guidance, as described below.

ADS 201.3.4 ACTIVITY DESIGN AND IMPLEMENTATION



Phase 1. Planning the Activity

Per ADS 201.3.4, the B/IO/M must: a) identify the design team and its lead, and; b) set parameters that will guide the design, including the required available budget, which may trigger the need for Agency Leadership Review.

What

- Depending on the timing of the design, the B/IO/M should initially plan for activities at or over \$100M during the A&A annual planning exercise (see ADS 300.1).
- If such need is triggered, the Activity Design Team must communicate this intent and plan for Agency Leadership Review in the parameters setting phase and documentation.

Who

- B/IOs should communicate the intent and plan for Agency Leadership Review through their Program Office. Missions should follow-up with their Program Office and work through the Desk Officer or designee.
- The B/IO/M should engage with OSDBU (osdbu-aam@usaid.gov) (for acquisition awards only), the Office of the Chief Economist (OCE) (oce@usaid.gov), the Agency's localization team (localization@usaid.gov), and PLR (programcycle@usaid.gov).

When

- Once the B/IO/M leadership approves the activity's planning parameters, including plans for Agency Leadership Review, B/IO/M must communicate their intent to the above mentioned stakeholders.

Phase 2. Designing the Activity

Per ADS 201.3.4 the B/IO/M must: a) determine how to advance the activity's intended results, and; b) recommend the best A&A mechanism to implement the activity.

What

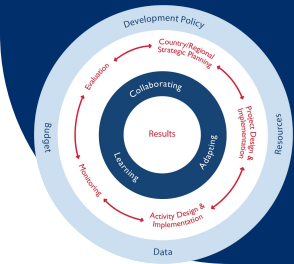
- The B/IO/M must draft the [Activity Approval Memo \(AAM\)](#) and a [slide deck](#) that responds to proposed questions for the design process decisions.

Who

- The B/IO/M Program Office or Activity Planner must share the AAM and slide deck with Agency Leadership, through the Desk Officer or designee.
- The OCE should engage during design and provide analysis and feedback to the AAM and slide deck as part of the Agency Leadership Review.
- B/IO/Ms should offer OSDBU, OCE, the Agency's localization team, and PLR the opportunity to clear or be in-foe'd on the ALR package and document this in the clearance sheet of the AAM.

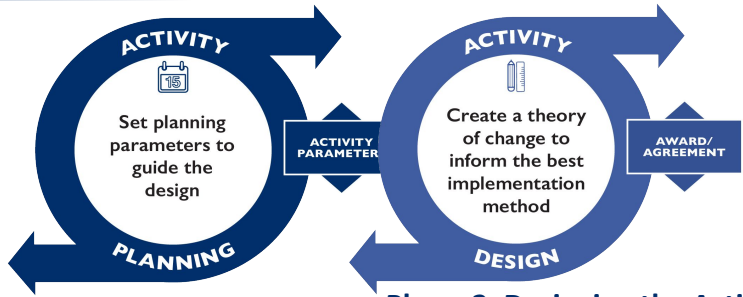
When

- Six to eight weeks before the meeting, B/IO/M must share the Draft AAM and slide deck through ES. At this time, the B/IO/M may inquire through the Agency's FO scheduling team (aaid-fo-scheduling@usaid.gov) if Agency Leadership will exercise their prerogative to request a meeting to discuss the activity. If Agency Leadership opts to have this meeting, then four weeks before this presentation by the B/IO/M to Agency Leadership, ES must share any written feedback and questions with the B/IO/M. These questions will shape the agenda for the meeting.



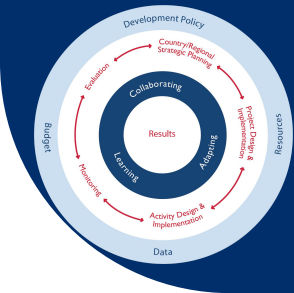
Activity Approval Process for Agency Leadership Review (ALR) for Activities \geq \$100M

ADS 201.3.4 ACTIVITY DESIGN AND IMPLEMENTATION



Phase 2. Designing the Activity (continued)

- Following the meeting, the B/IO/M should finalize the AAM and resubmit through ES for final review. ES may, at their discretion, include a brief cover memo to document concurrence.
- Within five business days after the meeting, Agency FO must provide concurrence or ask additional questions. Agency Leadership Deputy Administrator for Management and Resources (or their designee) provides concurrence via email and MD/AA/Authorized Official signs the AAM after noting the Agency Leadership concurrence in the AAM.



