

PD-ABCQ-668  
98415

## **Completion Report:**

For the Period September 29, 1995  
to October 31, 1996

### **Logistical Support Unit**

**AID Affairs Office/Nigeria**

**Contract #624-0001-C-00-5052-00**

**Mod #1 - January 6, 1996**

**Mod #2 - May 28, 1996**

**Mod #3 - August 20, 1996**

**Mod #4 - September 25, 1996**

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Submitted to

**The Agency for International Development**

May 1998

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## ABBREVIATIONS AND ACRONYMS

AAI	African-American Institute
AAO (AAO/NIGERIA)	AID Affairs Office/Nigeria
AID	Agency for International Development
CCCCD	Combatting Childhood Communicable Diseases Project see also NCCCCD - successor project
CDC	Centers for Disease Control and Prevention
CO	Contracting Officer (REDSO/Abidjan) see RCO
EXO	Executive Officer (of USAID or Embassy)
EXP	Expendable supplies
FHS	Family Health Services Project see also NFHS - successor project
FRLC	Federal Reserve Letter of Credit same as LOC
I/O	Implementation Order
IP	Implementing Partner same as USIP - U S Implementing Partner
LGA	Local Government Authority
LOC	Letter of Credit
LSU	Logistical Support Unit
NCCCCD	Nigeria Combatting Childhood Communicable Diseases Project
NFHS	Nigeria Family Health Services Project Successor to Family Health Services Project
NGO	Non-Governmental Organization
NXP	Non-Expendables
PACD	Project Actual Completion Date
PAF Office	Personnel/Administration/Finance Office
PCU	Programme Coordination Unit
PIO/T	Project Implementation Order/Technical
RCO	Regional Contracting Officer (REDSO/WCA)
REDSO/WCA	Regional Economic Development Services Office, West and Central Africa
SOP(s)	Standard Operating Procedure(s)
SRA	Specific Request for Assistance
UPS	Universal Power Supply
USAID	U S Agency for International Development
USIP	U S Implementing Partner <sup>1</sup>

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<sup>1</sup> Included are such organizations as AIDSCAP, BASICS, CEDPA, CDC, Futures Group, John Snow, Inc (Mothercare, SEATS, Initiatives Projects), Johns Hopkins University (Population Communications Program, Quality Assurance), Pathfinder International, Wellstart

## I Accomplishments of the Project

### A Background

USAID and the African-American Institute entered into a "Letter Contract" (Contract No #624-0001-C-00-5052-00) on September 29, 1995, covering an eight-month period through May 31, 1996. Its purpose was to provide logistical support services required to facilitate the administrative and logistical operations of the USAID-Nigeria Program, and the operations of participating U S Implementing Partners (USIPs, or IPs). The total cost was estimated at \$1.5 million. The Letter Contract stipulated that AAI/REDSO should "definitize" the contract by December 1, 1995. It also stipulated that AAI should expend funds for project activities from its "Family Health Services (FHS) Contract" (Contract 620-0001-C-00-8008-00) first. At the time, the FHS contract was scheduled to terminate on October 28, 1995.

USAID amended the "FHS contract" and added Modification #2 to the "Letter Contract" on May 28, 1996 to extend both termination dates to September 30. Modification #3 added \$123,000 to the "Letter Contract". With Modification #4, the contract was extended for a final month, through October 31, 1996, to enable AAI to send two senior accountants to Lagos to complete the in-country financial and logistical closeout of the project.

The Letter Contract changed the framework for managing the relationship between the Logistical Support Unit (LSU) and the IPs from the framework established under the FHS Contract. *Inter alia*, the Letter Contract authorized AAI to enter into Implementation Support Agreements with USIPs, in order to formalize the relationship between that IP and the LSU. It was agreed that USAID would authorize the IPs to make available to AAI copies of their country work programs and approved annual budgets, enabling AAI to determine allowability and allocability of IP expenditures for which they were asking LSU to provide reimbursable services. USIPs would provide Specific Requests for Assistance (SRAs), replacing the existing system of Work Orders. Although AAI developed an SRA form, most IPs continued to use the Work Order form that preceded it.

The Letter Contract required a new staffing pattern for the Logistical Support Unit, including the posting of an expatriate Chief of Party as well as an expatriate Controller. The staffing pattern is described in the section on Personnel Management. The Letter Contract also specified new accounting and other financial management responsibilities.

## B The Context and the Environment

### 1 The Nigerian setting

Nigeria's political turbulence and declining socioeconomic conditions led to deteriorating circumstances in which AAI furnished logistical support services to the USAID program. Unemployment and underemployment increased significantly. Utility services declined or failed to keep up with demand. It had become commonplace for businesses to use generators to provide electricity, and to purchase water for daily use, increasingly business had engaged mobile telephone services to replace services provided through the national telephone company, while mobile telephone services themselves had become oversubscribed. Highways and driving conditions were unsafe, highway and road-side robberies were common. The U S Department of State in its Consular bulletin of June 28, 1996, noted that crime reportedly had risen considerably. All these factors required careful attention by the LSU, which was responsible for project security arrangements under the guidance of the U S Embassy.

Despite the serious logistical problems it routinely faced in the local context, AAI's Logistical Support Unit provided competent, regular support services to USAID and to the U S Implementing Partners (USIPs) for the period of the Contract.

### 2 Impact of changes in the USAID Program on the LSU

At the beginning of the LSU contract at USAID request, AAI undertook three major responsibilities in addition to providing regular logistical support: (a) to work with USAID and the IPs to renovate the Commissary Building next to USAID's offices, to provide office space for IPs, (b) to establish a warehouse for the entire USAID project, and (c) to ensure the capacity to provide substantial procurement services to the Nigeria program and to individual USIPs on an as-requested basis. Funds for major procurements were not added to the LSU contract.

Early in 1996, USAID indicated that it wished to extend LSU services through August or September 1996, and mandated cost-cutting throughout the USAID program to make this possible. The program review and cost-cutting process delayed decisions concerning the LSU's renovation of the Commissary Building, the cost-cutting measures also meant that AAI was unable to hire adequate staff to establish the warehouse facility according to original plans, and thus had to scale back warehouse operations.

In March 1996, USAID sent an assessment team to Nigeria, composed of REDSO/WCA (the Regional Director, Deputy Regional Director, Deputy Regional Controller, Regional Health Officer and Regional Contracting Officer), and the Associate Assistant Administrator for the Global Center for Population, Health and Nutrition, to develop a set of recommendations for both downsizing the USAID/Nigeria portfolio and staff and proposing a limited number of activities which could continue at a drastically reduced staffing level. USAID determined that only five of the then twelve USIPs would maintain a presence in Nigeria, and that there would be no need for a Logistical Support Unit. The remaining USIPs would share logistical support functions of the reduced program.

In May, AID extended the LSU contract through September 30, it was later extended to October 31. AAI determined that the closeout activity required a controller highly experienced in AID closeout procedures, and recruited a retired USAID Controller for the position.

Also in May, AAI learned that the Chief of Party did not have the required immigration documentation for working in Nigeria, as errors had been made in his passport when a visa extension had been sought. Also, immigration authorities had not acted on the work permit for which AAI had applied some months earlier on his behalf. Efforts by senior LSU Nigerian staff and an LSU consultant with Immigration officials in Abuja to try to rectify the situation were unsuccessful. With USAID approval, the Chief of Party left Lagos for Abidjan on June 21, to await regularization of his status. From then until August 15, he worked daily for the project in USAID offices in Abidjan or Accra. At the request of the AAO/N, he prepared personnel classifications for new staff being engaged to perform the reduced logistical services the IPs would need upon the closure of the LSU. Communicating by e-mail and telephone with Lagos and AAI/NY, he also worked on advice regarding the move to the Commissary Building, on project reporting and assisted with budget preparation. Although AAI obtained a work permit for him from Abuja, he was denied a visa.

AAI's Vice President for Programs served in the place of the Chief of Party of the LSU for seven weeks, during which it was determined that the Chief of Party would not be granted the necessary papers in time to return to post before close-out. Upon the departure of AAI's VP in mid-August, the new Controller, who arrived in mid-July, directed both logistical and financial closeout activities, aided for the last weeks of the contract by two senior AAI Finance staff. Under the guidance of AAI's Senior Director of Financial Management, AAI completed its major in-country financial and logistical closeout on October 31, 1996.

## C Major Accomplishments

As required under the new LSU contract, AAI reorganized its top management, including recruiting and posting a new expatriate Chief of Party and a new expatriate Financial Controller. AAI also recruited and oriented two new key local personnel, and reorganized certain staff duties to meet the needs of the IPs.

As required by the Letter Contract, AAI's LSU financial management system maintained separate accounting for core general service operations and separate USIP project activity. The LSU processed over \$1.5 million for project activities undertaken by USIPs and others under Implementation Support Agreements, Purchase Orders, or less formal agreements with AAI. This included billing USAID for a portion of reimbursable common costs. Thus AAI's financial management system at headquarters and in Nigeria accounted for over \$3.1 million in financial transactions, nearly double the Letter Contract budget of \$1,623,000.

AAI also accomplished the following major responsibilities:

- Furnished special support in transportation, logistics and financial support for a major Integrated Basic Health Survey conducted in the Cluster States, follow-up survey work with NGOs, and contracted for follow-up data tabulation and analysis.
- Established a modern warehouse facility at Orile, Lagos, to house project equipment including cold-storage equipment, furniture, and expendable supplies. Special attention was paid to security questions in consultation with the Embassy.
- Entered into an Implementation Support Agreement with CEDPA, and Purchase Orders with BASICS, JSI SEATS and JSI Initiatives. These agreements enabled the IPs to advance funds to AAI, or reimburse AAI upon billing, for the purpose of in-country support including procurement of goods and services.
- Produced a revised *Personnel Policies Handbook* required as a deliverable under the contract, the new handbook reflected the changes under the new LSU contract, especially vis-a-vis the USIPs. The Handbook was presented in draft form to the Joint Management Services Board.

