NOTE: A review of these contracts will show that certain specific information has been omitted or redacted. These are standard types of omissions or redactions and have been made in accordance with Federal law, for instance, in order to safeguard business proprietary information as well as to preserve privacy and security.

(Contract begins on next page)

AWARD/CONTRACT

1. THIS CONTRACT IS RATED ORDER UNDER DPAS (15 CFR 350) | RATING | PAGE 1 OF 44 PAGES

2. CONTRACT NO (Proc Inst Ident): EDG C 00 03 00010 00
3. EFFECTIVE DATE: 03-26-2003
4. REQUISITION/PURCHASE REQUEST/PROJECT NO: 03006 + Amend #1 MAARD#267-004-3-

5. ISSUED BY (CODE / SHIP):
US Agency for International Development
Office of Procurement, M/OP/GH/HSR
Rm 7 09 071, RRB
1300 Pennsylvania Avenue, NW
Washington DC 20523-7803

6. ADMINISTERED BY (If other than Item 5) (CODE / SHIP):
US Agency for International Development
Asia Near East Bureau (ANE)
1300 Pennsylvania Avenue, NW
Washington DC 20523

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code):
Research Triangle Institute
3040 Cornwallis Road
Research TRIANGLE PARK, NC
27709

CODE n/a | FACILITY CODE n/a

8. DELIVERY: [ ] FOB ORIGIN [X] OTHER (See below)

9. DISCOUNT FOR PROMPT PAYMENT: n/a

10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN: ITEM See Section G.4

11. SHIP TO/MARK FOR (CODE n/a): n/a

12. PAYMENT WILL BE MADE BY (CODE n/a): See Section G.4 BY USAID LETTER OF CREDIT # HHS-33A8P

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION
[ ] 10 U S C 2304(c)(_) [ ] 41 U S C 253(c)(_)

14. ACCOUNTING AND APPROPRIATION DATA: See Section G.5

15A ITEM NO	15B SUPPLIES/SERVICES	15C QUANTITY	15D UNIT	15E UNIT PRICE	15F AMOUNT
	Technical Assistance for the Base Period CLIN 0001 to CLIN 0010				$167,973,016.
				15G TOTAL AMOUNT OF CONTRACT	$167,973,016.

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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. [ ] CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)

18. [X] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number M/OP-03-LGA1, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (Type or print):
Research Triangle Institute
Chito Padilla, Sr. Contracting Officer

19B. NAME OF CONTRACTOR BY _____ (Signature of person authorized to sign)
19C. DATE SIGNED 4/11/03

20A. NAME OF CONTRACTING OFFICER:
LISA M. BILDER
Contracting Officer

20B. UNITED STATES OF AMERICA BY Lisa M. Bilder (Signature of Contracting Officer)
20C. DATE SIGNED 4/11/03

STANDARD FORM 26 REV (4-85)

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1 PURPOSE

The purpose of this contract is to procure and provide technical and other assistance to strengthen local administrations, civic institutions and processes in Iraq. Activities will respond to a broad range of challenges in sub-national administration, democratic institutions and processes, civil society development, and citizen participation in local governance and access to services.

B.2 CONTRACT TYPE

This is a Cost-Plus-Fixed-Fee (CPFF) Level of Effort term contract. For the consideration set forth below, the Contractor shall provide the deliverables or outputs described in Section C.

B.3 SUPPLIES AND SERVICES

For the consideration set forth below, the Contractor shall, during the period specified in Section F. of this contract, provide the following services and deliver the following reports and other deliverables:

(a) Services

The contractor shall provide the total workdays of direct employee, consultant and/or subcontract labor as set forth in Schedule B, to perform the Statement of Work as further described in Section C. of this contract.

(b) Reports and Other Deliverables

The Contractor shall deliver the quantities or reports and other deliverables as specified in Section C. and F. of this contract.

B.4 ESTIMATED COST, FIXED FEE, AND OBLIGATED AMOUNT

(a) The total estimated cost for the performance of the work required hereunder, exclusive of fixed fee, is (b)(4) The fixed fee, if any, is $ (b)(4) The total estimated cost plus fixed fee is $167,973,016.

(b) Within the estimated cost plus fixed fee (if any) specified in paragraph (a) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is $7,900,000. The Contractor shall not exceed the aforesaid obligated amount.

(c) The funds currently available and obligated under this contract are $7,900,000. and are anticipated to be sufficient for two months. The Contractor shall not exceed this amount unless approved in writing by the Contracting Officer as provided in the clause of this contract entitled "Limitation of Cost."

CLIN 0003 – OTHER DIRECT COSTS (Includes Vehicle Purchase, travel, communications and other ODC's) TOTAL ESTIMATED COST CLIN 0003	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0004 – SUB-GRANTS TO NGO'S TOTAL ESTIMATED COST CLIN 0004	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0005 – CCN/TCN LABOR COSTS TOTAL ESTIMATED COST CLIN 0005	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0006– SUBCONTRACTS TOTAL ESTIMATED COST CLIN 0006	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0007 – CONSULTANT LABOR TOTAL ESTIMATED COST CLIN 0007	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0008 – OVERHEAD TOTAL ESTIMATED COST CLIN 0008	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 0009 – G&A TOTAL ESTIMATED COST CLIN 0009	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
TOTAL ESTIMATED COST (CLIN 0001-0009)	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
CLIN 00010 – FIXED FEE TOTAL ESTIMATED COST CLIN 00010	BASE PERIOD $ (b)(4)	OPTION YR 1 $ (b)(4)	OPTION YR 2 $ (b)(4)
TOTAL ESTIMATED COST PLUS FIXED FEE (CLIN 0001-0010)	BASE PERIOD $ 167,973,016	OPTION YR 1 $ 147,682,693	OPTION YR 2 $ 150,414,799

B. 5. (c) The Contractor also agrees to furnish data which the Contracting Officer may request on costs expended or accrued under this contract in support of the budget information provided herein.

B.6 INDIRECT COSTS (DEC 1997)

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases

Description	FY03	FY04	FY05	FY06	Base	Type	Period
			(b)(4)			1/	1/
						2/	2/
						3/	3/
						4/	4/

1a/Base of Application: (b)(4)
Type of Rate: Predetermined/Provisional
Period. 10/01/02 – 09/30/03
1b Period 10/01/03- 10/01/04 1c period 10/01/04-10/01/05 1d period 10/01/05-10/01/06
2a/Base of Application: (b)(4)

Type of Rate: Predetermined/Provisional
Period: 10/01/02 – 09/30/03
2b Period 10/01/03- 10/01/04 2c period 10/01/04-10/01/05 2d period 10/01/05-10/01/06
3a/Base of Application: (b)(4)
Type of Rate: Predetermined/Provisional
Period: 10/01/02 – 09/30/03
3b Period 10/01/03- 10/01/04 3c period 10/01/04-10/01/05 3d period 10/01/05-10/01/06
4a/Base of Application: (b)(4)

Type of Rate: Predetermined/Provisional
Period: 10/01/02 – 09/30/03
4b Period 10/01/03- 10/01/04 4c period 10/01/04-10/01/05 4d period 10/01/05-10/01/06

B.7 ADVANCE UNDERSTANDING ON CEILING INDIRECT COST RATES AND FINAL REIMBURSEMENT FOR INDIRECT COSTS

(a) For each of the contractor's accounting periods during the term of this contract, the parties agree as follows:

1. (a) The distribution base for establishment of final overhead rates is (b)(4)

(b)(4)

2 The contractor will make no change in its established method of classifying or allocating indirect costs without the prior written approval of the contracting officer.

3 Reimbursement for indirect costs shall be at final negotiated rates, but not in excess of the following ceiling rates:

Description	FY03	FY04	FY05	FY06
	(b)(4)			

Reference respective accounting period specificed in B.6. INDIRECT COSTS.

4. The government shall not be obligated to pay any additional amount on account of indirect costs above the ceiling rates established in the contract. This advance understanding shall not change any monetary ceiling, cost limitation, or obligation established in the contract.

B.8 COST REIMBURSABLE

The U.S. dollar costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR 52.216-7, Allowable Cost and Payment, FAR 52.216-8, Fixed Fee, if applicable, and AIDAR 752.7003, Documentation for Payment.

B. 9 PAYMENT

Payment shall be made in accordance with the clauses of this contract entitled "Allowable Cost and Payment" (FAR 52.216-07), "Prompt Payment" (FAR 52.232-25), "Electronic Funds Transfer" (FAR 52.232-28), "Documentation for Payment" (AIDAR 752.7003), and, if applicable, "Fixed Fee" (FAR 52.216-08) and "Letter of Credit Advance Payments" (AIRDAR 752.232-70).

SECTION C – DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

Iraq Local Institutions Support and Development Program

SCOPE of WORK[1]

1. PURPOSE

The purpose of this scope of work is to procure and provide technical and other assistance to strengthen local administrations, civic institutions and processes in Iraq. Activities will respond to specific challenges in sub-national administration, democratic institutions and processes, civil society development, and citizen participation in local governance and access to services. The goals of the program include:

1. In collaboration with other US Government and, where appropriate and possible, international agencies, develop a body of knowledge that is essential to effective program implementation. This would include but not be limited to important local histories, ethnic, racial or religious patterns of migration, potential 'fault lines' for violence and/or conflict, appropriate and legitimate leadership, and status of local governance (number of employees, salaries, capacities, deliverables, accountability, transparency, etc).

2. Setting the stage for successful local governance by working with the appropriate international and domestic authorities to collectively identify the most appropriate "legitimate" and functional leaders with whom to liaise in development efforts.