Activity Approval Process for Agency Leadership Review (ALR) for Activities ≥ \$100M

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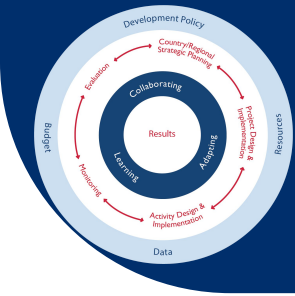
In preparation for the Agency Leadership Review, and potential meeting (at the discretion of Agency Leadership), the B/IO/M must prepare two documents:

1. A draft AAM, following the [ADS 201mai template](#), which describes the activity’s approach and the identified method of implementation, and must address the following questions.
2. A slide deck presentation that summarizes the AAM content, using [this template](#), must also answer the following questions (recommend 1-2 slides for each set of questions for a total of no more than 12 slides). Unless otherwise noted, the B/IO/M must address all questions during the ALR.

Activity Approval Memo Content for Activities at or over \$100M

1.	Problem	<ul style="list-style-type: none"> • What is the state of the problem that this activity will address?^{1,2} • What are the limitations of current approaches to solving the problem?¹
2.	Activity Approach	<ul style="list-style-type: none"> • What are you trying to do?^{1,2} • What, if anything, is new in your approach?¹ • Why do you think it will be successful? What evidence supports your approach?¹ • What are the risks?^{1,2} • Explain how this activity will reduce administrative burdens, streamline or eliminate a current process and/or how it will improve overall global operations.²
3.	Cost-Effectiveness Evidence of Impact	<ul style="list-style-type: none"> • If you are successful, what outcomes do you expect to change, and by how much?¹ • What evidence of cost-effectiveness evidence supports your expectation of impact from the proposed interventions? Is this evidence based on a body of impact evaluation evidence (please use the definition of “impact evaluation” stated in the ADS 201)?¹ • If there is not strong evidence of cost-effectiveness from prior programs but such evidence is viable to produce, what is the plan to produce such evidence here?¹ • Are there any activities within this award for which you intend to employ randomized controlled trials in order to evaluate their impact?¹
4.	Opportunity Cost	<ul style="list-style-type: none"> • What proportion of the Operating Unit’s resources will be used to support the proposed activity?¹ • Discuss how the proposed activity has already, or could during implementation, generate interest/investment from the private sector, other donors, foundations, the diaspora and/or other partners.¹ • What happens if we do not invest in this activity?^{1,2} • What alternative use of the resources for the proposed activity were considered?^{1,2}
5.	Agency Priorities	<ul style="list-style-type: none"> • How will this activity bring progress beyond the activity’s development indicators?¹ • What role have local actors played in the development of the program? What is the program’s intended investment in local organizations or communities?¹ • How does the activity advance inclusive development?¹ • Does the activity specifically align to a USAID or interagency strategy; if so, which ones?¹
6.	Budget	<ul style="list-style-type: none"> • Are the proposed resources sufficient to achieve the activity’s objectives?^{1,2} • Why do you recommend using more than \$100 million for this activity?^{1,2}

All B/IO/M should address questions denoted with 1. If relevant to your activity, please also address those denoted by 2. Contact programcycle@usaid.gov to discuss further, if needed.



Activity Approval Process for Agency Leadership Review (ALR) for Activities \geq \$100M

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Requests for an expedited, or waiver to, Agency Leadership Review

In a very limited set of circumstances, Agency Leadership may opt to approve an expedited ALR, or waive the ALR process, for a specific activity. In these instances, the requesting B/IO/M must demonstrate that the proposed activity (a) includes urgent support for a top national security priority and (b) that Agency Leadership already has strong visibility into the activity's design. The existence of an [Expedited Procedures Package \(EPP\)](#) covering the activity in question may also be a contributing factor in the Agency Leadership's decision to expedite or waive the ALR for that specific activity. For more on waivers or expedited ALR processes, please contact programcycle@usaid.gov.