## D Close-out Operation

During the close-out of the LSU, AAI undertook the following major actions

- Completed a final project inventory at four sites in Lagos (warehouse, Global House, Annex, BASICS/Pathfinder site), and three field offices (Kaduna, Enugu, Ibadan) AAI also completed an inventory of vehicles assigned to various Nigerian Local Government Authorities (LGA's) The total project inventory, including those at the LGAs, included 74 vehicles The inventory was supplemented by a detailed report on the status and mechanical and overall condition of each vehicle, with recommendations to USAID for final disposition

In July, in response to local inflation, the U S Embassy augmented the foreign service national employee paycales by 50%, retroactive to January 1, 1996 This also doubled the termination benefits payable to LSU, PCU and USIP employees for services going back in many cases as far as 1988 AAI worked with USAID and the USIPs to make available the necessary funds to provide for this major financial requirement USAID added \$123,000 to the contract to make it possible for AAI to pay termination benefits and other close-out costs including rental for FY 1997 to house IPs in the Commissary Building

- Vacated the LSU Annex office building, renovated it to pre-lease status, and turned it over to the landlord on October 29
- Removed all stored goods and closed the warehouse facility at Orile, Lagos at termination of the lease in mid-August, and returned the facility to the landlord
- Under the direction of USAID, distributed the extensive project inventory, including vehicles and computers and computer equipment to USAID, USIPs and Nigerian NGOs on the basis of approvals received from USAID/REDSO/WA Because the inventory originated with AAI's FHS Contract, the report on final distribution of the inventory appears in AAI's report on Contract No 620-0001-C-00-8008-00 (the FHS Contract), which was completed simultaneously with the Letter Contract

- Reconciled imprest accounts and closed bank accounts in Ibadan and Enugu, and with assistance from CEDPA, an account in Kaduna
- Worked closely with the IPs and with USAID to transfer responsibility for support services to the IP Joint Management Services Board, for motor pool, building maintenance, airport expediting services, communications services including telephone and PABX, personnel and payroll services, etc
- Assisted USAID and the IPs with the development of final plans for renovating the Commissary Building, which formerly was configured as private apartments, for use as IP and USAID office space, including planning for partitioning, telecommunications, electrical wiring, generator, water supply, parking spaces, and security facilities
- Arranged for the training of employees in interviewing and job search skills, and in preparation of resumés Prepared detailed resumes for 44 employees
- Prepared letters of service and references for all 44 employees
- Calculated and paid termination benefits for all employees
- At the request of USAID, prepared position descriptions for all new USIP logistical support positions
- Worked with IPs to prepare account reconciliations and bills of collection
- Reviewed and reconciled all outstanding advances

## **II Methods of Work Used**

As described above under accomplishments, AAI modified the existing LSU operation to meet requirements under the new contract. The new requirements included (a) recruitment of expatriate staff, (b) submission of personal disclosure forms for LSU staff, and (c) entering into Implementation Support Agreements or other mechanisms with USIPs to enable the LSU to provide support services and receive reimbursement for services rendered.

Upon his arrival in January, the Chief of Party instituted new procurement controls, new methods and controls for building maintenance and service of equipment, and trained the LSU Personnel Consultant and Personnel Assistant in USAID job classification procedures.

AAI experienced considerable challenges in meeting the financial reporting requirements of the contract, both because of the finance system and reporting changes required in a short time period, and because of personnel shifts. AAI's New York finance

office required time to set up new reporting codes, and to provide these to the Lagos operation and train Lagos staff in their use. Accounting and reporting were further complicated in that project operations were paid under either the new Letter Contract, or under the old "FHS" contract, which was operating concurrently for much of the time.

Smooth operation of the LSU finance system was further impeded by staff changes for various reasons (resignation, termination of contract), the LSU finance operation in Lagos was managed by three different controllers during the 13-month life of the contract. When it became apparent in early September that the field aspects of contract close-out could not be accomplished by the then-controller, AAI deployed two senior financial officers from its New York office to assist with contract close-out in Lagos.

### **III Recommendations Regarding Unfinished Work**

At the time of submission of this report, the Letter Contract has been fully closed and no work remains unfinished.

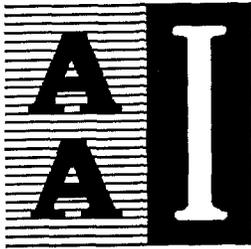
#### **A AAI/New York**

During the months immediately following closeout in Nigeria, AAI's finance staff, assisted by a program consultant, reconciled accounts and prepared final billings to U S Implementing Partners and to individuals.

In October 1995, Sweet Hill Associates, Inc (SHA), AAI's subcontractor under AAI's original contract for services to the USAID/Nigeria Family Health Services Project, submitted a protest to USAID/GAO regarding the non-competitive award of this Letter Contract. On January 5, 1996, the Comptroller General of the United States dismissed the protest.

#### **B AAI/Nigeria**

AAI designated Mrs Clara Osinulu, AAI Program Representative, to complete the closeout in-country tasks that remained. Principal tasks were (a) the final payment of utility and other bills that had not yet been received, (b) close-out of AAI bank accounts, and (c) follow-up of final billings to USIPs and individuals, and (d) to ensure that all former staff, insofar as possible, received their final benefit payments.



## **Quarterly Report:**

For the Period September 29, 1995  
to December 31, 1995

**Logistical Support Unit  
AID Affairs Office/Nigeria  
Contract #624-0001-C-00-5052-00**

**The African-American Institute**  
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RCO	Regional Contracting Officer (REDSO/WCA)
REDSO/WCA	Regional Economic Development Services Office, West and Central Africa
SOP(s)	Standard Operating Procedure(s)
SRA	Specific Request for Assistance
UPS	Universal Power Supply
USAID	U S Agency for International Development
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<sup>1</sup> Included are such organizations as AIDSCAP BASICS CEDPA CDC Futures Group John Snow Inc (Mothercare SEATS Initiatives Projects) Johns Hopkins University (Population Communications Program Quality Assurance) Pathfinder International Wellstart

## A BACKGROUND

USAID and the African-American Institute entered into a "Letter Contract" (Contract No #624-0001-C-00-5052-00) on September 29, 1995. Its purpose was to provide logistical support services required to facilitate the administrative and logistical operations of the USAID-Nigeria Program, and the operations of participating U S Implementing Partners (USIPs, or IPs). The total cost needed to accomplish the project objective was estimated at \$1.5 million. The Letter Contract stipulated that AAI/REDSO should "definitize" the contract by December 1, 1995. It also stipulated that AAI should expend first all funds for these project activities from its "FHS Contract" (Contract 620-0001-C-00-8008-00) before expending funds from the Letter Contract.

As a consequence of the FHS Contract that AAI had managed since 1988, AAI already had in place a Logistical Support Unit (LSU) with the capacity to carry out the bulk of the new activities required under the Letter Contract. The LSU comprised administrative, procurement, financial and personnel staffs. Buildings were leased, offices were furnished and equipped, infrastructure service was in place, a motor pool was functioning, a new warehouse was partially in service, and administrative, procurement, financial and personnel systems, policies and procedures were in place. The Letter Contract required AAI to continue and fine-tune the existing systems, and required certain staffing changes.

The Letter Contract changed the framework that structured relationships between the LSU and the IPs. Among other provisions, the Letter Contract authorized AAI to enter into Implementation Support Agreements (ISAs) with USIPs in order to formalize the relationship between that IP and the LSU. It was agreed by USAID and AAI that USAID would authorize the IPs to make available to AAI copies of their country work programs and approved annual budgets, to enable AAI to determine allowability and allocability of IP expenditures. IPs would provide Specific Requests for Assistance (SRAs). LSU would provide assistance upon request, and would subsequently bill the IP. The Letter Contract also anticipated that under ISAs, IPs could advance funds from their own budgets that would be administered by the LSU.

The Letter Contract required a new staffing pattern for the Logistical Support Unit, which is described further below under Personnel Management. It also specified new accounting and other financial management responsibilities.

The contract was not strictly a performance-based contract, as it called on AAI to provide a significant portion of activities only in response to requests from U S Implementing Partners, the USAID Programme Coordination Unit, or USAID itself. During the execution of the contract, LSU staff worked closely with USAID and reported routinely and informally on contract activities, accomplishments and any problems in contract execution. While the contract does not lend itself to a performance-based evaluation, this report has treated performance issues in the body of the report, by quarter.

- Definitization of the Letter Contract, including establishment of a budget

As noted above, basic LSU infrastructure, financial, personnel, motor pool and logistical support systems were in place at the start of the Letter Contract, as AAI had initially set up these systems under the FHS Contract. AAI reviewed the systems in place to ascertain how they corresponded to the requirements of the new contract.

Carl Schieren, AAI's Vice President for Programs, and Jeanne Betsock Stillman, U S Project Manager, met in Lagos on October 11, 1995 with John R. Taber, USAID Regional Contracting Officer and Stephen J. Spielman, AID Affairs Officer/Nigeria, to discuss the provisions of the new contract and agree on parameters. AAI/NY staff subsequently worked with LSU staff and with Carl Harris, Acting Chief of Party, to prepare a budget for submission to the RCO. The budget was definitized on December 13, 1995.

#### B PRINCIPAL CONTRACTOR ACTIVITIES

- Support to the Integrated Baseline Health Survey and NGO Follow-up Survey

Beginning in September, the USAID Programme Coordination Unit (PCU), working with CDC, BASICS and other USIPs, undertook an Integrated Basic Health Survey (IBHS) in selected states, and a follow-up survey of Nigerian NGOs. The LSU provided general administrative and financial management support to this activity under both the FHS and Letter Contracts, and supported the data analysis and reporting stages under the Letter Contract.

AAI provided extensive logistical support to both surveys. This included organizing financial payments to survey workers in the field, organizing transport, leasing computers for data tabulation and analysis, contracting with a senior data analyst, and other general support activities. The survey, held in the USAID target areas in the East, West, and North of Nigeria, as well as in Lagos, required the presence of four fulltime finance department staff, one at each cluster (regional) headquarters office. Survey activities put tremendous strain on the LSU Finance Department's human resources. The finance staff involved received considerable praise from IP colleagues for their hard work in the field. The survey was a busy period for all LSU staff, demonstrating their professionalism and their ability to provide services on short notice while adhering to procedures.