3. Ongoing assessment and prioritization of the needs of sub-national governments, institutions, and civil society organizations across the geographical area of responsibility, even as execution of the higher priority needs are addressed via direct engagement, use of community-based implementation councils (CICs), quick impact programs, or other appropriate mechanisms.

4. Reinforcing stability by strengthening local administrations' ability to effectively and efficiently deliver essential daily services and manage resources, services, and staff, while simultaneously increasing citizen participation in local governance processes.

5. Strengthening the abilities of individuals and civil society organizations to participate in local processes, with emphasis on enhancing the roles of women, youth, and previously excluded groups.

The activity supports USAID Mission programs.

2. BACKGROUND

Iraq's highly centralized administration has resulted in a disempowered citizenry and limited to nonexistent opportunities for local initiatives. In many areas of Iraq access to essential public services, such as clean water, sanitation, basic health services, and basic education is minimal. The level and quality of sub-national public services are considerably less than are suggested by gross indicators of Iraqi economic development.

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[1] *Due to the sensitive nature of the programming and the need to receive classified information in order to meet program objectives, the Contractor must hold a facilities clearance at a Secret level or above. Additional sensitive information will be provided, to qualified prospective bidders during pre-award bidding.*

There is much recent analysis suggesting that the lack of good governance, rather than the lack of resources, is the deepest root cause of the failure of governments to deliver basic services and of the failure to deliver development more broadly. Service delivery as well as broader economic growth programs will have limited success if governance issues are not addressed. According to the United Nations Development Program's Human Development Report for 2002: "Governance for human development is partly about having efficient institutions and rules that promote development by making markets work and ensuring that public services live up to their name. It is also about protecting human rights, promoting wider participation in the institutions and rules that affect people's lives and achieving more equitable economic and social outcomes."

3. STATEMENT OF WORK

Work will be undertaken in a highly fluid environment. Activities will follow closely on military action, implementing in areas as they become permissive. The contractor will need to work closely with civilian administrators, local leaders, representatives of the international military force(s) and others in facilitating the delivery of essential services to the populace. The Contractor shall maintain co-operative relationships and appropriate coordination with other USAID contractors working concurrently on activities in a broad range of activities, as well as with other US government agencies and a number of NGOs and IOs providing relief and reconstruction assistance. Through these relationships and coordination activities, the contractor will ensure that significant sub-national governments are fully informed of proposed and ongoing relief and reconstruction efforts supported by USAID and others. The contractor will facilitate the participation of sub-national administrations in project decision-making. The contractor will collaborate closely with USAID/OTI, including on the development, distribution, and analyses of relevant polling mechanisms and data, as they support the program's goals vis-à-vis local governance and civic institutions.

In all program interventions, the Contractor shall target under represented or at risk groups, including promoting women's rights, addressing the needs of internally displaced persons, and facilitating the participation of youth and minority groups in political processes. Likewise, in all program interventions, the Contractor will cooperate with other agencies and security personnel as appropriate, to identify, report and intervene in situations that exacerbate the risk to individuals or populations.

Deployment into Iraq will not occur until a permissive environment is available, however the contractor will be expected to be prepared to pre-deploy to a site in the region within two weeks of contract award. The Contractor will be responsible for providing communications equipment compatible with USG frequencies, vehicles for staff equipped with GPS transmitters, and full support for in-country staff. The Contractor shall calculate estimated monthly fuel requirements for program implementation for up to one year and submit with the first quarterly work-plan.

This statement of work calls for teams comprised of both indigenous and international staff to work in and with local governments and citizens in each of the 18 governorates to achieve the stated goals and functional tasks. These teams shall be individuals with the requisite knowledge, skills, and abilities to assist local governments and citizens as they work to build local capacities. The precise number of individuals on each team, as well as the skill sets of each team, will be determined as a result of the assessments done as a part of this scope of work, and will reflect the particular needs of individual communities.

It is assumed that, in order to achieve many of the objectives required in this scope, the Contractor will work closely with persons that may represent ministries or agencies of the former regime. The contractor shall work closely with another USG Contractor in charge of providing direct compensation to former public servants to identify an appropriate payroll, including individuals and salary level, for such professionals at the local level

The Contractor shall provide services in the following functional areas:

1. Activity Research, Analysis, Design, Monitoring and Evaluation

2. Building the Capacities of Sub-national Administrations
3. Building the Capacities of Civic Institutions to Participate in Political Processes; including being prepared, if directed, to provide Support for Sub-national Elections

4 Provision/Administration of Rapid Response Grants and Technical Assistance

These functional areas are described more fully below. The Contractor will be required to demonstrate experience and personnel capabilities in these functional areas.

3.1 *Functional Area 1: Activity Research, Analysis, Design, Monitoring and Evaluation*

Under this functional area, the Contractor shall conduct rapid research and needs assessments, provide analysis of the data collected, and design projects that reflect this preparatory work in targeted areas, particularly at the municipal/town level, as they become permissive. It is noted that this work may occur simultaneously with execution of other work and should be completed in any event, as soon as is possible. The Contractor shall:

- Research and assess the history and current structure of Iraqi governments; including but not limited to gender-based, ethnic, racial, or religious patterns of control; potential fault lines for violence and conflict in local areas; current local leaders and governance structures; and local government financing.
- Collaborate with appropriate agencies who will identify individuals or groups who represent the most appropriate, "legitimate" and functional local leadership with which to liaise.
- Prepare strategies for promoting democratic administrations and processes in that particular area, including identifying programs that will provide protection, equity, and demonstrate cultural sensitivity for at-risk populations, particularly women.
- Help to determine appropriate payroll lists and salary levels of local administrative bodies.
- Recommend options for the devolution of authority to the local level, including appropriate legal, fiscal, and regulatory frameworks.
- Undertake rapid and on-going appraisals for the purpose of program monitoring, evaluation and adjustment.
- Identify, prepare, and disseminate best practices in local governance.

It is anticipated that such assessments and assistance to local administrations will be phased, as areas become permissive. Such rapid research and assessments should be provided to USAID within three weeks of entering a permissive environment. The Contractor shall complete a workplan, detailing priority program interventions from the functional areas below for the first three months of programming and submit to USAID within three weeks of entering a permissive area. USAID will respond to the workplan within five working days. It is assumed that the workplan will propose programming in a particular and permissive geographical area of responsibility, noting priority towns and municipalities for program interventions.

3.2 Functional Area 2: Building the Capacities of Local Administrations

Under this functional area, assistance shall strengthen the capacities of local administrations to meet their core functions of service delivery, budgeting, planning, administration, and citizen outreach across the range of sub-national government functions. Particular attention shall be given to the capacities for providing services to women and at-risk populations. The Contractor shall:

- Deploy teams of international and indigenous personnel in an appropriate manner and at the earliest opportunity to the local community, in order to build rapport with appropriate coalition authorities and to begin the tasks associated with building capacities within the local administration.
- Work with local administrators and community members to identify and prioritize

reconstruction projects and to build local administrators' capacities to manage relief and reconstruction assistance and specific services, such as potable water, education, health, public sanitation, and sub-national economic development.

- Provide equipment and materials to support improved sub-national administrative capacities.
- Build sub-national administrative capacities to conduct participatory development planning; develop performance-oriented, transparent and accountable budgets; and undertake local economic development.
- Build sub-national administrative capacity to effectively interact with other levels of government and strengthen local authorities' capacity to engage in discussions on appropriate devolution of responsibility to local levels of government.
- If instructed, design, establish and support interim representative bodies that are culturally acceptable, transparent and accountable.

3.3 Functional Area 3: *Building the Capacities of Civic Institutions to Participate in Political Processes*

Under this functional area, assistance shall strengthen the capacities of a range of civil society institutions, as requested. Activities shall be closely coordinated with other USG agencies and/or international bodies, facilitated by USAID. The Contractor shall:

- Deploy teams of international and indigenous personnel in an appropriate manner and at the earliest opportunity to the local community, in order to build rapport and begin the tasks associated with building capacities within the local community or communities.
- Develop mechanisms within representative bodies that mitigate conflict and facilitate peaceful dispute resolution.
- Train traditional authorities and civil society leaders concerning fundamental processes of transparent and accountable democratic governance.
- Strengthen the capacities of civil society organizations to facilitate citizens' participation in political processes, to advocate on behalf of preferred local policies and to partner with sub-national administrations in delivering services.
- Support public information initiatives if and as directed on a case-by-case basis.

The Contractor shall be prepared to provide the assistance below but will only do so after a specific request by USAID:

- Increase the legitimacy of government bodies through improved sub-national electoral systems.
- Provide assistance with respect to the development of a census, subsequent voters' registers (both provisional and final) and other vital statistics.
- Assist electoral agencies in developing legal frameworks for elections, with emphasis on consultative processes that encourage broad input into frameworks.
- Assist electoral authorities in developing the administrative and security capacity to implement sub-national elections in a free, fair, and transparent manner, including provision of equipment and supplies.
- Seek to ensure that all potential election contestants understand and accept the electoral process.
- Train and provide technical assistance and equipment and materials to improve voter education.
- Train and provide technical assistance and equipment and materials to improve election administration.
- Support domestic election monitoring mechanisms.
- Assist in developing and implementing mechanisms for resolution of electoral disputes.

3.4 Functional Area 4: Provision/Administration of Rapid Response Grants

To respond to unforeseen emergency circumstances and ensure that priorities related to local development are being adequately addressed, the Contractor may need to make rapid response grants in-country. Grants to U.S NGOs are limited to $100,000 each while grants to non-U.S. NGOs may be up to $250,000 per grant Priorities may include improving municipal infrastructure, assisting local non-governmental organizations (and in rare, specific circumstances – as directed – local governmental bodies) with capacity building,

training in policy analysis, democratic advocacy, communication and leadership skills, strategic planning, management, conflict resolution, and upgrading financial systems and internal governance structures. The Contractor will be responsible for negotiating, awarding, and monitoring the grants. In accordance with USAID ADS 302.5.6, the USAID mission shall be involved in establishing selection criteria for the grants and approving the actual grant recipients.

