



USAID
FROM THE AMERICAN PEOPLE

Notes for Data Users

Data Source

The source of information for populating the FAD data fields is USAID's Phoenix System. Phoenix is USAID's single, worldwide accounting system of record, used in headquarters and missions overseas. It is a federally compliant and secure financial management system that allows Agency staff to analyze, manage, and report on foreign assistance funds. Phoenix tracks obligations and disbursements. It is not a project management system.

Obligations Data – Avoid Double Counting

Obligations are legal, binding and signed agreements between USAID and other entities that USAID agrees to pay for goods or services. These actions incur legal liability and a definite financial commitment of the U.S. Government. (Subsequently, disbursements occur when the money is actually spent.) USAID tracks obligations at three different levels:

- (1) ***Bilateral obligations*** are created through an umbrella agreement with the partner government that is receiving the assistance. Subsequent sub-obligations implement programs under the bilateral obligation.
- (2) ***Unilateral obligations*** occur when USAID directly issues a commitment to a grantee, vendor, contactor, supplier, etc. without an umbrella agreement with a host government. Examples include grants, cooperative agreements, contracts, and purchase orders.
- (3) ***Sub obligations*** are transactions (the issuance of a contract, grant, cooperative agreement etc.) made to a specific vendor to implement programs.

Distinguishing among these three types of obligations is important for accounting purposes. Taken in total, however, they lead to a significant overestimation of total obligations over time. To avoid double-counting, the data must be filtered by **either** bilateral + unilateral obligations **or** unilateral + sub obligations.

The data displayed visually on the Foreign Assistance Dashboard shows the ***sum of unilateral obligations and sub-obligations*** because these are more closely linked to program implementation. However, for transparency purposes, the data contained in the bulk download files contains **all three** levels of obligations. It is important for data users to understand this and be careful not to over-estimate obligations by summing all three types. The field titled "***Obligation type***" indicates whether the obligation is unilateral, bilateral, or a sub-obligation.

Aggregating Data

USAID has aggregated certain data rows to reduce volume and remove personally identifiable information. These primarily administrative records are funded from either program or operating expense

accounts that include information on USAID personal service contracts, local and international travel, and office supplies. Data records are aggregated if the common vendor name is ‘Individual,’ ‘other,’ or is blank.

Non Foreign Assistance Records

The data include the vast majority of USAID financial transactions for a given quarter. However, the following appropriations have been excluded from the dataset because they are not foreign assistance, and therefore, should not be reported to the FAD:

DL	Development Loan Fund
EI	Debt Restructuring Program Account
HF	Housing Guaranty Financing Account
HG	Housing Guaranty Liquidating Account
HH	Housing Guaranty Program Account
LF	Development Credit Authority Financing Account
NP	Ukraine Export Credit Insurance Program Account
PF	P.S.I.P. Financing Account
PJ	P.S.I.P. Program Account
PS	P.S.I.P. Liquidating Account
TA	Tech. Assistance
TP	Loan Guarantee Program Account – Tunisia

Sector Assignments

Foreign Assistance Standardized Program Structure and Definitions program areas and elements are automatically mapped to the FAD sectors.

USAID Forward: Local Solutions

Information on vendor location is included in the USAID FAD data, but it distinguishes only between U.S.-based, non-U.S.-based, and international organizations. As a cornerstone of the USAID Forward reform agenda, USAID is placing a greater emphasis on public-private partnerships and has committed to channeling more funding to host country governments and local organizations that have the in-country knowledge and expertise to create sustainable change. Local organizations include host country governments, as well as non-profit, for profit, or academic institutions that are legally organized according to a country’s laws and satisfy other criteria of local ownership. The data that is the basis of the annual USAID Forward Progress Report will be published separately and provide additional detail on local partnerships.