It was evident early in the Letter Contract that the limited program support funds available would be insufficient to procure all the goods and services required by the IBHS and NGO Survey. USAID asked AAI to set up *ad hoc* mechanisms with CDC and the BASICS project to provide advance funds for the surveys. These mechanisms were to be independent from AAI's mandate to enter into Implementation Support Agreements with these organizations. An informal agreement between AAI and CDC at the local level enabled CDC to provide funds for its portion of the work. Negotiations amongst AAI,

BASICS and USAID led to BASICS entering into a purchase agreement with AAI to enable BASICS to pay for data analysis related to the surveys

- **General Services Administration**

At the start of the contract, AAI already had in place a functioning general services administration component. However, this needed to be fine-tuned to meet new requirements. As part of contract definitization, AAI proposed several new key positions, USAID agreed to a limited number of new positions during the December budget negotiations.

### 1 Procurement of Goods

The LSU arranged the rental of nine computers to compile data gleaned from the Integrated Basic Health Survey. Other procurement activities included collection of bids for warehouse materials, purchase of spare parts for vehicles on an as-needed basis, projections for 1996 procurements for use in budget formulation and procurement of the office equipment such as computer peripherals and supplies for project activities.

### 2 Procurement of Services

The IBHS survey used all serviceable project vehicles and required employing temporary drivers for northern cluster survey work. It was occasionally necessary to rent vehicles to keep up with demand for transport.

The LSU carried out the following major activities during the quarter:

### 3 Infrastructure, Transportation and Logistical Support

All basic LSU infrastructure, transportation and logistical support systems were in place at the start of the Letter Contract, as a result of the overlap of the old FHS Contract and the new Letter Contract. AAI began to review the systems in place for their correspondence to the needs of the new contract. USAID concurred with the recommendation of AAI's Acting Chief of Party that the main focus would be on establishment of a Warehouse to contain all project stored goods, and support of USAID's plans to move USIPs to the Commissary Building adjacent to Global House, USAID headquarters.

#### a Establishment of Warehouse

The LSU, under the guidance of the Acting Chief of Party, prepared a newly leased Warehouse in Orile, Lagos, to receive LSU, USAID and USIP goods. Preparation included installation of a generator, fencing, lighting and shelving. The LSU worked with the Embassy's Assistant Regional Security Officer (ARSO) to comply with U.S. Government security regulations. The LSU accepted, inventoried and stored a shipment of goods sent

from USAID/Cameroon for storage in the warehouse, and worked with the USIPs to determine their storage requirements

Contractors began construction of the security wall and other facilities outlined in the ARSO's report as necessary to meet U S Government regulations This included the nine foot high wall, gate, guard house, changing room and toilet facilities, strengthening the warehouse entry doors and increased lighting The landlord was responsible for installing sewage connections, cesspools and for additional laying of asphalt on the compound

The LSU implemented improvements inside the warehouse, including double tier enclosed shelving, pallets, telecommunications, air conditioners and equipment necessary for inventory control and movement

It was expected that upon completion the warehouse would have a definite and beneficial effect on LSU inventory control, which had suffered in the past as a result of scattered and inappropriate storage facilities used by the LSU and by the IPs

b Move to the Commissary Building

USAID and the LSU worked with the USIPs to determine infrastructure, renovation and other issues related to preparing the Commissary Building for use as office space by most, if not all, IPs Arrangements for AAI to take over management of the Commissary Building were agreed upon after several meetings with AAI, USAID and Embassy personnel Cost sharing and security, particularly for the first floor commissary facility, were among the major issues that were amicably resolved It was decided that the Embassy would retain the lease in its name until the current lease expired at the end of July 1996, at which time AAI would take over the lease It was also agreed that the Embassy would leave the existing generator at the Commissary Building until the commissary facility moved to a new location (See the Annex for a Chart Analysis )

It was agreed that AAI would be responsible for constructing a wall to divide use of the parking lot by office users and by commissary users, and for adding a second gate for the use of IP's and their clients AAI would also be responsible for security, installation of split unit air conditioners, telecommunications facilities, carpeting and all office equipment and furniture in the IP offices The IPs selected to occupy the Commissary Building were the PCU, Pathfinder International, BASICS and CEDPA

c Security

The Acting Chief of Party determined after several meetings with the USAID EXO, the Embassy RSO and ARSO, as well as from his own assessment of the local environment, that LSU and project security needed to be upgraded and come under the umbrella of the Embassy security system This would have to be paid for with project funds, as the Embassy budget did not include non-diplomatic entities The RSO expressed his willingness

to extend the Embassy security service to include property owned and personnel funded by the U S Government under this contract Preliminary discussions began concerning replacing the present security service employed by LSU with the company contracted by the Embassy, first at the Orile warehouse site and later at the LSU Annex, Pathfinder/BASICS offices and the Commissary Building

d Motorpool

The LSU motorpool operation, supplemented by car hire where needed, met the extraordinary needs of the Integrated Baseline Health Survey and its follow-up One driver was attacked and robbed by bandits in December when his car broke down on the Ibadan Expressway The LSU investigated reports concerning the matter

4 Financial Management Shift from "Old" FHS Contract to LSU "Letter Contract"

Under the Letter Contract the LSU Finance Office would be responsible for the financial services of the IPs, the PCU and the LSU, as well as USAID's portion of common costs attributable to operations at Global House This includes payroll, advances and subproject funding for the USIPs During this quarter, the Finance Office worked to catch up on overdue financial reports that had been delayed in part because of the resignation of P10 Dacosta, the former Controller, in May 1966, and the transition to a new Controller

AAI Project and Finance staff worked with the LSU Controller to prepare for the shift from the FHS Contract to the Letter Contract, and to identify the changes that would be needed in financial management and reporting Based upon a provision in the Letter Contract, AAI continued to bill costs of LSU services to the FHS contract, in so far as funds remained

The two periods of U S Government shutdown at the end of 1995, as well as a delay by REDSO in sending the necessary Contract Award cable to Washington, delayed receipt by AAI of Letter of Credit funds for the new contract, these events caused critical financial shortages for the LSU operation<sup>2</sup> AAI took several steps to meet this challenge First, AAI used its own resources to advance \$100,000 of its own funds to the LSU for local costs Second, the LSU immediately billed USIPs for services rendered to date by the LSU The subsequent receipt by the LSU of IP payments in-country and excellent cooperation from CDC, Pathfinder International and others made it possible for the LSU to meet principal financial obligations such as payroll

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<sup>2</sup> AAI learned on November 8 that the FRLC had not yet been credited, although the project had begun on September 29, FRLC funds were not actually made available until early December

## 5 Personnel Management

The Letter Contract required a staffing pattern for the LSU different from that of AAI FHS Contract. Much of the first quarter was devoted to recruitment and delineation of the new positions.

*Expatriate staff* AAI agreed to engage an expatriate as Chief of Party, to replace the Technical Adviser consultant position that had been held by Carl Harris since February 1995. For personal reasons, Mr. Harris was not available for the new fulltime position. The other expatriate staff member was the Financial Controller. The incumbent, Francis Smoot, who had been engaged in May 1995 and resigned in August, agreed to remain until AAI could recruit a replacement.

AAI recruited Glenn Christopher (Chris) Hicks as Chief of Party to replace the temporary Acting Chief of Party, and a new Controller, Raymond R. Ramsey, to replace Mr. Smoot. Because of delays in obtaining USAID approvals, work permits and visas for the new expatriate staff, both the Acting Chief of Party and the Controller remained in place until mid-December. Mr. Ramsey arrived December 11, while Mr. Hicks was scheduled to arrive in early January. The old and new Controllers had a week's overlap, with Mr. Harris departing at the end of his contract on December 22, 1995.

*Local staff* The Letter Contract eliminated the position of General Manager and Deputy General Manager, during contract definitization, AAI proposed new positions of Operations Manager, General Services Officer, and Materials Management Manager. AAI agreed to continue to engage a parttime Personnel Consultant to work with the newly-created position of Personnel Assistant, replacing the former (unfilled) position of Personnel Manager. All four key positions required COTR approval.

AAI engaged George Oligbo, the former General Manager, whose position had been abolished, as a consultant for four months, November 1995-February 1996, to assist with the transition. Mr. Harris and other LSU staff recruited and interviewed numerous candidates for the vacant positions, but could not make final decisions during the quarter. Recruitment, especially for the senior Operations Manager position, was difficult because the LSU contract extended only through May 31, 1996, and few qualified people were interested. AAI New York staff interviewed four candidates by telephone in late December, and discussed these with USAID, but determined that no single candidate, willing to accept the salary and conditions offered, met the necessary range of qualifications for the Operations Manager position.

## 6 Implementation Requirements

### a Implementation Support Agreements

AAI revised the draft Implementation Support Agreement that had been prepared under the FHS contract. AAI contacted all USIPs to encourage them to enter into Implementation Support Agreements (ISAs) with AAI. AAI encountered several complications in acting on the ISA provision. First, until the definitization of AAI's budget, AAI could not make commitments regarding the amount of support it could provide to USIPs. Secondly, USIPs did not have final approved country programs and budgets to provide to AAI in the first few months the Letter Contract was in effect. The Letter Contract did however require AAI to provide support to IPs *within their approved budgets*. Thirdly, from the outset, a number of IPs informed AAI that it would be difficult to enter into ISAs because of the requirements of their own contracts. AAI was, however, able to extend an existing agreement with CEDPA, the sole IP with which AAI had established an agreement under the Family Health Services contract.

### b Personal Financial Disclosures

AAI obtained forms from USAID/Washington for Personal Financial Disclosures and provided to AAO/N a list of AAI (LSU) employees holding positions involving financial oversight, management or decision-making authority regarding project funds. The final list was approved by the AAO/N and RCO as part of the Letter Contract definitization.

## 7 Budget Plan

AAI developed Specific Request for Assistance (SRA) Forms for approval by USAID, to take the place of the Implementation Order forms used under the FHS Contract.

## C CONTRACT PERFORMANCE

No specific objectives were established for the quarter. AAI already had a framework in place at the beginning of the contract to offer logistical services. The performance of the Letter Contract was concurrent through October 28 with the FHS Contract.