USAID prefers to the extent practicable that the Simplified Grant and Fixed Obligation Grant Formats described in ADS 303.5.15. The Simplified Grant and Fixed Obligation Grant Formats may be used for U.S. recipients for grants not in excess of $25,000 and for non-U.S. recipients for grants not in excess of $250,000. The threshold for U.S. recipients is limited by the requirement to obtain OMB's approval of a class deviation applicable to grants in excess of this amount. A one-time deviation may be requested for grants in excess of these amounts following the procedures in ADS 303.5.2.

4. LOGISTICS

The Contractor may be required to provide significant levels of communications assistance, including translation and interpretation and printing and dissemination of publications. The Contractor may be required to provide significant levels of support to plan, organize, and manage conferences and workshops; to develop and disseminate materials for conferences and/or training (in a variety of languages), and to manage all logistics and contracting related to such conferences, training, and workshops. The Contractor will also be required to provide logistic support for field visits, including travel arrangements, interpretation, local transport, and similar logistics that support work to conduct regional or local assessments and analyses. See Section H.5

5. DELIVERABLES

The Contractor shall be responsible for the following deliverables in addressing the functional areas above:

- The Contractor shall be prepared to immediately deploy teams to the region, as instructed by USAID, and to further deploy into Iraq as directed and when a permissive environment has been established.
- Upon arrival to the field, the Contractor shall establish coordination with appropriate military commands and other agencies to move forward relief and reconstruction assistance where security considerations permit.
- As soon as is possible, but not later than three weeks after arrival in permissive areas, the Contractor shall have prepared a report documenting their assessment of local governance and civil society issues in those geographical areas where security concerns have or will soon allow for engagement. This document will be continually updated as collaboration and field-work commence and the geographical scope of this document will presage the geographical engagement of the Contractor in the field.
- The assessment shall inform a quarterly workplan, which will be provided within three weeks after entering a permissive area USAID shall respond to the submitted workplan within five days.
- Within a month of in-country arrival, the Contractor shall identify appropriate functional, and "legitimate" Iraqi leadership with which to partner on relief and reconstruction programs in permissive areas.
- Within a month of in-country arrival, the Contractor shall coordinate with local authorities for the delivery of a range of education, health, power, small infrastructure, food distribution, and other reconstruction assistance and coordinate such assistance in permissive areas. General details of this coordination will be included in reports to USAID, as agreed between the contractor and the CTO.
- Within 90 days of arrival in permissive areas, the Contractor shall prepare a report which provides a framework, based on collaborative development, for decentralization of authority to local governance structures and shall update the framework with each quarterly workplan submission and

as ongoing research is undertaken The decentralization framework shall articulate political and administrative functions as well as intergovernmental finance recommendations, as appropriate.

6. PERSONNEL

It is anticipated that to carry out the activities described herein, the Contractor will engage and retain appropriate technical and support personnel including both long-term technical advisors and short-term consultants. It is also anticipated that significant amounts of international travel and in-country presence will be required. The contractor shall designate a Home Office Senior Project Manager. The contractor shall also designate a Chief of Party to provide overall technical, administrative and logistical management in-country or on-site. These management responsibilities will include, as appropriate, close coordination on technical, administrative, and logistical issues with USAID staff, USAID-supported programs and partners, and other U.S. Government military and civilian officials.

The contractor shall also designate technical and administrative support staff. Technical staff positions will be based upon the functional labor categories described below. The administrative staff will assist and support the daily operations of the program.

6.1 Key Personnel

Chief of Party
5 Senior Advisors for Public Administration and Finance, Civil Society, Decentralization & Capacity Development
Home Office Senior Project Manager

The Chief of Party is expected to manage all program implementation in meeting the objectives of under the contract. The COP will serve as the primary liaison with USAID, other USG agencies and representatives, and other donors. The COP must have at least 10 years experience in the Middle East, demonstrated managerial, administrative, reporting, and representational skills; and 10 years experience in development assistance. English fluency and Arabic proficiency are required.

6.2 Functional Labor Categories

1. Local Governance/Decentralization Specialist
2. Public Administration/Public Management/Relief Services Specialist
3. Program Development/Implementation/Monitoring/Reporting Specialist
4. Attorney/Rule of Law/Legislative Specialist
5. Civil Society/Training/Civic Education Specialist
6. Elections/Political Processes/Communications/Civil Society Specialist
7. Public Finance Economist/Public Finance Management Specialist
8. Administrative Support/Grant Administration

6.3 *Minimum Qualifications for Functional Labor Categories*

Degrees and experience proposed must be relevant to the functional labor category for which they are proposed and to the Statement of Work. The following are the minimum qualifications for Senior and Mid-Level functional labor specialists:

(1) Senior Level
-Ph.D, J.D. or equivalent plus 3 year experience, or
-Masters plus 7 years experience, or
-Bachelors plus 9 years experience, or
-11 years experience

(2) Mid-Level -Ph.D, J.D. or equivalent plus 1 year experience, or
-Masters plus 5 years experience, or
-Bachelors plus 7 years experience, or
-9 years experience

6.4 Illustrative Subject Areas within Functional Labor Categories

Illustrative subject areas for which expertise may be required within the functional labor categories include, but are not limited to, the following:

Decentralization and Sub-national Government Development, Public Administration and Management, Municipal/City Councils, Constitutional and Legal Government Structures and Law, Municipal/All Sub-national Government, Public Finance Economics, Public Financial Management and Accounting, Government Administration/Comparative Administration, Public Service Personnel Management, Deliberative Bodies, Media, Communications, Political Science, Political Economy, Institutional Economics, Institutional Analysis and Design, Decentralization, Administrative/ Political Transparency and Accountability, Regulatory Proceedings, Government Public Affairs, Public Policy Mediation/Negotiation, Participatory Process, Training, Training Needs Diagnosis, Training Program Design, Training of Trainers, Management of Non-Governmental Organizations, NGO Policy Advocacy, Establishment/Strengthening of Public Sector Professional Associations, Application of Information and Communication Technologies in the Public Sector and Media-Based Enhancements of Transparency.

7. GRANTS ADMINISTRATION/MANAGEMENT

Funds may be made available for the award of grants, within the scope of this contract. The contractor shall negotiate, award and administer sub-agreements. Funds for sub-grantees will be provided on a pass-through basis, and profit/fee will <u>not</u> be applied to such funds.

Accordingly:

A. USAID will have substantial involvement in establishing the selection criteria and in selecting the grant recipients, including, at a minimum, USAID approval of the selection of grantees prior to award;

B. USAID will retain the ability to terminate the grant activities unilaterally in extraordinary circumstances;

C. Relevant requirements which apply to USAID-executed grants will also apply to grants signed by the contractor in this small grants program; the contractor shall have the responsibility to determine that applicable requirements are included in each grant; and

D. The contractor shall award such grants to non-U.S., non-governmental grantees, and in some circumstances, governmental, in an amount not to exceed $250,000 per grant and U.S. non-governmental grantees in an amount not to exceed $100,000 per grant.

8. REPORTING REQUIREMENTS

In addition to providing the services and reports described in Section 5, the Contractor shall also submit the following reports and other deliverables:

Weekly Consultations: A continuing requirement of this contract will be close collaboration, reporting to and engagement with the appropriate officers of USAID. Consultations will occur on a weekly basis at a minimum to discuss the internal specifics and external contexts of the on-going work. It is anticipated that these informal but regular consultations will support the Monthly Reports and help shape the Quarterly Work Plans.

Monthly Reports: The Awardee shall provide to the CTO, within 5 days after the end of each month, a report on the activities undertaken during the month. The monthly report should seek to be a brief, lucid, description of the activities, with emphasis on issues that have arisen, impacts made, constraints encountered, and suggestions for additional actions that might be taken. The monthly report should also include the Contractor's accrued monthly expenditures. The CTO is responsible for transmitting this information to the USAID financial management office responsible for the contract.

Quarterly Work Plans: Quarterly Work Plans shall be submitted within seven calendar days before the start of the new quarter. The scope of the quarterly reports will depend upon the extent of permissive areas. The first quarterly workplans shall be submitted within three weeks of entering a permissive environment. The workplan should include the estimated monthly fuel requirements for up to one year of program implementation, in meeting all program objectives within the contract. USAID will respond to the workplan within five calendar days.

Final Report: The Contractor will prepare a final report that matches accomplishments to the specific paragraphs of the Scope The final report will be drafted to allow for incremental improvements in the process, both generally within USAID and specifically with respect to this assistance mission.

Special Security Conditions: **U.S. Citizenship is required of key personnel selected to perform under this Contract.** At a minimum an "Interim Secret" personnel security clearance issued by the Department of Defense will be required before the issuance of a USAID/RRB Badge or permission to proceed to Post is granted. USAID/SEC will be responsible for validating security clearances of all proposed/selected contractors and will work with the Facility Security Officer of the selected company to transmit security clearance data to U.S. Officials abroad where access to restricted sites and/or facilities is necessary to accomplish the task(s) outlined in this SOW. No classified information will be provided to the contractor for the purpose of review, work, or storage at the contractor's facility. All access will occur at the Government's facility either within the U.S. or overseas

No duplication or retransmission of Classification National Security Information is permitted by the contractor without written authorization from the CTO. Any public release of information regarding this award must be approved in advance of release by the CTO (refer to Section H.10 of this contract for specific security guidance).