### Deliverables

- AAI met the contract requirement of establishing a Fixed Assets register

ANNEX  
CHART ANALYSIS  
MOVE FROM GLOBAL HOUSE TO COMMISSARY



**The African-American Institute**

**LOGISTIC SUPPORT UNIT**

Plot 1601 Adeola Hopewell Street Victoria Island  
P O Box 53373 Falomo Ikoyi Lagos  
PABX 616184 619938 2614514 610754  
TLX 22033 NIGFHS NG FAX 2612815

**MEMO**

**TO** CEDPA, Pathfinder, PCU/TT, Basics, AVSC

**FROM** Carl Harris, Chief of Party, LSU

**CC.** Steve Spielman, AAO  
Shirly Erves  
Francis Smoot  
Yves Kore

**DATE:** November 30, 1995

**SUBJECT:** MOVEMENT TO COMMISSARY BUILDING

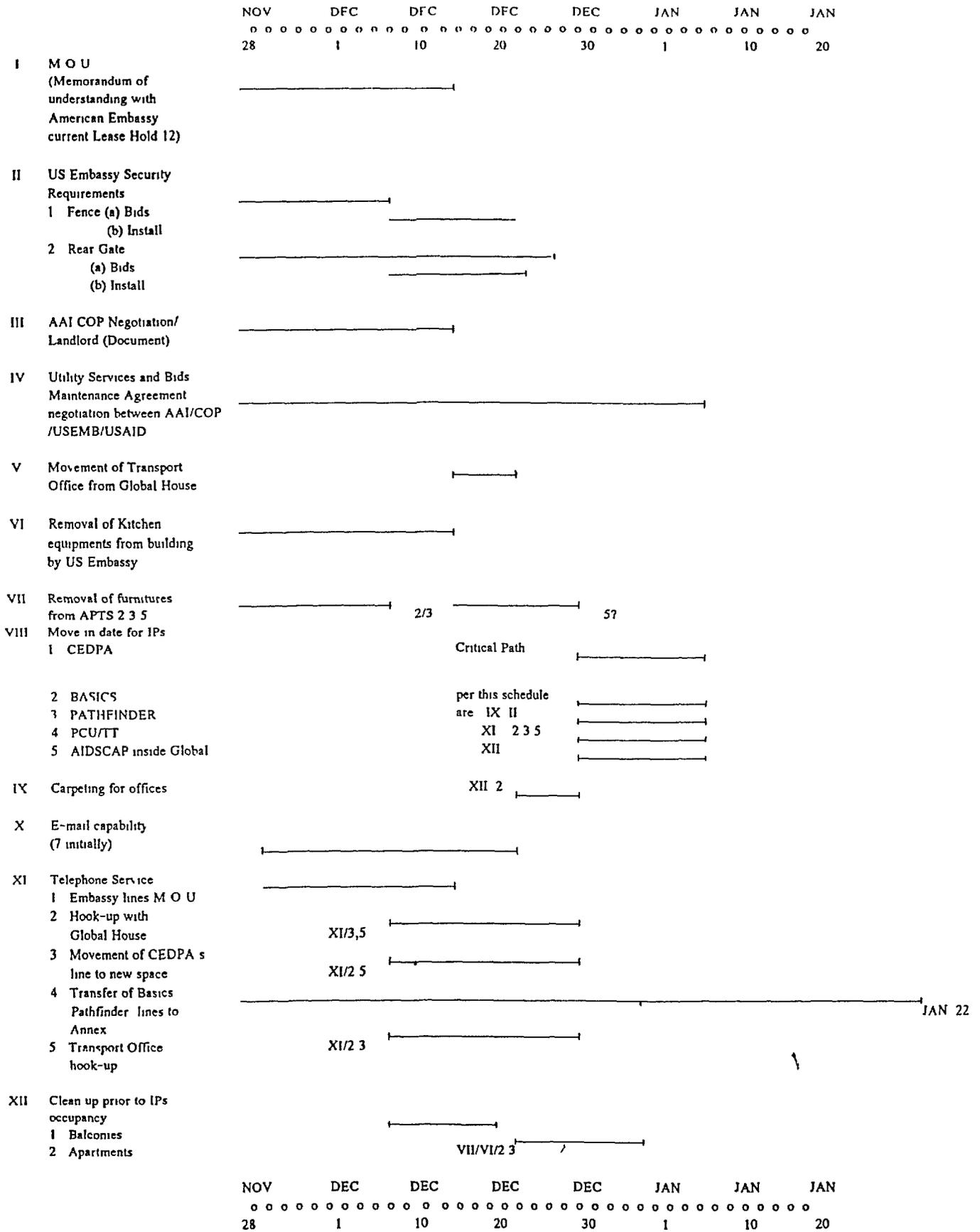
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Please find attached, a chart analysis (work in progress report) on the Global House Annex

It is anticipated, barring the unexpected, that by end of December, necessary infrastructure would have been put in place for occupancy All concerned should visit the Commissary Building during the first two weeks of December, 1995

I would like to have a meeting with representatives of concerned IPs in my office on Wednesday December 6, 1995 at 11 00 a m to discuss the move and individual needs and time frames





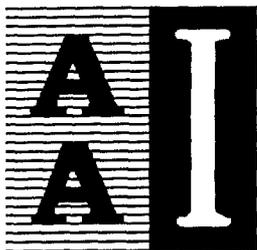
**NOTE The Critical Path is Highlighted in Yellow**

The Critical Path analysis presented here takes into consideration all pertinent events. It is to be noted however that certain events are not deemed necessary to the objective = to move IPs into new office though they are necessary to this undertaking. These are as follows:

- 1 Transfer of Basics and Pathfinder Telephone lines
- 2 Rear gate construction (if fence allows traffic through in the meantime)
- 3 Removal of furnitures from apartment #5 (since no occupant is identified for this space. This is to be decided by USAID Director with respect to usage)

**BUDGET FOR  
RENOVATION OF COMMISARY AND WAREHOUSE BUILDINGS**

	=N=	RATE \$1- N86 \$
1 COMMUNICATIONS		
(a) Telephone (100 lines)	3,800,000.00	4,419.00
(b) E-mail facilities (20 nos)	450,000 00	5,233.00
2 EQUIPMENTS AND FURNITURES		
(a) Airconditioners (split units) 38 nos including installation	5,510,000.00	64,823 53
(b) Carpeting (6 apts and penthouse)	1,008,800.00	11,730 00
3 RENT TO 31ST JULY, 1996		29,446.61
4 ELECTRICAL REPAIRS (LIGHT TO 10 APT)	178,000.00	20,000.00
5 CIVIL WORKS		
(a) Gate	350,000 00	4,070.00
(b) Fence	250,000.00	2,907.00
(c) Plumbing	250,000.00	2,907.00
6 REPAIR AND MAINTENANCE OF ELEVATOR	500,000.00	5,814 00
7 SECURITY GUARDS AND INFRASTRUCTURES	620,000 00	7,700 00
8 GENERATOR REPAIRS	1,376,000.00	16,000.00
9 MOVEMENT OF PROPERTIES	258,000 00	3,000 00
TOTAL (COMMISARY)	14,550,800.00	169,195.35
10 WAREHOUSE RENOVATION (see attachment)	10,065,000 00	118,411 00
ADD 10% CONTINGENCY	2,105,480.00	24,482 00
GRAND TOTAL	<u>26,721,280.00</u>	<u>490,138.49</u>



## **Quarterly Report:**

For the Period January 1, 1996  
to March 31, 1996

**Logistical Support Unit**  
**AID Affairs Office/Nigeria**  
**Contract #624-0001-C-00-5052-00**  
**Mod #1 - January 6, 1996**

**The African-American Institute**  
Chanin Building  
380 Lexington Avenue at 42 Street  
New York, NY 10168-4298  
Tel (212) 949-5666

Submitted to

**The Agency for International Development**

**ABBREVIATIONS AND ACRONYMS**

AAI	African-American Institute
AAO (AAO/NIGERIA)	AID Affairs Office/Nigeria
AID	Agency for International Development
CCCCD	Combatting Childhood Communicable Diseases Project see also NCCCD - successor project
CDC	Centers for Disease Control and Prevention
CO	Contracting Officer (REDSO/Abidjan) see RCO
EXO	Executive Officer (of USAID or Embassy)
EXP	Expendable supplies
FHS	Family Health Services Project see also NFHS - successor project
FRLC	Federal Reserve Letter of Credit same as LOC
I/O	Implementation Order
IP	Implementing Partner same as USIP - U S Implementing Partner
LGA	Local Government Authority
LOC	Letter of Credit
LSU	Logistical Support Unit
NCCCD	Nigeria Combatting Childhood Communicable Diseases Project
NFHS	Nigeria Family Health Services Project Successor to Family Health Services Project
NGO	Non-Governmental Organization
NXP	Non-Expendables
PACD	Project Actual Completion Date
PAF Office	Personnel/Administration/Finance Office
PCU	Programme Coordination Unit
PIO/T	Project Implementation Order/Technical
RCO	Regional Contracting Officer (REDSO/WCA)
REDSO/WCA	Regional Economic Development Services Office, West and Central Africa
SOP(s)	Standard Operating Procedure(s)
SRA	Specific Request for Assistance
UPS	Universal Power Supply
USAID	U S Agency for International Development
USIP	U S Implementing Partner <sup>1</sup>

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<sup>1</sup> Included are such organizations as AIDSCAP BASICS, CEDPA, CDC, Futures Group, John Snow Inc (Mothercare, SEATS, Initiatives Projects), Johns Hopkins University (Population Communications Program, Quality Assurance) Pathfinder International, Wellstart

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## A BACKGROUND

### 1 Review of LSU Operations

On a three-day stopover visit in Nigeria in early January, the AAI Vice President for Programs briefed the new LSU Controller and introduced the new Chief of Party, Chris Hicks. Mr. Hicks subsequently reviewed LSU operations, including procurement, motor pool and building management operations, and recommended to AAI/NY changes he proposed to address. His review encompassed the areas of personnel classification, organizational structure, communications and records, property management, real property, security, data processing systems, procurement, maintenance and general services, and finance. Mr. Hicks worked closely with the U.S. Project Manager, who briefed him on AAI's project history and reviewed with him questions raised in his initial observations.

### 2 USAID Assessment of Nigeria Assistance Program

In February USAID informed AAI that the LSU Contract, originally scheduled to terminate May 31, would be extended until at least late summer, depending upon availability of funds. AAI worked with the mission and with REDSO to determine the pipeline of funds remaining in the contract.

In March, a USAID assessment team composed of REDSO/WCA (the regional Director, Deputy Regional Director, Deputy Regional Controller, Regional Health Officer and Regional Contracting Officer), and the Associate Assistant Administrator for the Global Center for Population, Health and Nutrition traveled to Nigeria to develop a set of recommendations for both downsizing the USAID/Nigeria portfolio and staff and proposing a limited number of activities that could continue at a drastically reduced staffing level.

AID decided that only five USIPs would maintain a presence in Nigeria, the USAID staff would be reduced to a single USAID regular staff member, and that consequently there would be no need for a Logistical Support Unit or logistical contractor. The remaining USIPs would share logistical support functions of the reduced program.

USAID officials informed AAI that cost-cutting measures would be necessary within the existing LSU contract, and that USAID planned to terminate activities of some USIPs earlier than originally planned. AAI therefore reviewed possible cost-cutting measures, including the costs of closing out the newly established warehouse.

## B PRINCIPAL CONTRACTOR ACTIVITIES

### General Services Administration

#### 1 Procurement of Goods

AAI/NY responded to an urgent request from the LSU to provide computer cards for the PABX switchboard. The parts were procured and sent within several days.

#### 2 Infrastructure, Transportation and Logistical Support

##### a Communications

In this reporting period the LSU became part of the AIDNET system. This facilitated e-mail communication between the LSU and AAI/NY as well as between the LSU's clients and the LSU and led to substantial savings in international communications.

##### b Real Property

The LSU continued to manage three office buildings and the warehouse in the Orile area of Lagos as well as field offices located in Ibadan, Enugu and Kaduna. During this reporting period in light of the country assessment and planned radical downsizing of the country program, USAID decided that its own offices would move to the Commissary Building, along with the remaining five IPs. The Chief of Party began extensive discussions with USAID on renovation and preparation for the move to the Commissary Building, and for the vacating of Global House, where USAID and most USIPs were located.

#### 3 Financial management systems

Under the new controller, the Finance Office attempted to catch up on financial reporting. AAI/NY staff worked with the new LSU Controller to review outstanding advances from the old FHS Contract. Most of these advances had been retired on the books of the LSU, but not in the monthly financial reports forwarded to AAI headquarters, where the General Ledger was kept.

AAI maintained a timely cash flow to support LSU needs including those of the IPs during this quarter.

#### 4 Personnel Management

*Expatriate staff* AAI's New York staff provided necessary support to enable Mr Hicks to depart California to arrive in Nigeria in time to overlap with the visit by the Vice President for Programs. This included working with the VP/Programs and with Mr Hicks.

on contract negotiations, making travel arrangements, and arranging for the shipment of personal effects <sup>2</sup>

AAI's new Chief of Party arrived in Lagos on January 9, AAI's Vice President for Programs provided a brief orientation for both him and the new Controller through a series of meetings with USAID officials and with LSU and USIP staff

*Local staff* After it was agreed in consultation with AAO that no satisfactory candidates were available for the Operations Manager or General Service Officer positions, AAI reconfigured several posts and made several key local appointments with concurrence from USAID a Property Management Officer and a Vehicle Maintenance Supervisor The positions of Operations Manager and General Services Officer were left unfilled

The Property Management Officer, Ms Olefunke Olugbekahn, assumed responsibility for a major role that would have been played by the General Services Officer developing a computerized base for the massive amount of project property in many locations throughout the country The existing Procurement Officer, Victor Akaaha, was named the Materials Management Manager Mr Henry Isibor was hired as Vehicle Maintenance Supervisor These staffing decisions were based on the realities and needs of the LSU's ability to meet its commitments to the IPs, given the short duration of the LSU contract

## 5 Implementation Requirements

### a Implementation Support Agreements

In January, AAI submitted a draft Implementation Support Agreement to the AAO/N for his approval, and incorporated the recommended changes in a modified agreement with CEDPA AAI staff in Lagos and New York continued discussions with IPs about entering into ISAs With assistance from USAID, the Chief of Party obtained project descriptions and budgets for all IPs, these were to be used in developing budgets for ISAs

### b Personal Financial Disclosure (PFD)

Immediately upon arrival, the Chief of Party worked with all LSU staff to complete Personal Financial Disclosure (PFD) statements, which he submitted to the AAO/N in mid-January

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<sup>2</sup> AAI engaged Panalpina, a shipping company to ship the Chief of Party's personal effects to Lagos While the personal goods were in Frankfurt Germany for trans-shipment, the Nigerian government shut down both the Lagos seaport and airport for entry of goods and required that any shipments in progress needed to be pre-screened by an agent of the Nigerian Government *in their country of origin* For cost considerations, it was finally decided to return the personal effects shipment to the U S and to pay storage costs there rather than to return them to the U S for pre-screening then forward the goods on to Nigeria

C CONTRACT PERFORMANCE

The role of the LSU, to respond to the needs of USAID and the IPs to provide logistical services as needed, did not lend itself to planning specific quarterly objectives except for meeting routine LSU activities such as payroll, payment of utilities or routine procurement

Deliverables fulfilled

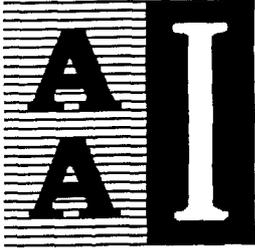
- AAI satisfied contract objectives by posting a fulltime Chief of Party in Lagos
- AAI entered into ISAs with only one IP, CEDPA, but identified alternative mechanisms (purchase orders) to permit transactions with others. While featured in AAI's contract for LSU services, the ISA arrangement did not appear in the contracts of centrally-funded organizations, or in CDC's PASA arrangements with USAID
- In January, AAI provided Personal Financial Disclosures to AAO/N for all agreed-upon LSU staff

Deliverables partially fulfilled

- AAI was unable to fill two key Nigerian positions, as a result of the short duration of the contract. One of these positions was re-conceived and an excellent candidate hired

Additional work undertaken, not specified in contract

- At AAO request, AAI reviewed budgets and proposed cost-cutting measures in response to the recommendations of a USAID mission that reviewed the overall AID/Nigeria program



## **Quarterly Report:**

For the Period April 1, 1996  
to June 30, 1996

**Logistical Support Unit**  
**AID Affairs Office/Nigeria**  
**Contract #624-0001-C-00-5052-00**  
**Mod #1 - January 6, 1996**  
**Mod #2 - May 28, 1996**

**The African-American Institute**  
Chanin Building  
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Tel (212) 949-5666

Submitted to

**The Agency for International Development**

**ABBREVIATIONS AND ACRONYMS**

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REDSO/WCA	Regional Economic Development Services Office, West and Central Africa
SOP(s)	Standard Operating Procedure(s)
SRA	Specific Request for Assistance
UPS	Universal Power Supply
USAID	U S Agency for International Development
USIP	U S Implementing Partner <sup>1</sup> PART III

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<sup>1</sup> Included are such organizations as AIDSCAP BASICS CEDPA CDC Futures Group, John Snow Inc (Mothercare, SEATS Initiatives Projects) Johns Hopkins University (Population Communications Program Quality Assurance), Pathfinder International Wellstart

## A BACKGROUND

In light of its decision to close the LSU, on May 28, USAID extended the AAI contract to September 30, for the purpose of closing out the LSU operation, and to enable the LSU to work with the remaining USIPs during the transition period. USAID also modified the FHS Contract and extended it to September 30. The USIPs, with guidance from USAID, organized a Joint Services Management Board to determine how the IPs would apportion responsibility for logistical support services after the close-out of the LSU.

For the third year, the U S Government "decertified" Nigeria as a foreign assistance recipient, casting into question whether USAID funding for family planning activities could continue. Under decertification, child health and AIDS prevention funding could continue under existing waivers for humanitarian programs, but AID would need to seek a waiver to continue family planning assistance.

AAI updated the close-out plan developed in relation to the first decertification order in 1995. This served as a general guideline for project close-out.

## B PRINCIPAL CONTRACTOR ACTIVITIES

- General Services Administration

### 1 Procurement of Goods and Services

#### a Local

During the new contract period, the LSU made changes to the procurement policy that increased control and reduced expenditures. Primary to this was assessing the consumption rates of expendable supplies (EXP). These usage rates were used to determine quantities necessary for a three-month supply. Comparing current stock levels with expected usage over a three month-period permitted the LSU to calculate procurement requirements to maintain a three-month supply. Procuring in this manner permitted less frequent, bulk procurement of EXP.

Procurement of non-expendables (NXP) during the new contract period was limited to computer equipment, security radios and fire extinguishers. The LSU managed computer procurement locally on behalf of the IPs, PCU and the LSU. Five new computers to replace obsolete equipment, accompanying universal power supply equipment (UPS), printer sharers and a CD-ROM. Bids were solicited from more than a half dozen vendors, selections were made after personal, one-on-one negotiations by the Chief of Party. Security radios were procured from vendors recommended by the Embassy.

## b International

The LSU made two offshore EXP procurements with the assistance of AAI/NY. Each case involved urgently needed spares -- once a computer card for the PABX phone system, the other for a generator part. In both instances, AAI/NY procured the part and arranged delivery to Lagos within three days. AAI/NY also procured a modem and sent it to Lagos with a traveler at no expense to the project.

At USAID's request, AAI investigated the costs of procurement of vehicle spare parts, upon review of budget availability, it was decided not to purchase these.

## 2 Infrastructure, Transportation and Logistical Support

### a Property Management

The first task of the newly hired Property Management Officer's (PMO) was to perform a baseline inventory of all NXP. This was a daunting task, considering that in Lagos alone the inventory needed to be done at three office buildings, the warehouse, the Commissary Building and three residences. Determining ownership of property managed by the project was complicated, as Project, USAID/OE and State Department property were located in the sites inventoried. An inventory and warehousing expert who had worked in the Embassy's warehouse for years was engaged as a consultant to train and assist the LSU's PMO in the performance of the in the baseline NXP inventory as well as to create a property management system that would account and track all future NXP property movements. The consultancy lasted for two weeks.

The PMO proved superbly up to the task. She became expert in using the USAID state-of-the-art Inventory Management Program (NXP6 0) not yet in use at USAID/Nigeria. Working with other LSU staff, she conducted the inventory in all cited locations, and logged the data obtained into NXP6 0. She segregated inventory for ownership regardless of location, re-checked it and ensured that an officer responsible for NXP in a given location would sign for and acknowledge the accuracy of the inventory. Employees of the IPs, PCU and LSU were made aware of the property management system and supplied with the necessary information needed to ensure that future property movements were tracked by the PMO.