9. PERFORMANCE MONITORING/INDICATORS

Proposing Indicators

At program start-up, and subject to USAID approval, the recipient will develop and propose indicators for monitoring performance.

Performance Monitoring

Within 30 days from the signing of the award, the recipient shall submit for USAID approval a Performance Monitoring Plan. The plan will necessitate the conduct of a baseline study to develop

the required baseline data for the measurement of progress throughout the program. The plan will include methodology on how data will be collected, interim and final targets, and a timeline for collecting data. Data should be collected for all indicators developed by the recipient. The Performance Monitoring Plan shall provide for periodic evaluation by the recipient of the impact of the various program components and operate as a "program feedback loop", i.e. impact evaluation/feedback/fine-tuning of component implementation/new activity cycle. The recipient will submit a semi-annual Performance Monitoring Report that details benchmarks toward achievement of performance indicators and results, the data collected and the method of collection. The first Performance Monitoring Report will be submitted no later than 30 days following the end of the FY 2003 U.S. Government fiscal year, with reports submitted semi-annually thereafter. A specific format for the performance report will be proposed by the recipient to USAID for approval 60 days following program start-up."

END OF SECTION C

SECTION D - PACKAGING AND MARKING

D.1 AIDAR 752.7009 MARKING (JAN 1993)

(a) It is USAID policy that USAID-financed commodities and shipping containers, and project construction sites and other project locations be suitably marked with the USAID emblem. Shipping containers are also to be marked with the last five digits of the USAID financing document number. As a general rule, marking is not required for raw materials shipped in bulk (such as coal, grain, etc.), or for semifinished products which are not packaged

(b) Specific guidance on marking requirements should be obtained prior to procurement of commodities to be shipped, and as early as possible for project construction sites and other project locations. This guidance will be provided through the cognizant technical office indicated on the cover page of this contract, or by the Mission Director in the Cooperating Country to which commodities are being shipped, or in which the project site is located.

(c) Authority to waive marking requirements is vested with the Regional Assistant Administrators, and with Mission Directors.

(d) A copy of any specific marking instructions or waivers from marking requirements is to be sent to the Contracting Officer; the original should be retained by the Contractor.

SECTION E - INSPECTION AND ACCEPTANCE

E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	TITLE	DATE
52.246-1	CONTRACTOR INSPECTION REQUIREMENTS	APR 1984
52 246-5	INSPECTION OF SERVICES--COST-REIMBURSEMENT	APR 1984
52.246-15	CERTIFICATE OF CONFORMANCE	APR 1984

E.2 INSPECTION AND ACCEPTANCE

USAID inspection and acceptance of services, reports and other required deliverables or outputs shall take place at:

USAID/Iraq

or at any other location where the services are performed and reports and deliverables or outputs are produced or submitted. The CTO listed in Section G has been delegated authority to inspect and accept all services, reports and required deliverables or outputs

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SECTION F - DELIVERIES OR PERFORMANCE

F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	TITLE	DATE
52.242-15	STOP-WORK ORDER AUG 1989 ALTERNATE I	(APR 1984)
52.242-17	GOVERNMENT DELAY OF WORK	APR 1984
52.247-34	F.O.B. DESTINATION	NOV 1991

F.2 PERIOD OF PERFORMANCE

The period of performance for this contract is the date of contract award through 12 months later.
Option Year 1 is one year after the Base Period of 12 months.
Option Year 2 is one year after the Option Year 1 period.

F.3 PERFORMANCE STANDARDS

Evaluation of the Contractor's overall performance in accordance with the performance standards set forth in Section C, and Deliverables, will be conducted jointly by the CTO and the Contracting Officer, and shall form the basis of the Contractor's permanent performance record with regard to this contract.

F.4 REPORTS AND DELIVERABLES OR OUTPUTS

In addition to the requirements set forth for submission of reports in Sections I and J and in the AIDAR clause 752.242-70, Periodic Progress Reports, the Contractor shall submit the following deliverables or outputs to the CTO specified in Section G:

See Section C.

F.5 PROGRESS REPORTING REQUIREMENTS

752 242-70 PERIODIC PROGRESS REPORTS (JUL 1998)

(a) The contractor shall prepare and submit progress reports as specified in Section C of this contract. These reports are separate from the interim and final performance evaluation reports prepared by USAID in accordance with (48 CFR) FAR 42.15 and internal Agency procedures, but they may be used by USAID personnel or their authorized representatives when evaluating the contractor's performance.

(b) During any delay in furnishing a progress report required under this contract, the contracting officer may withhold from payment an amount not to exceed US $25,000 (or local currency equivalent) or 5 percent of the amount of this contract, whichever is less, until such time as the contracting officer determines that the delay no longer has a detrimental effect on the Government's ability to monitor the contractor's progress.

F.6 KEY PERSONNEL

A The key personnel which the Contractor shall furnish for the performance of this contract are as follows:

Name	Title
(b)(6)	Chief of Party Senior Public Administration Advisor Senior Public Finance Advisor Senior Capacity Development Advisor Senior Decentralization Advisor Senior Civil Society Advisor Home Office Senior Project Manager

B. The personnel specified above are considered to be essential to the work being performed hereunder. Prior to replacing any of the specified individuals, the Contractor shall immediately notify both the Contracting Officer and USAID Cognizant Technical Officer reasonably in advance and shall submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No replacement of personnel shall be made by the Contractor without the written consent of the Contracting Officer.

F.7 SUBMISSION OF DEVELOPMENT EXPERIENCE DOCUMENTATION TO PPC/CDIE/DI

USAID contractors must submit one electronic and/or one hard copy of development experience documentation (electronic copies are preferred) to the Development Experience Clearinghouse at the following address.

Development Experience Clearinghouse
1611 N. Kent Street, Suite 200
Arlington, VA 22209-2111

Telephone Number 703-351-4006, ext. 100
Fax Number 703-351-4039
E-mail: docsubmit@dec.cdie.org
http://www.dec.org

SECTION G - CONTRACT ADMINISTRATION DATA

752.7003 DOCUMENTATION FOR PAYMENT NOV 1998

G.1 ADMINISTRATIVE CONTRACTING OFFICE

The Administrative Contracting Office is:
USAID Office of Procurement
M/OP/EER/DGLA, Rm. 7.09-071
1300 Pennsylvania Ave, RRB
Washington, DC 20523-7803

G.2 COGNIZANT TECHNICAL OFFICER (CTO)

The Cognizant Technical Officer is Christopher Milligan or his designee at:
USAID/Iraq

G.3 TECHNICAL DIRECTIONS/RELATIONSHIP WITH USAID

(a) Technical Directions is defined to include:

(1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work;

(2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;

(3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered. Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

(b) The CTO is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract·

(1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.

(2) Perform or cause to be performed, inspections necessary in connection with a) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.

(3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents shall be signed as "Cognizant Technical Officer" with a copy furnished to the Contracting Officer.

(4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.

(5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.

(6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

LIMITATIONS: The CTO is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the payment of money by the Government. The CTO may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE All contractual agreements, commitments, or modifications which involve prices, quantities, quality, schedules shall be made only by the Contracting Officer.

(c) The CTO is required to meet quarterly/semi-annually/annually with the Contractor and the Contracting Officer concerning performance of items delivered under this contract and any other administration or technical issues. Telephonic reports may be made if no problems are being experienced. Problem areas should be brought to the immediate attention of the Contracting Officer.

(d) In the absence of the designated CTO, the CTO may designate someone to serve as CTO in their place. However, such action to direct an individual to act in the CTO's stead shall immediately be communicated to the Contractor and the Contracting Officer.

(e) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation and Agency for International Development Acquisition Regulation). The Contractor and the CTO shall bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.

(f) Failure by the Contractor to report to the Administrative Contracting Office, any action by the Government considered to a change, within the specified number of days contained in FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

G.4 PAYING OFFICE

The paying office for this contract is:

Accounts Payable
USAID/Financial Management
Cairo, EGYPT
Unit 64902
APO AE 09839-4902
ATTN: Homi Jamshed

International Courier: Office of Financial Management
USAID Building
Lot 1/A Off Ellaselki Street
New Maadi, Cairo, EGYPT
Post Code No. 11435

Fax No.: 011-20-2-516-4719
Email: AcctsPayableEgypt@usaid.gov with a cc to: Ddolley@usaid.gov and Lzakhary@usaid.gov.

G.5 ACCOUNTING AND APPROPRIATION DATA

MAARD NO. Req: 267-004-3-03006
Activity: SO4
Fund Account: Approp. 72X1035
B.P.C.: HEDX0323267KG13
Total: $2,900,000.

MAARD NO. Req: 267-004-3-03006
Activity: SO2670004
Fund Account: Approp. 723/41037
B.P.C.: HES30323267KG13
Total: $5,000,000.

G.6 CONTRACTOR'S PAYMENT ADDRESS

Payment will be made to the Contractor either by electronic funds transfer or by check mailed to the address shown on the cover page of this contract, unless otherwise indicated below:

TO BE COMPLETED BY CONTRACTOR

_____
_____
_____
_____

SECTION H - SPECIAL CONTRACT REQUIREMENTS

752.7027 PERSONNEL DEC 1990

H.1 AIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS AND AIDAR 752.7027 PERSONNEL

In accordance with the above clauses, the Contracting Officer hereby provides prior written approval for international travel, provided that concurrence with the assignment of individuals outside the United States is obtained by the Contractor, in writing, from the CTO prior to their assignment abroad, which must be within the terms of this contract, is subject to availability of funds, and should not be construed as authorization either to increase the estimated cost or to exceed the obligated amount (see Section B). The Contractor shall retain for audit purposes a copy of each travel concurrence.