The result was that the LSU could produce a computer printout of all NXP property in locations for which the LSU was responsible--a printout of all property owned by, for example, AIDSCAP, or a printout of the location of all computer monitors regardless of ownership. The system permits a wide variety of tracking and useful information that would be essential in the closeout of the LSU.

Before the inventory was completed, LSU management, with AAO approval, disposed of some property that was no longer useful and, without a location for storage, was serving

only to clutter the yard of the LSU annex. The property, consisting of broken chairs and desks that were beyond economical repair for office use, was raffled off to all USAID, IP, PCU and LSU employees for distribution.

The Chief of Party identified a number of vehicles and other property which he recommended for disposal, and made recommendations to USAID. The USAID regional legal officer determined that proceeds from property disposal could not revert to the project. Therefore, no public sale was held.

Instructions were sought from the Contracting Officer for how to conduct future property disposal. The LSU was advised to permit the remaining IPs to select the property they would need to conduct their activities and to hand over the remaining NXP property to USAID for disposal. In response, the LSU carefully evaluated what furniture was in the best condition for retention and informed USAID of items suitable for disposal.

The LSU reviewed old files stored at the LSU Annex and disposed mainly of duplicate documents no longer needed. All usable expendable supplies (i.e., file folders and paper clips) were retrieved and put into the EXP stock. At the LSU Annex alone, this disposal exercise resulted in the elimination of more than two cubic yards of materials dating back to before the start of the first AAI contract. The LSU assisted the IPs and PCU in carrying out the same exercise. The results increased usable space and decreased fire hazards.

The EXP stores clerk also inventoried expendable supplies, including office supplies and spare parts for vehicles. The LSU determined EXP consumption rates as part of an overall property management system and to increase the efficiency of LSU Procurement operations (see Procurement). During this time a number of IPs complained that their requests for supplies were not being filled completely. The LSU met with the IPs, showed them their consumption rate of a given item and explained the principles behind the LSU's EXP management system. Once an explanation was made, clients indicated they were satisfied with the system.

b Motorpool

The LSU motorpool was responsible for meeting the transportation requirements of the IPs, PCU and LSU in four locations throughout Nigeria. Keeping the aging fleet of vehicles operational at all times, including frequent times of fuel shortages, was a major challenge. However, the LSU motorpool effectively kept up with the heavy demand for transportation.

In Kaduna, the field office with the greatest geographic responsibility, the vehicles used were all Toyota Landcruisers with over 300,000 Kms on each. These are preferred to the Jeep Cherokees that are also part of their fleet because of the Toyotas' better reliability.

It should be noted that breakdowns in some areas of Nigeria are more than an inconvenience, they can be dangerous. Roadside robberies are not uncommon.

As a result of the decertification process, it was determined that vehicles given to the Ministry of Health by CDC should be retrieved. Through the PCU, the LSU was involved in removing the vehicles. This extremely sensitive exercise had been a success and did not necessitate CDC involvement.

The LSU engaged a Vehicle Maintenance Supervisor (VMS) not only to ensure the appropriate maintenance of the vehicles, but to perform the maintenance service work himself. The cost savings were significant. A review by the Chief of Party indicated that motor vehicle maintenance costs, which were some \$10,000 a month through January 1996, were decreased 80% by doing the work in-house. The VMS also tracked and maintained the five LSU-managed generators, saving substantial money and ensuring quality control.

The VMS provided weekly maintenance updates detailing the number of miles (or hours in the case of generators) each piece of equipment has gone since its last servicing, the updates were used as a tool for planning necessary future maintenance. The Transport Officer collected the same information from the field offices to ensure they were in compliance with manufacturers' maintenance specifications.

Logbooks were established to record the amount of fuel put into each generator and the number of hours the generator had been in service since its last fueling or servicing. This enabled the LSU better to control fuel use and to have a baseline of fuel use for each generator, which is a diagnostic as well as a security tool.

Despite the recognized good work of the motorpool, they were hardest hit with reductions in force resulting from cost-cutting measures and newly established personnel policies. Overtime management was revised in a manner that substantially reduced the number of hours of overtime a driver could earn. A new *per diem* policy that limited all MI&E expenses to actual expenses impacted the drivers more than most employees. The layoffs as well were primarily absorbed by the drivers. The motorpool nevertheless continued to deliver quality service held with high regard by LSU clients.

### c General Service

General service includes all the activities that are required to keep the IPs, USAID, the PCU and the LSU in operation. The LSU managed and maintained Global House, the Commissary Building, the Annex, Muri Okimola (BASICS and Pathfinder International), the warehouse and three project-funded residences (the Embassy provided many of the needed services for the residences). The LSU provided alternative sources for municipal water and electricity, overseeing generators and water systems for each non-residential location (the Commissary was maintained by the Embassy per a sub-lease agreement with them). In addition, the LSU oversaw and performed facilities maintenance at each location. This

included a range of activities from the servicing of air conditioners to management of security lighting and fire-fighting equipment

*Water* The LSU was responsible for the provision of water at Global House, the Annex, Muri Okinlola and the warehouse, since no municipal water was available at these locations. The LSU took steps to get Global House and the Commissary Building hooked into a new municipal system currently being installed. During this report period, water was procured from trucks that pumped the water into tanks connected to the internal water system. The LSU took steps to monitor water consumption and better control procurement of this commodity. The first result of this was the discovery of a water leak in the large Global House reservoir that was subsequently repaired.

*Electricity* The LSU maintained five generators at three locations. The VMS ensured and documented that the required maintenance for each power plant was carried out according to manufacturer's specifications. Local generator service agencies had proved extremely unreliable. A generator that had a fan bracket break in August 1995, destroying the radiator, was only repaired in April 1996. The fan bracket broke again after several hours of operation. Similarly, an automatic "mains failure switch" was examined by three different contractors, none of whom could figure out how to repair the fault. The lesson from this was that the LSU had to be self-reliant on as many trade issues as possible.

Despite such problems, facilities under LSU management maintained largely regular electricity during the nearly daily power outages that lasted for hours or days.

*Security* The LSU oversaw the security of the commercial buildings they managed. In this reporting period, the LSU changed guard service companies when the Embassy did, and as such remained part of the U S Embassy security guard net. The LSU created a security committee charged with recommending and implementing security enhancement procedures/mechanisms. The LSU placed locks on all the fuel tanks, replaced locks on all sensitive doors in Global House, installed fire extinguishers at the Annex and Global House, and established procedures to ensure working security lights, increased awareness of guards, etc.

#### d Liaison with Utility and Other Companies

The LSU was responsible for the payment of telephone bills, electricity bills and other common cause municipal expenditures. The payment of these bills, particularly the telephone bill, was often not sufficient to keep the line from being disconnected--a consequence of new surcharges or disputed charges. The LSU maintained regular liaison with municipal utilities, insurance companies and other entities to ensure that operations continued without disruption. For example, the LSU Liaison Officer regularly went to the phone company to resolve problems. Payment must be made, proved and reconciled with the local telephone provider, NITEL, for each billing period. Lines are at some times

disconnected for no reason. The LSU Liaison Officer effectively dealt with these situations, minimizing down-time.

e Computer Systems

The LSU Systems Manager was charged with the operation of all computer equipment used by IP, PCU and LSU staff and, as much of the equipment is old, was kept busy repairing and upgrading throughout this period. Several of the systems were replaced as outlined in the Procurement section. The LSU installed USAID-sanctioned upgrades of anti-virus software on all computers and trained staff in its use. The Systems Manager completed a number of in-house application training programs for staff members.

f Real Property

The LSU sublet three apartments in the Commissary Building back to the Embassy. The sublease agreement between the Embassy and AAI expires on July 31, 1996. The apartment that housed the outgoing Controller was subleased to USAID for housing one of their project-funded personnel. The Embassy extended the lease on the commissary through September 30 (from its original July 31 expiration).

Given that the warehouse lease would expire in August 1996, efforts were underway to vacate all goods from there to enable the LSU to relinquish its responsibilities for the warehouse.

3 Financial Management Systems

The LSU prepared bills of collection and back-up data for the USIPs whose programs were ending and as well as for those that would stay, in order to assure timely collection within the contract and to improve cash flow. A difficulty was encountered with CDC, new CDC leadership was unfamiliar with the mechanisms available for repaying bills of collection without written agreements in place. LSU and AAI/NY staff engaged in a number of discussions with CDC staff in Lagos and in Atlanta, as well as with the Embassy Budget Officer, to develop payment mechanisms.

4 Personnel Management

Under the direction of the new Chief of Party, this period saw a number of important actions intended to restructure and strengthen staff of the LSU at a time of heavy budget cuts. Key appointments of the Property Management Officer and the Vehicle Maintenance Supervisor, both new positions, have been mentioned previously. Given USAID/W-imposed downsizing of the program in Nigeria, the LSU was unable to renew the contracts of eight drivers and one expeditor when their contracts expired at the end of May 1996. The LSU prepared termination benefits payments for them and for staff being terminated by USIPs.

A Personnel Consultant hired by the LSU led training sessions to assist terminating employees to prepare resumés and to seek new jobs. A driver killed in an automobile accident in May was not replaced. Two drivers in Ibadan were dismissed for using an official vehicle on an unauthorized basis. Only one driver was replaced due to the reduced work load. The contract of the Building Maintenance Officer was not renewed at the end of May, the LSU recruited to fill this position with a "journeyman tradesman "

A number of accomplishments in Personnel Administration were made during this period. The *Personnel Policies Handbook*, a deliverable under the contract, was rewritten better to reflect the separate identities of LSU and IP staff members as well as to incorporate various change to personnel policy that are consistent with the U S Embassy's local employee compensation plan. The Personnel Consultant managed the revision along with the LSU Personnel Assistant and the Chief of Party. The LSU provided the handbook to USAID and the Joint Services Management Board. It was not printed because of uncertainties regarding the major downsizing underway.

The medical benefits plan was changed to reflect that of the U S Mission, the LSU developed means to track the new system. The LSU was required to classify the new positions that were filled at the LSU as well as positions filled by the PCU and IPs. The Personnel Officer received extensive training in the classification of positions using the Classification Handbook.