H.2 INSURANCE AND SERVICES

(a) Pursuant to AIDAR 752.228-3 Worker's Compensation Insurance (Defense Base Act); USAID's DBA insurance carrier is:

Rutherfoord International, Inc.
5500 Cherokee Avenue, Suite 300
Alexandria, VA 22312

Points of Contact:
Sara Payne or Diane Ford
(703) 354-1616

Hours of Operation are: 8 a.m. to 5 p.m. (EST)
Telefax: 703) 354-0370
E-Mail: www.rutherfoord.com

(b) Pursuant to AIDAR 752.228-70 Medical Evacuation (MEDEVAC) Services, USAID's Medevac service provider is:

Medex Assistance Corporation
P.O. Box 5375
Timonium, MD 21094-5375
Telephone: (410) 453-6300 in Maryland;
or (800) 537-2029 (toll-free)
Telefax: (410) 453-6301

Applicants should request coverage in accordance with USAID Contract No. HNE-Q-00-98-00106-00

Medevac services costs are allowable as a direct cost.

H.3 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services procured in support of the USAID program in the Near East under this contract is 935 (this includes all countries, excluding only the foreign policy restricted countries. There is a preference for U.S. source, origin and nationality, to the extent

practicable. **NOTE: Iraq is currently included on the list of "foreign policy restricted countries" and would need to be removed from the list in order to permit procurement from Iraq.**

H.4 NONEXPENDABLE PROPERTY PURCHASES AND INFORMATION TECHNOLOGY RESOURCES

The Contractor is hereby authorized to purchase the following equipment and/or resources:

H.5 LOGISTIC SUPPORT

The Contractor shall be responsible for furnishing all logistic support in the United States and overseas. However, USAID's logistics contractor will provide three specific services for all contractors and recipients. Those are:

1. Warehouse and inventory support services including the requirement to "receive, store, and issue materials and supplies and maintain a daily, monthly and quarterly inventory management and control system for receipt, storage and issue in all the storage areas, maintaining documentation for all incoming cargo and outgoing shipments to the Missions and other designated places of performance resulting in a zero balance tolerance."

2. Arrange and implement customs clearance procedures for storage and re-export.

3. Provide freight forwarding services for commodities as they are requisitioned by arranging for long and short-haul trucking as needed including arrangements for straight trucks or semi-trailers, as appropriate, air and sea port freight services; and outgoing customs documentation. Contractor determines the border crossing requirements to deliver commodities to the Iraq border. Logistics contractor arranges and implements an Internet tracking control system for all shipments to ensure that commodities are not lost, misplaced or destroyed, and are able to be cleared expeditiously from customs in the receiving country.

USAID is requiring that all Iraq contractors with a need for these three specific services coordinate through the logistics contractor for them. **USAID is funding these three logistics requirements directly through the logistics contract for mission needs and contractor needs alike.**

The logistics contractor performs a wide-ranging variety of services, some of which your vendor may wish to access. Contractors may contact the logistics contractor directly and negotiate subcontracts with the logistics contractor for those logistic support requirements not mentioned for coverage above.

H.6 PERSONNEL COMPENSATION

(a) Limitations:

(1) Salaries and wages may not exceed the Contractor's established policy and practice, including the Contractor's established pay scale for equivalent classifications of employees, which shall be certified to by the Contractor Nor may any individual salary or wage, without approval of the Cognizant Contracting Officer, exceed the employee's current salary or wage, or the highest rate of annual salary or wage received during any full year of the immediately preceding three (3) years.

(2) In addition, there is a ceiling on the reimbursable base salary or wage paid to personnel under the Contract equivalent to the maximum annual salary rate of the USAID "ES-6" (or the equivalent daily rate of the maximum ES-6 salary, if compensation is not calculated on an annual basis), as amended from time to

time, unless an advance written waiver is granted by the USAID Procurement Executive prior to contract award

(b) Salaries During Travel

Salaries and wages paid while in travel status will not be reimbursed for a travel period greater than the time required for travel by the most direct and expeditious air route.

(c) Return of Overseas Employees

Salaries and wages paid to an employee serving overseas who is discharged by the Contractor for misconduct, inexcusable non- performance, or security reasons will in no event be reimbursed for a period which extends beyond the time required to return him promptly to his point of origin by the most direct and expeditious air route

(d) Annual Salary Increases For Full-time Employees Serving Under This Contract

Annual salary increases (includes promotional increase) may be granted after the employee's completion of each twelve month period of satisfactory services under the contract. Annual salary increases shall be consistent with the AIDAR clause at 752.7007, Personnel Compensation. Annual salary increases of any kind exceeding these limitations or exceeding the maximum salary of ES-6 may be granted only with the advance written approval of the Contracting Officer.

(e) Work Week

(1) Nonoverseas Employees. The length of the contractor's U.S., non-overseas employees workday shall be in accordance with the contractor's established policies and practices and shall not be less than 8 hours per day and 40 hours per week.

(2) Overseas Employee

The work week for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week for those employees of the USAID Mission and the Cooperation Country associated with the work of this contract.

(f) Definitions

As used herein, the terms "Salaries," "Wages," and "Compensation" mean the periodic remuneration received for professional or technical services rendered, exclusive of any of the differentials or allowances defined in the clause of this contract entitled "Differentials and Allowances" (AIDAR 752.7028), unless otherwise stated. The term "compensation" includes payments for personal services (including fees and honoraria). It excludes earnings from sources other than the individual's professional or technical work, overhead, or other charges (see also the clause of this contract entitled "Personnel Compensation" (AIDAR 752.7007).

H.7 SUBCONTRACTING PLAN AND THE SF 294 – SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS AND SF 295 – SUMMARY CONTRACTING REPORT

The Contractor's subcontracting plan dated April 9, 2003 is hereby incorporated as a material part of this contract

In accordance with FAR 52.219-9, SF 294 and SF 295 should be forwarded to the following address:

U.S. Agency for International Development
Office of Small and Disadvantaged Business Utilization
Room 7 08 RRB
Washington, D.C. 20523

H.8 AIDAR 752.7004 EMERGENCY LOCATOR INFORMATION (JUL 1997):

The contractor agrees to provide the following information to the Mission Administrative Officer on or before the arrival in the host country of every contract employee or dependent:

(1) The individual's full name, home address, and telephone number.

(2) The name and number of the contract, and whether the individual is an employee or dependent.

(3) The contractor's name, home office address, and telephone number, including any after-hours emergency number(s), and the name of the contractor's home office staff member having administrative responsibility for the contract.

(4) The name, address, and telephone number(s) of each individual's next of kin.

(5) Any special instructions pertaining to emergency situations such as power of attorney designees or alternate contract persons.

H.9 SECURITY REQUIREMENTS:

(a) This contract may involve classified performance in accordance with Executive Order 12829, The National Industrial Security Program, USAID's ADS Chapter 567 "Classified Contract Security and Contractor Personnel Security Program" and, FAR Subpart 4.4 "Safeguarding Classified Information Within Industry". Consequently, this contract incorporates the minimum provisions needed to comply with the National Industrial Security Program (NISP) and ADS 567, as summarized in paragraphs (b) through (g) below. The requiring office for this contract must complete a DD 254, have it cleared by the Office of Security (SEC), and include it with the Statement of Work for the classified contract. A blank copy of the DD 254 is attached in Section J. Questions pertaining to the DD 254 are to be directed to the Office of Security.

(b) In order to be considered for this classified contract, the contractor must obtain and maintain a "Facility Clearance" at the level specified on the accompanying Contract Security Classification Specification, DD Form 254. If after award of this contract the contractor fails to obtain and maintain a facility clearance at the level identified on the DD Form 254 this contract will be terminated in accordance with the applicable clauses as set forth in the FAR Any requirement for a "Secret facility clearance must be justified and approved by the Office of Security prior to the issuance of this contract at this level and before a company is sponsored for the required investigation by the Defense Security Service. (Note: The time necessary to process an un-cleared company for a facility clearance may delay performance). The CTO from the office sponsoring the contract is responsible for coordinating with SEC in taking any actions ADS 567 requires to request the facility clearance from the Defense Security Service (DSS). The CTO is responsible for managing the clearance requirements for this contract.

At the time of award, the contractor does [X] does not [ ] have a Secret level facility clearance.

(c) If DSS grants an interim clearance but then subsequently revokes the interim clearance after contract award and denies a final clearance, the contract may be terminated, depending on the reasons DSS denied the clearance.

(d) Employees of the Contractor working under this contract and requiring access to classified national security information and/or to areas under the control of USAID deemed "Restricted" by USAID's Office of Security must have been subject to an appropriate level background investigation by the Defense Security Service (DSS). DSS must issue either an "Interim" or "Final" security clearance for each tasked employee before USAID will grant him or her unescorted access to USAID's restricted spaces(s) or permit him or her access to classified national security information. If DSS issues an interim personnel security clearance but subsequently denies a final clearance for an employee of a cleared contractor, the contractor must immediately remove the employee from USAID-restricted space and prevent him or her from having access to or handling classified or administratively controlled materials. The contractor is responsible for providing properly cleared personnel to work on the contract and for ensuring that performance is not jeopardized.

(e) The contractor's Facility Security Officer (FSO) must forward a valid "Visit Request" identifying their representatives/employees and the required security clearance information to the USAID Office of Security, Room 2.06A, 1300 Pennsylvania Ave., N.W., Washington, D.C. 20523-8800.

(f) In the event the contractor subcontracts any work to be performed under this contact, the contractor is responsible for issuing the security guidance provided by USAID to any subcontractor and ensuring that subcontractors comply with security requirements of the contract.

(g) The USAID Office of Security will issue RRB facility passes to individual contractor representatives/employees upon receipt and verification of the security data contained in the "Visit Authorization Request". The contractor must ensure that any passes issued are returned upon termination of employment or completion of the contract, whichever occurs first."

(h) Implementation in Iraq will not take place until an appropriate security environment exists and USAID instructs the contractor to proceed. Currently there are several statutory restrictions on assistance to Iraq. No assistance under this contract shall be provided to Iraq until USAID has determined that it is consistent with U.S. foreign policy and permitted by law. In particular, the contractor shall not proceed with any payments to local consultants until instructed by USAID. In addition, the contractor is subject to the requirements of the Office of Foreign Assets Control (OFAC) and is responsible for compliance with all applicable UN sanctions against Iraq.

H.10. INITIAL SALARIES AND CONSULTANT RATES

The initial starting salaries of all personnel (employees and consultants, including those of subcontractors) serving full-time under this contract and whose salaries are charged as a direct cost to this contract must be approved, in advance in writing, by the Contracting officer. Any initial starting salaries included in the contractor's best and final offer and accepted during negotiations, including those used to calculate blended rates, are deemed approved upon contract execution.

Further, the contractor need not seek Contracting Officer approval when the proposed salary does not exceed: (1) the highest rate of annual compensation received by the individual during any full year of the immediately preceding three years, plus an additional recruitment incentive for assignments in Iraq not to exceed 5%, or 2) the prevailing maximum daily salary rate of ES-6, whichever is less. Proposed rates exceeding this limitation must be approved, in advance and in writing, by the Contracting Officer as required in the preceding paragraph.

2) H.6(f) Daily Rate Calculation, RTI uses a 250-day work year to calculate daily rates (vs. 260, derived from 2080/8). RTI recovers 10 paid holidays from the labor rate rather than in its fringe benefit pool. This methodology has been approved by RTI's cognizant audit agency, DHHS. RTI's fringe pool includes: Personal Time Off, Other Leave and Adjustments (Reserve Sick Leave, Jury Duty Leave, Funeral Leave, Employee Assistance Insurance (Hospitalization, Dental), Life Insurance, Retirement, Retiree Medical Expense, FICA (Social Security), Disability Insurance, Unemployment Insurance Tax, Severance Pay. This does not include paid holidays.

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.202-1	DEFINITIONS	MAR 2001
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52 203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN 1997
52.204-2	SECURITY REQUIREMENTS	AUG 1996
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JUL 1995
52.215-2	AUDIT AND RECORDS--NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT 1997
52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT 1997
52.215-14	INTEGRITY OF UNIT PRICES	OCT 1997
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS (DEC 1998)	DEC 1998
52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (PRB)	OCT 1997
52 215-19	NOTIFICATION OF OWNERSHIP CHANGES	OCT 1997
52 216-7	ALLOWABLE COST AND PAYMENT	MAR 2000
52 216-8	FIXED-FEE	MAR 1997
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	OCT 1997
52-217-8	OPTION TO EXTEND SERVICES	NOV 1999
52 217-9	OPTION TO EXTEND THE TERM OF THE CONTRACT	MAR 2000

52 219-4	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (JAN 1999)	JAN 1999
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT 2000
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN ALTERNATE II (OCT 2000)	OCT 2000
52.219-16	LIQUIDATED DAMAGES-SMALL BUSINESS SUBCONTRACTING PLAN	JAN 1999
52.219-25	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--DISADVANTAGED STATUS AND REPORTING	OCT 1999
52.222-3	CONVICT LABOR	AUG 1996
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	APR 2002
52 222-29	NOTIFICATION OF VISA DENIAL	FEB 1999
52.223-6	DRUG-FREE WORKPLACE	MAR 2001
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUL 2000
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996
52.227-14	RIGHTS IN DATA--GENERAL	JUN 1987
52.228-7	INSURANCE--LIABILITY TO THIRD PERSONS	MAR 1996
52.230-2	COST ACCOUNTING STANDARDS	APR 1998
52 230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	APR 1996
52.232-17	INTEREST	JUN 1996
52.232-22	LIMITATION OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.233-1	DISPUTES	DEC 1998
52.233-3	PROTEST AFTER AWARD ALTERNATE I (JUN 1985)	AUG 1996
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	MAR 2001
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	JAN 1997
52.242-13	BANKRUPTCY	JUL 1995
52.243-2	CHANGES--COST REIMBURSEMENT ALTERNATE I (APR 1984)	AUG 1987
52.244-2	SUBCONTRACTS ALTERNATE II (AUG 1998)	AUG 1998
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS	MAR 2001
52.246-23	LIMITATION OF LIABILITY	FEB 1997
52.246-25	LIMITATION OF LIABILITY--SERVICES	FEB 1997
52.249-6	TERMINATION (COST-REIMBURSEMENT)	SEP 1996
52.249-14	EXCUSABLE DELAYS	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991
752.202-1	DEFINITIONS	
752.211-70	LANGUAGE AND MEASUREMENT	JUN 1992
752.226-2	SUBCONTRACTING WITH DISADVANTAGED ENTERPRISE	APR 1997
752.226-3	LIMITATIONS ON SUBCONTRACTING	JUN 1993
752 228-7	INSURANCE-LIABILITY TO THIRD PERSONS	

752.228-70	MEDICAL EVACUATION (MEDVAC) SERVICES	MAR 1993
752.242-70	PERIODIC PROGRESS REPORTS	JUL 1998
752.7001	BIOGRAPHICAL DATA	JUL 1997
752.7002	TRAVEL AND TRANSPORTATION	JAN 1990
752.7006	NOTICES	APR 1984
752.7007	PERSONNEL COMPENSATION	JUL 1996
752.7008	USE OF GOVERNMENT FACILITIES OR PERSONNEL	APR 1984
752.7010	CONVERSION OF U.S. DOLLARS TO LOCAL CURRENCY	APR 1984
752.7011	ORIENTATION AND LANGUAGE TRAINING	APR 1984
752.7013	CONTRACTOR-MISSION RELATIONSHIPS	OCT 1989
752.7014	NOTICE OF CHANGES IN TRAVEL REGULATIONS	JAN 1990
752.7015	USE OF POUCH FACILITIES	JUL 1997
752.7018	HEALTH AND ACCIDENT COVERAGE FOR USAID PARTICIPANT TRAINEES	JAN 1999
752.7019	PARTICIPANT TRAINING	JAN 1999
752.7023	REQUIRED VISA FORM FOR USAID PARTICIPANTS	APR 1984
752.7025	APPROVALS	APR 1984
752.7028	DIFFERENTIALS AND ALLOWANCES	JUL 1996
752.7029	POST PRIVILEGES	JUL 1993
752.7033	PHYSICAL FITNESS	JUL 1997

I.2 52.204-1 APPROVAL OF CONTRACT (DEC 1989)

This contract is subject to the written approval of the Contracting Officer and shall not be binding until so approved.

I.3 52.219-23 NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS (MAR 2001)

(a) Definitions. As used in this clause--

Small disadvantaged business concern means an offeror that represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

(1) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(i) No material change in disadvantaged ownership and control has occurred since its certification;

(ii) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(iii) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net).

(2) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control

has occurred since its application was submitted. In this case, in order to receive the benefit of a price evaluation adjustment, an offeror must receive certification as a small disadvantaged business concern by the Small Business Administration prior to contract award; or

(3) Is a joint venture as defined in 13 CFR 124.1002(f).

Historically black college or university means an institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. For the Department of Defense (DoD), the National Aeronautics and Space Administration (NASA), and the Coast Guard, the term also includes any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.

Minority institution means an institution of higher education meeting the requirements of Section 1046(3) of the Higher Education Act of 1965 (20 U S.C. 1067k, including a Hispanic-serving institution of higher education, as defined in Section 316(b)(1) of the Act (20 U.S.C. 1101a)).

United States means the United States, its territories and possessions, the Commonwealth of Puerto Rico, the U.S. Trust Territory of the Pacific Islands, and the District of Columbia.

(b) Evaluation adjustment. (1) The Contracting Officer will evaluate offers by adding a factor of 10 percent to the price of all offers, except--

(i) Offers from small disadvantaged business concerns that have not waived the adjustment;

(ii) An otherwise successful offer of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is equaled or exceeded (see section 25.402 of the Federal Acquisition Regulation (FAR));

(iii) An otherwise successful offer where application of the actor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government;

(iv) For DoD, NASA, and Coast Guard acquisitions, an otherwise successful offer from a historically black college or university or minority institution; and

(v) For DoD acquisitions, an otherwise successful offer of qualifying country end products (see sections 225.000-70 and 252.225-7001 of the Defense FAR Supplement).

(2) The Contracting Officer will apply the factor to a line item or a group of line items on which award may be made. The Contracting Officer will apply other evaluation factors described in the solicitation before application of the factor. The factor may not be applied if using the adjustment would cause the contract award to be made at a price that exceeds the fair market price by more than the factor in paragraph (b)(1) of this clause.

(c) Waiver of evaluation adjustment. A small disadvantaged business concern may elect to waive the adjustment, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply to offers that waive the adjustment.

[ ] Offeror elects to waive the adjustment.

(d) Agreements. (1) A small disadvantaged business concern, that did not waive the adjustment, agrees that in performance of the contract, in the case of a contract for --

(i) Services, except construction, at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern,

(ii) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern;

(iii) General construction, at least 15 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern; or

(iv) Construction by special trade contractors, at least 25 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern.