The LSU met with representatives of the IPs to discuss the Life and Accidental Dismemberment Insurance policy that is carried as part of the Employee Compensation Plan. This meeting was held to ensure that IPs knew what benefits they were being provided as well as to draw on any advice they might give before renewing the policy which expired on May 31, 1995. As part of closeout, the Chief of Party met with the LSU insurance provider and agreed to pay for insurance on a month-to-month basis through the end of the contract.

In response to complaints from field offices that payroll checks were arriving late, the LSU changed the manner in which field office payroll was performed, and changed the vendor who was delivering the paychecks. Paychecks arrived on time in the field offices after the changes were made.

The LSU formulated an Employee Incentive Award program and followed through by facilitating the mechanics of the awards committee. An awards committee was set up, comprised of one person from each IP, the PCU and the LSU. As a result of the new policy, Outstanding Employee awards (and cash), were given to four local employees, two of whom were LSU employees. The LSU also provided Safe-Driving Certificates to meritorious drivers.

### Chief of Party

In May AAI learned that errors had been made in the passport of the Chief of Party when a visa extension had been sought. Also, AAI learned that Immigration authorities had not acted on the work permit for which AAI had applied on his behalf. Efforts by senior LSU Nigerian staff and an LSU consultant with Immigration officials in Abuja to try to rectify the situation were not successful. Following mid-June meetings of AAI/NY, Embassy and USAID officials, the AAO approved Mr. Hicks' departure to Abidjan for a three-week period. At the request of USAID, AAI's Vice President for Programs traveled to Nigeria to act in the capacity of Chief of Party beginning in late June, one purpose of his travel was to attempt to obtain a work permit and to regularize the visa status of the Chief of Party.

### Controller

AAI had determined it needed an LSU controller thoroughly familiar with AID close-out procedures to manage the financial close-out of the Contract, including reconciliation of project inventory. Therefore, AAI recruited a retired USAID Controller, Harry Shropshire, who is also a Certified Government Financial Manager, to replace Mr. Rumsey, whose contract terminated at the end of May. As Mr. Shropshire's visa and work permit were delayed until early July, the LSU functioned without a Controller from the end of May through the balance of this quarter.

## 5 Implementation Requirements

### a Implementation Support Agreements

The LSU Chief of Party obtained project documents and budgets from each of the IPs, for the purpose of using these as a base for calculating prorated and one-year budgets for Implementation Support Agreements (ISAs). The materials were voluminous and the effort in retrieving them from each IP time-consuming, the COP forwarded most of the materials to AAI/NY electronically, thus saving substantial funds as compared with use of a courier. Despite considerable effort on the part of AAI to encourage IPs to enter into ISAs, a number of IPs remained reluctant to do so, on the grounds that the mechanism was not possible within the framework of their own contracts, or because, in a few cases, their projects were terminating earlier than anticipated, or because they had learned that after September they would not be working in the ISA framework with AAI and thus did not perceive a need to enter into ISAs for such a short time period.

In May 1996 AAI entered into purchase agreements with two John Snow, Inc. projects, SEATS (Purchase Order 12135) and Initiatives (Purchase Order 0267), in lieu of developing ISAs with them.

C CONTRACT PERFORMANCE

Deliverables fulfilled

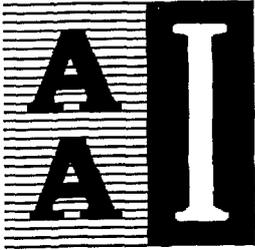
- Revision of the *Personnel Policies Handbook*
- Warehouse fully operational, although limited in relation to original plans
- NXP inventory undertaken

Additional work undertaken, not specified in contract

- Close-out plan evolved

Difficulties in achieving deliverables

- AAI continued to work with IPs to develop ISAs, but no ISAs were instituted during the period. As an alternative, AAI entered into purchase agreements with two IPs



**Quarterly Report:**

For the Period July 1, 1996  
to October 31, 1996

**Logistical Support Unit**  
**AID Affairs Office/Nigeria**  
**Contract #624-0001-C-00-5052-00**  
**Mod #1 - January 6, 1996**  
**Mod #2 - May 28, 1996**  
**Mod #3 - August 20, 1996**  
**Mod #4 - September 25, 1996**

**The African-American Institute**  
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Tel (212) 949-5666

Submitted to

**The Agency for International Development**

**ABBREVIATIONS AND ACRONYMS**

AAI	African-American Institute
AAO (AAO/NIGERIA)	AID Affairs Office/Nigeria
AID	Agency for International Development
CCCCD	Combatting Childhood Communicable Diseases Project see also NCCCCD - successor project
CDC	Centers for Disease Control and Prevention
CO	Contracting Officer (REDSO/Abidjan) see RCO
EXO	Executive Officer (of USAID or Embassy)
EXP	Expendable supplies
FHS	Family Health Services Project see also NFHS - successor project
FRLC	Federal Reserve Letter of Credit same as LOC
I/O	Implementation Order
IP	Implementing Partner same as USIP - U S Implementing Partner
LGA	Local Government Authority
LOC	Letter of Credit
LSU	Logistical Support Unit
NCCCCD	Nigeria Combatting Childhood Communicable Diseases Project
NFHS	Nigeria Family Health Services Project Successor to Family Health Services Project
NGO	Non-Governmental Organization
NXP	Non-Expendables
PACD	Project Actual Completion Date
PAF Office	Personnel/Administration/Finance Office
PCU	Programme Coordination Unit
PIO/T	Project Implementation Order/Technical
RCO	Regional Contracting Officer (REDSO/WCA)
REDSO/WCA	Regional Economic Development Services Office, West and Central Africa
SOP(s)	Standard Operating Procedure(s)
SRA	Specific Request for Assistance
UPS	Universal Power Supply
USAID	U S Agency for International Development
USIP	U S Implementing Partner <sup>1</sup>

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<sup>1</sup> Included are such organizations as AIDSCAP, BASICS, CEDPA, CDC, Futures Group, John Snow Inc (Mothercare, SEATS, Initiatives Projects), Johns Hopkins University (Population Communications Program Quality Assurance), Pathfinder International Wellstart

## A BACKGROUND<sup>2</sup>

The main task of the quarter was to close out all aspects of AAI's logistical assistance to the USAID program, which had begun with its first FHS Contract for operations support in 1988, and had been re-designed under the new Letter Contract in 1995. This included vacating the LSU's offices in the Annex building, vacating the Orile warehouse, and closing or shifting to USIPs offices in Enugu, Kaduna and Ibadan. Major emphasis was placed on providing outplacement assistance as well as termination benefits to employees, working with the Joint Services Management Board in transition activities, reconciling and distributing an extensive inventory, and in closing out financial and logistical operations including the provision of reconciliations and bills of collection to IPs.

AAI's Vice President for Programs arrived in Nigeria on June 23 to assist in regularizing the visa and work permit for Mr Hicks, Chief of Party, and to serve in his place until he returned to Nigeria. It was many weeks before AAI learned that even though a work permit was issued in Abuja, it would be impossible to obtain a new visa for Mr Hicks in time for him to return to Nigeria to resume his duties. AAI terminated Mr Hicks' contract as of August 15. While outside Lagos, however, he continued to provide assistance to USAID and the project from offices at USAID/Ghana and from USAID/REDSO/WCA. He developed scopes of work for architectural and contracting services related to the planned move into the Commissary Building, briefed and provided other assistance to the Acting Chief of Party and to the U.S. Project Manager, and prepared position classifications for USIPs at the request of the AAO.

Mr Shropshire, the new LSU Controller, who arrived in Lagos on July 11 after a briefing in New York, assumed responsibility for the dual role of Chief of Party and Controller after the departure of the AAI Vice President for Programs in mid-August. The Controller worked with USAID to prepare a final close-out budget. AID and AAI signed Modification #3 to the contract, which provided an additional \$123,000 for closeout costs including payment of termination benefits. In consultation with the Controller and with USAID officials, AAI management determined that additional financial and logistical help would be needed in Nigeria to close out the project. A fourth and final contract extension to October 31 enabled two senior AAI Finance Office staff to travel to Nigeria beginning September 21.

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<sup>2</sup> Although October falls in FY 1997, report on this month is included here as final closeout of the project in Nigeria took place during October.

## B PRINCIPAL CONTRACTOR ACTIVITIES

### General Services Administration

#### 1 Procurement of Goods

There was no significant procurement of goods during this quarter. AAI/NY investigated the costs of procuring generator spare parts from the U.S. However, for budgetary reasons repairs were made locally.

#### 2 Procurement of Services

AAI engaged several local consultants to provide special services during the closeout. These included two consultants who worked with LSU staff to prepare resumes, provide training in interviewing skills, and arrange skills training courses. AAI engaged a third consultant to work with the LSU and USAID on property inventory and disposal.

#### 3 Infrastructure Transportation and Logistical Support

##### a Real Property & Leases

At the start of the closeout period, AAI held four leases: the warehouse property, 30 Adeola Hopewell Street (Annex building), Enugu USAID Cluster States office, and Ibadan Cluster States office. During the closeout, AAI negotiated with the landlord concerning improvements and changes to the warehouse property, and turned the warehouse back to the landlord in mid-August. AAI refurbished the building at 30 Adeola Hopewell Street and turned back the property to the landlord on October 28. In agreement with USAID and the Joint Services Management Board, AAI transferred responsibility for the properties in Enugu and Ibadan to CEDPA.

##### b Property Management

During this quarter, AAI conducted a final inventory of project goods, which it presented to USAID. AAI staff met several times with USAID officials from AAO/Nigeria and the Regional Property Officer from REDSO/WCA to discuss disposition of the inventory, including its temporary storage and shipment. LSU staff arranged for removal of goods stored in the Warehouse and the inventory at 30 Adeola Hopewell Street. USAID took responsibility for determining the disposition of the inventory, arranged for its donation to Nigerian NGOs and USIPs and provided AAI with available documentation relating to receipt of goods by recipient organizations.

The inventory was dispersed to 54 different Nigerian NGOs and to eight of the project's Implementing Partners. The inventory included 74 vehicles, computer equipment

and supplies, office equipment including facsimile and photocopier machines, office furniture and accessories, home furnishings from residences and storage and other miscellaneous equipment and supplies. For a report on donated inventory, please consult AAI's Completion Report to USAID on the FHS Contract, Contract No 620-0001-C-00-8008-00. Forty of the 74 project vehicles were donated to local NGOs, the remaining vehicles were transferred to AAI's Implementing Partners. Of the 20 computers (with accessories) donated by the project, six went to local NGOs, the remaining to IPs.