(2) A small disadvantaged business concern submitting an offer in its own name agrees to furnish in performing this contract only end items manufactured or produced by small disadvantaged business concerns in the United States. This paragraph does not apply in connection with construction or service contracts.

I.4 RESERVED

I.5 52.232-25 PROMPT PAYMENT (FEB 2002)

Notwithstanding any other payment clause in this contract, the Government will make invoice payments and contract financing payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or the date of an electronic funds transfer. Definitions of pertinent terms are set forth in sections 2.101 and 32.902 of the Federal Acquisition Regulation. All days referred to in this clause are calendar days, unless otherwise specified. (However, see subparagraph (a)(4) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

(a) Invoice payments (1) Due Date. (i) Except as indicated in subparagraph (a)(2) and paragraph (c) of this clause, the due date for making invoice payments by the designated payment office shall be the later of the following two events:

(A) The 30th day after the designated billing office has received a proper invoice from the Contractor (except as provided in subdivision (a)(1)(ii) of this clause).

(B) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor. On a final invoice where the payment amount is subject to contract settlement actions, acceptance shall be deemed to have occurred on the effective date of the contract settlement.

(ii) If the designated billing office fails to annotate the invoice with the actual date of receipt at the time of receipt, the invoice payment due date shall be the 30th day after the date of the Contractor's invoice; provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(2) Certain food products and other payments. (i) Due dates on Contractor invoices for meat, meat food products, or fish; perishable agricultural commodities; and dairy products, edible fats or oils, and food products prepared from edible fats or oils are--

(A) For meat or meat food products, as defined in section 2(a)(3) of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)), and as further defined in Pub. L. 98-181, including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, as close as possible to, but not later than, the 7th day after product delivery.

(B) For fresh or frozen fish, as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), as close as possible to, but not later than, the 7th day after product delivery.

(C) For perishable agricultural commodities, as defined in section 1(4) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(4)), as close as possible to, but not later than, the 10th day after product delivery, unless another date is specified in the contract.

(D) For dairy products, as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U S C. 4502(e)), edible fats or oils, and food products prepared from edible fats or oils, as close as possible to, but not later than, the 10th day after the date on which a proper invoice has been received. Liquid milk, cheese, certain processed cheese products, butter, yogurt, ice cream, mayonnaise, salad dressings, and other similar products, fall within this classification. Nothing in the Act limits this classification to refrigerated products. When questions arise regarding the proper classification of a specific product, prevailing industry practices will be followed in specifying a contract payment due date. The burden of proof that a classification of a specific product is, in fact, prevailing industry practice is upon the Contractor making the representation.

(ii) If the contract does not require submission of an invoice for payment (e.g., periodic lease payments), the due date will be as specified in the contract.

(3) Contractor's invoice. The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. A proper invoice must include the items listed in paragraph (a)(3)(i) through (a)(3)(viii) of this clause. If the invoice does not comply with these requirements, it shall be returned within 7 days after the date the designated billing office received the invoice (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, edible fats or oils, and food products prepared from edible fats or oils), with a statement of the reasons why it is not a proper invoice. Untimely notification will be taken into account in computing any interest penalty owed the Contractor in the manner described in subparagraph (a)(5) of this clause.

(i) Name and address of the Contractor.

(ii) Invoice date. (The Contractor is encouraged to date invoices as close as possible to the date of the mailing or transmission.)

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(viii) Any other information or documentation required by the contract (such as evidence of shipment).

(ix) While not required, the Contractor is strongly encouraged to assign an identification number to each invoice.

(4) Interest penalty. An interest penalty shall be paid automatically by the designated payment office, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(4)(i) through (a)(4)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day without incurring a late payment interest penalty.

(i) A proper invoice was received by the designated billing office.

(ii) A receiving report or other Government documentation authorizing payment was processed, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(5) Computing penalty amount. The interest penalty shall be at the rate established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date, except where the interest penalty is prescribed by other governmental authority (e.g., tariffs). This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the invoice principal payment amount approved by the Government until the payment date of such approved principal amount; and will be compounded in 30-day increments inclusive from the first day after the due date through the payment date. That is, interest accrued at the end of any 30-day period will be added to the approved invoice principal payment amount and will be subject to interest penalties if not paid in the succeeding 30-day period. If the designated billing office failed to notify the Contractor of a defective invoice within the periods prescribed in subparagraph (a)(3) of this clause, the due date on the corrected invoice will be adjusted by subtracting from such date the number of days taken beyond the prescribed notification of defects period. Any interest penalty owed the Contractor will be based on this adjusted due date. Adjustments will be made by the designated payment office for errors in calculating interest penalties.

(i) For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance shall be deemed to have occurred constructively on the 7th (unless otherwise specified in this contract) after the Contractor delivered the supplies or performed the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. In the event that actual acceptance occurs within the constructive acceptance period, the determination of an interest penalty shall be based on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The following periods of time will not be included in the determination of an interest penalty:

(A) The period taken to notify the Contractor of defects in invoices submitted to the Government, but this may not exceed 7 days (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils).

(B) The period between the defects notice and resubmission of the corrected invoice by the Contractor.

(C) For incorrect electronic funds transfer (EFT) information, in accordance with the EFT clause of this contract.

(iii) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than $1 need not be paid.

(iv) Interest penalties are not required on payment delays due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

(6) Prompt payment discounts. An interest penalty also shall be paid automatically by the designated payment office, without request from the Contractor, if a discount for prompt payment is taken improperly. The interest penalty will be calculated as described in subparagraph (a)(5) of this clause on the amount of discount taken for the period beginning with the first day after the end of the discount period through the date when the Contractor is paid.

(7) Additional interest penalty. (i) a penalty amount, calculated in accordance with paragraph (a)(7)(iii) of this clause, shall be paid in addition to the interest penalty amount if the Contractor--

(A) Is owed an interest penalty of $1 or more;

(B) Is not paid the interest penalty within 10 days after the date the invoice amount is paid; and

(C) Makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(7)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

(ii)(A) Contractors shall support written demands for additional penalty payments with the following data. No additional data shall be required. Contractors shall--

(1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required;

(2) Attach a copy of the invoice on which the unpaid late payment interest was due; and

(3) State that payment of the principal has been received, including the date of receipt.

(B) Demands must be postmarked on or before the 40th day after payment was made, except that--

(1) If the postmark is illegible or nonexistent, the demand must have been received and annotated with the date of receipt by the designated payment office on or before the 40th day after payment was made; or

(2) If the postmark is illegible or nonexistent and the designated payment office fails to make the required annotation, the demand's validity will be determined by the date the Contractor has placed on the demand; provided such date is no later than the 40th day after payment was made.

(iii)(A) The additional penalty shall be equal to 100 percent of any original late payment interest penalty, except--

(1) The additional penalty shall not exceed $5,000;

(2) The additional penalty shall never be less than $25; and

(3) No additional penalty is owed if the amount of the underlying interest penalty is less than $1.

(B) If the interest penalty ceases to accrue in accordance with the limits stated in paragraph (a)(5)(iii) of this clause, the amount of the additional penalty shall be calculated on the amount of interest penalty that would have accrued in the absence of these limits, subject to the overall limits on the additional penalty specified in paragraph (a)(7)(iii)(A) of this clause.

(C) For determining the maximum and minimum additional penalties, the test shall be the interest penalty due on each separate payment made for each separate contract. The maximum and minimum additional penalty shall not be based upon individual invoices unless the invoices are paid separately. Where payments are consolidated for disbursing purposes, the maximum and minimum additional penalty determination shall be made separately for each contract therein.

(D) The additional penalty does not apply to payments regulated by other Government regulations (e.g., payments under utility contracts subject to tariffs and regulation).

(b) Contract financing payments--(1) Due dates for recurring financing payments. If this contract provides for contract financing, requests for payment shall be submitted to the designated billing office as specified in this contract or as directed by the Contracting Officer. Contract financing payments shall be made on the 30th day after receipt of a proper contract financing request by the designated billing office. In the event that an audit or other review of a specific financing request is required to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the due date specified.

(2) Due dates for other contract financing. For advance payments, loans, or other arrangements that do not involve recurring submissions of contract financing requests, payment shall be made in accordance with the corresponding contract terms or as directed by the Contracting Officer.

(3) Interest penalty not applicable. Contract financing payments shall not be assessed an interest penalty for payment delays.

(c) Fast payment procedure due dates. If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

I.6 52.246-24 LIMITATION OF LIABILITY--HIGH-VALUE ITEMS (FEB 1997) ALTERNATE I (APR 1984)

(a) Except as provided in paragraphs (b) through (e) below, and notwithstanding any other provision of this contract, the Contractor shall not be liable for loss of or damage to property of the Government (including the supplies delivered under this contract) that (1) occurs after Government acceptance of the supplies delivered under this contract and (2) results from any defects or deficiencies in the supplies.

(b) The limitation of liability under paragraph (a) above shall not apply when a defect or deficiency in, or the Government's acceptance of, the supplies results from willful misconduct or lack of good faith on the part of any of the Contractor's managerial personnel. The term "Contractor's managerial personnel," as used in this clause, means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent representatives who have supervision or direction of--

(1) All or substantially all of the Contractor's business;

(2) All or substantially all of the Contractor's operations at any one plant, laboratory, or separate location at which the contract is being performed; or

(3) A separate and complete major industrial operation connected with the performance of this contract

(c) If the Contractor carries insurance, or has established a reserve for self-insurance, covering liability for loss or damage suffered by the Government through purchase or use of the supplies required to be delivered under this contract, the Contractor shall be liable to the Government, to the extent of such insurance or reserve, for loss of or damage to property of the Government occurring after Government acceptance of, and resulting from any defects or deficiencies in, the supplies delivered under this contract.