In September-October AAI arranged for vacating the LSU-leased office at 30 Adeola Hopewell Street, Victoria Island and distributing the inventory of furniture and equipment located there.

c Motorpool

AAI arranged with the US Embassy for repair of vehicle radios, most of which had not been in working order. This action, together with replacement of defective portable radios for airport expeditors, provided full radio communication for arriving and departing travelers.

AAI worked with USAID and CDC to document the inventory of all 74 vehicles purchased by the LSU or assigned to it by other entities such as CCCD. The Vehicle Maintenance Supervisor prepared an extensive mechanical survey, this survey, undertaken in Lagos, Ibadan, Enugu and Kaduna, made recommendations which provided the basis on which USAID decided to keep 29 vehicles for USAID use and to turn over the remaining 45 to Nigerian NGOs.

d Shipment of Files

AAI arranged for shipment of its extensive financial files and all other available documentation to its New York Office.

4 Financial management systems

Closing out LSU finances over the four-month period from July to October involved a series of actions: (a) preparation of monthly financial reports on the operating, payroll, domiciliary and USIP accounts for the months of July, August, September and October, (b) preparation of bills of collection to USIPs and USAID, (c) calculation and payment of termination benefits for all employees, (d) payment of all outstanding bills from Nigerian vendors, (e) reconciling outstanding advances to individuals.

The LSU Controller engaged the accounting firm of Achike Emejulu and Company to prepare an audit assessment report of the LSU operation. This was submitted to AAI in September and provided the basis for various financial follow-up actions. The LSU also

engaged Arthur Andersen Company, Ltd , to ascertain requirements under Nigerian law related to payment of payroll taxes AAI had not deducted local payroll taxes for June-September, on the advice of local staff who indicated it would not be possible to get the necessary certificates from Government agencies in time for closeout Arthur Andersen Co advised that AAI would need to pay these taxes, however, and AAI then engaged the firm to pay the taxes to the state agencies concerned

John Mullahy and Wasim Khan, senior finance staff from AAI/NY worked with the LSU Contoller until his departure on October 11 Mr Khan also returned to New York on that date Mr Mullahy, AAI's Senior Director of Financial Management, remained in Lagos until October 31 to effect final financial and logistical closeout actions The team briefed AAI's Nigeria Program Representative, Ms Clara Osinulu, on financial follow-up actions that would need to be completed as additional billings arrived from NITEL and other local vendors Ms Osinulu is a signatory to AAI's bank accounts and will be responsible for closing them

Owing to the extent of logistical closeout activities remaining in October, which had to be completed before AAI staff could leave Lagos, key important financial closeout actions remained to be completed in New York These included reconciliation of the USIP accounts, preparation of final bills of collection and retrieval from the files of original back-up documentation related to these bills, and reconciliation of the outstanding advance accounts for the FHS and LSU contracts

#### 5 Personnel Management

Many LSU staff had worked with AAI for a number of years, some since 1988 During this period, AAI's FHS Contract had undergone 16 modifications, many of which had extended operations for a period of only a few months The LSU had routinely written short personnel contracts, and sent Termination notices to staff frequently Thus staff were unprepared for the actual complete close-down of the LSU Being thrown into the job market in a country with declining growth and jobs frightened many The AAI Vice President for Programs, serving as Acting Chief of Party, therefore organized outplacement services for all LSU employees and arranged personal interviews with all forty remaining staff The LSU engaged two consultants to provide assistance with preparation of resumes and interviewing skills The Chief of Party, from Abidjan, provided letters of reference for each employee At the request of the AAO, he also classified all new positions to be added by the USIPs

The LSU fulfilled its obligation to continue making payroll deductions for the Mortgage Banking Scheme, as is provided under Nigerian law The LSU obtained the required Mortgage Banking Passbooks for each employee and provided each employee a balance sheet showing the contributions made on his or her behalf

In July, the LSU sent General Staff Notices to all staff to inform them that the LSU would close on August 31, 1996, in late August the Acting Chief of Party/Controller followed this with another end-of-service letter, thanking staff for their performance and enclosing an additional reference and a Certificate of Employment. Approximately half the LSU staff found employment with the USIPs.

## C CONTRACT PERFORMANCE

### Deliverables fulfilled

- Submitted full project inventory to USAID

### Deliverable partially fulfilled

- AAI continued to work with USAID to plan for the move of USAID and the IPs into the Commissary Building adjacent to Global House

### Deliverables not yet achieved

- No ISAs were instituted with IPs during this period. AAI signed a final modification to the CEDPA ISA to extend it to October 31, 1996

### Close-out activities undertaken

The following activities were not specifically part of the contract Statement of Work, but were essential to the closeout of the project, they were carried out in close cooperation with AID and IPs. AAI worked with the Joint Services Management Board to provide for an orderly transition from the AAI project to follow-on work to be undertaken by the remaining five USIPs.

- Personnel
  - AAI paid salaries and computed and paid termination benefits to all LSU and PCU staff (a few had not picked up their checks by the end of the period)
  - Facilitated preparation of resumes, arranged training in interviewing skills, provided references for all staff
- Administration
  - With USAID concurrence, reconciled, distributed and obtained receipts for total project inventory to Nigerian NGOs, USAID and IPs

- Completed leases, vacated, renovated to original or agreed condition, Orile warehouse and 30 Adeola Hopewell and returned them to landlords
- Handed over to CEDPA leases for properties in Enugu and Ibadan
- Closed the office in Kaduna
- Finance
  - Provided billings to CDC and USAID
  - Completed outstanding payments to vendors, including Security Guard service

AAI shipped all LSU project files to the New York office at the end of the period

**FINAL FINANCIAL REPORT**  
**THE AFRICAN-AMERICAN INSTITUTE**  
**CONTRACT NO 624-0001-C-00-5052-00**  
**OCTOBER 1, 1995-SEPTEMBER 30, 1997**

The final report for Contract No 624-0001-C-00-5052-00 is enclosed. The purpose of the subject contract was to provide for a continuance of services originally provided under contract No 620-0001-C-00-8008-00.

During the close-out of contract No 620-0001-C-00-8008-00, The African American Institute (AAI) conducted an extensive review of the costs incurred by a major subcontractor, Sweet Hill Associates, Inc (SHA). The result of that review was the disallowance of \$357,439 in subcontractor costs.

Prior to that disallowance, AAI's contract 8008 reflected an over-expenditure of \$57,398. After the disallowance, the contract reflected an under-expenditure of \$300,041.

Contract, No 624-0001-C-00-5052-00, contained the following clause in Modification No 1 paragraph F 1,

*"It is the intent of the parties that expenditures allocable to either contract shall be charged first to contract 624-0001-C-00-8008-00 and then to this contract if no funding is available under the original contract."*

As a result of the disallowance of costs to SHA and the resultant under-expenditure, AAI transferred \$300,041 from subject contract to contract 8008. The net effect on subject contract was to reduce the over expenditure from \$327,921 to \$27,880.

All indirect rates used in the final accounting have been submitted to USAID as proposed final rates, but the requested approval has not yet been received. The audited financial statements of The African-American Institute reflect contract costs based on provisional indirect rates, not final rates. There are therefore minor differences between the financial information contained in this report and AAI's audited financial statements.

The African-American Institute  
 Logistic Support Unit ("LSU") - Nigeria  
 USAID Contract No 624-0001-C-00-5052-00  
 Contract Period October 1, 1995 - September 30, 1997

07-Aug-98

<u>BUDGET CATEGORY</u>	<u>Total FY96 Expenses</u>	<u>Total FY97 Expenses</u>	<u>Total</u>
<b>Core Administrative Costs</b>			
I Salaries and Wages			
U S Based*	\$179 541	\$11 433	190 974
Nigeria Based in country( key positions)*	22 322	279	22 601
Other Nigerian Based	306 173	9 397	315 570
Subtotal	<u>508,036</u>	<u>21 109</u>	<u>529 145</u>
II Fringe Benefits			
U S Based*	47 396	4 234	51 630
Nigerian	164,085	10,901	174 986
Subtotal	<u>211,481</u>	<u>15 135</u>	<u>226 616</u>
III Allowances	5 220	19	5 239
IV Travel Transportation Per Diem			
U S Domestic*	324	587	911
Other	85 312	10 171	95 483
Subtotal	<u>85 636</u>	<u>10 758</u>	<u>96 394</u>
V Consultants	23 710	30 048	53 758
VI Expendable Supplies			
U S Based*	736	279	1 015
Other	56 424	1 714	58 138
Subtotal	<u>57 160</u>	<u>1,993</u>	<u>59 153</u>
VII Non - Expendable Supplies	22,072	990	23 062
VIII Other Direct Costs			
U S Based*	23,638	954	24 592
Other	329 142	44 086	373 228
Subtotal	<u>352,780</u>	<u>45,040</u>	<u>397 820</u>
<b>TOTAL CORE ADMINISTRATIVE COSTS</b>	<b>1 266 095</b>	<b>125 092</b>	<b>1 391,187</b>
<b>Program Costs</b>			
I Salaries (PCU staff)	238 704	113 986	352 690
II Fringe (Close-Out Costs)			
III Program Funds	<u>(536)</u>	<u>0</u>	<u>(536)</u>
<b>TOTAL PROGRAM COSTS</b>	<b><u>238 168</u></b>	<b><u>113 986</u></b>	<b><u>352 154</u></b>
<b>TOTAL DIRECT COSTS</b>	<b><u>1 504 263</u></b>	<b><u>239 078</u></b>	<b><u>1 743 341</u></b>
Direct Cost Base	<u>273 957</u>	<u>17 766</u>	
Final Rate	69 74%	93 00%	
INDIRECT COSTS-U S Based Costs*	<u>191 058</u>	<u>16 522</u>	<u>207 580</u>
<b>TOTAL COSTS</b>	<b><u>\$1 695 321</u></b>	<b><u>\$255 600</u></b>	<b><u>\$1 950 921</u></b>
<b>BUDGET</b>			<b><u>1,623 000</u></b>
Over expended			327 921
Expenses transferred to USAID Contract No 620-0001-C-00-8008-00			<u>300 041</u>
Net overexpenditure			<u><u>\$27 880</u></u>

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