(d) (1) This clause does not diminish the Contractor's obligations, to the extent that they arise otherwise under this contract, relating to correction, repair, replacement, or other relief for any defect or deficiency in supplies delivered under this contract.

(2) Unless this is a cost-reimbursement contract, if loss or damage occurs and correction, repair, or replacement is not feasible or desired by the Government, the Contractor shall, as determined by the Contracting Officer--

(i) Pay the Government the amount it would have cost the Contractor to make correction, repair, or replacement before the loss or damage occurred; or

(ii) Provide other equitable relief.

(e) This clause shall not limit or otherwise affect the Government's rights under clauses, if included in this contract, that cover--

(1) Warranty of technical data;

(2) Ground and flight risks or aircraft flight risks; or

(3) Government property.

I.7 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

http://www.arnet.gov/far

I.8 AIDAR 752.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS

(a) It is the policy of the United States that small business concerns, HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns, HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women.

(b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) Definitions. As used in this contract

(1) Small business concern means a small business as defined pursuant to section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto.

(2) HUBZone small business concern means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(3) Small business concern owned and controlled by socially and economically disadvantaged individuals and small disadvantaged business concern mean a small business concern that represents, as part of its offer that--

(i) It has received certification as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B;

(ii) No material change in disadvantaged ownership and control has occurred since its certification;

(iii) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104 (c)(2); and

(iv) It is identified, on the date of its representation, as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net).

(4) Small business concern owned and controlled by women means a small business concern--

(i) Which is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(ii) Whose management and daily business operations are controlled by one or more women.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern, a HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, or a small business concern owned and controlled by women.

USAID small business provision. To permit USAID, in accordance with the small business provisions of the Foreign Assistance Act, to give small business firms an opportunity to participate in supplying equipment supplies and services financed under this contract, the Contractor shall, to the maximum extent possible, provide the following information to the Office of Small and Disadvantaged Business Utilization (OSDBU), USAID, Washington, DC 20523-1414, at least 45 days prior to placing any order in excess of the simplified acquisition threshold except where a shorter time is requested of, and granted by OSDBU:

(1) Brief general description and quantity of commodities or services;

(2) Closing date for receiving quotations or bids; and

(3) Address where invitations or specifications may be obtained.

I.9 USAIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS (JAN 1990)

Prior written approval by the Contracting Officer is required for all international travel directly and identifiably funded by USAID under this contract. The Contractor shall therefore present to the Contracting Officer an itinerary for each planned international trip, showing the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advanced of the proposed travel as possible, but in no event less than three weeks before travel is planned to commence. The Contracting Officer's prior written approval may be in the form of a letter or telegram or similar device or may be specifically incorporated into the schedule of the contract. At least one week prior to commencement of approved international travel, the Contractor shall notify the cognizant Mission, with a copy to the Contracting Officer, of planned travel, identifying the travellers and the dates and times of arrival.

I.10 52.228-3 WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT) (APR 1984)

The Contractor shall (a) provide, before commencing performance under this contract, such workers' compensation insurance or security as the Defense Base Act (42 U.S.C. 1651 et seq.) requires and (b) continue to maintain it until performance is completed. The Contractor shall insert, in all subcontracts under this contract to which the Defense Base Act applies, a clause similar to this clause (including this sentence) imposing upon those subcontractors this requirement to comply with the Defense Base Act.

I.11 COMMUNICATIONS PRODUCTS (OCT 1994)

(a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.

(b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the contract or approved in writing by the contracting officer. A copy of the standards for USAID financed publications and video productions is attached.

(c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the contract or in writing by the contracting officer:

(1) All communications materials funded by operating expense account funds;

(2) Any communication products costing over $25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.

(3) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer; and

(4) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use.

(d) The initial proposal must provide a separate estimate of the cost of every communications product as defined in paragraph (a) above [not just those which meet the criteria in paragraph (c)] which is anticipated

under the contract. Each estimate must include all of the costs associated with preparation and execution of the product. Any subsequent request for approval of a covered communication product must provide the same type of cost information.

SECTION J - LIST OF ATTACHMENTS

ATTACHMENT 1 – DD FORM 254 - DEPARTMENT OF DEFENSE CONTRACT SECURITY CLASSIFICATION SPECIFICATION

DEPARTMENT OF DEFENSE
CONTRACT SECURITY CLASSIFICATION SPECIFICATION

(The requirements of the DoD Industrial Security Manual apply to all security aspects of this effort)

1. CLEARANCE AND SAFEGUARDING

a. FACILITY CLEARANCE REQUIRED: SECRET

b. LEVEL OF SAFEGUARDING REQUIRED: NONE

2. THIS SPECIFICATION IS FOR: *(X and complete as applicable)*

X	a. PRIME CONTRACT NUMBER: EDG-C-00-03-00010-00	
	b. SUBCONTRACT NUMBER	
	c. SOLICITATION OR OTHER NUMBER	DUE DATE *(YYYYMMDD)*

3. THIS SPECIFICATION IS: *(X and complete as applicable)*

X	a. ORIGINAL *(Complete date in all cases)*		DATE *(YYYYMMDD)* 20030326
	b. REVISED *(Supersedes all previous specs)*	REVISION NO.	DATE *(YYYYMMDD)*
	c. FINAL *(Complete Item 5 in all cases)*		DATE *(YYYYMMDD)*

4. IS THIS A FOLLOW-ON CONTRACT? [ ] YES [X] NO. If Yes, complete the following:

Classified material received or generated under _____ *(Preceding Contract Number)* is transferred to this follow-on contract.

5. IS THIS A FINAL DD FORM 254? [ ] YES [X] NO. If Yes, complete the following.

In response to the contractor's request dated _____, retention of the classified material is authorized for the period of _____

6. CONTRACTOR *(Include Commercial and Government Entity (CAGE) Code)*

a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*
R.T.I. INTERNATIONAL 3040 CORNWALLS ROAD RESEARCH TRIANGLE PARK NC, 27709	3A730	DSS S15NF 757 490-8561

7. SUBCONTRACTOR

a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*
N/A	N/A	N/A

8. ACTUAL PERFORMANCE

a. LOCATION	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*
USAID ASIA AND FAR EAST MISSION (IRAQ/KUWAIT	N/A	USAID/SEC RRB, ROOM 2.06A 202 712-0990

9. GENERAL IDENTIFICATION OF THIS PROCUREMENT

STRENGTHEN SUB-NATIONAL INSTITUTIONS AND CIVIC PROCESSES IN IRAQ

10. CONTRACTOR WILL REQUIRE ACCESS TO:	YES	NO
a. COMMUNICATIONS SECURITY (COMSEC) INFORMATION		X
b. RESTRICTED DATA		X
c. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION		X
d. FORMERLY RESTRICTED DATA		X
e. INTELLIGENCE INFORMATION		
(1) Sensitive Compartmented Information (SCI)		X
(2) Non-SCI		X
f. SPECIAL ACCESS INFORMATION		X
g. NATO INFORMATION		X
h. FOREIGN GOVERNMENT INFORMATION		X
i. LIMITED DISSEMINATION INFORMATION		X
j. FOR OFFICIAL USE ONLY INFORMATION	X	
k. OTHER *(Specify)* ACCESS TO SENSITIVE BUT UNCLASSIFIED INFORMATION (SBU)		

11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:	YES	NO
a. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY AT ANOTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY	X	
b. RECEIVE CLASSIFIED DOCUMENTS ONLY		X
c. RECEIVE AND GENERATE CLASSIFIED MATERIAL		X
d. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE		X
e. PERFORM SERVICES ONLY	X	
f. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S., PUERTO RICO, U.S. POSSESSIONS AND TRUST TERRITORIES	X	
g. BE AUTHORIZED TO USE THE SERVICES OF DEFENSE TECHNICAL INFORMATION CENTER (DTIC) OR OTHER SECONDARY DISTRIBUTION CENTER		X
h. REQUIRE A COMSEC ACCOUNT		X
i. HAVE TEMPEST REQUIREMENTS		X
j. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS		X
k. BE AUTHORIZED TO USE THE DEFENSE COURIER SERVICE		X
l. OTHER *(Specify)*		

DD FORM 254, DEC 1999 PREVIOUS EDITION IS OBSOLETE

Reset

12. **PUBLIC RELEASE.** Any information *(classified or unclassified)* pertaining to this contract shall not be released for public dissemination except as provided by the Industrial Security Manual or unless it has been approved for public release by appropriate U S Government authority. Proposed public releases shall be submitted for approval prior to release [ ] Direct [X] Through *(Specify)*

USAID'S CONTRACTOR'S TECHNICAL OFFICER (CTO), MR. CHRIS MILLIHAN, USAID/ANE, 1300 PENN, AVE, N.W., WASHINGTON, D.C., 20523-8800, (202) 712-4547

to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs)* for review.
*In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.

13. **SECURITY GUIDANCE.** The security classifiection guidance needed for this classified effort is identified below. If any difficulty is encountered in applying this guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is authorized and encouraged to provide recommended changes; to challenge the guidance or the classification assigned to any information or material furnished or generated under this contract; and to submit any questions for interpretation of this guidance to the official identified below Pending final decision, the information involved shall be handled and protected at the highest level of classification assigned or recommended. *(Fill in as appropriate for the classified effort. Attach, or forward under separate correspondence, any documents/guides/extracts referenced herein. Add additional pages as needed to provide complete guidance.)*

THE CONTRACTOR WILL ABIDE BY THE TERMS OF THE SECURITY AGREEMENT (DD FORM 441) EXECUTED BETWEEN THEIR COMPANY AND THE DEPARTMENT OF DEFENSE AND ENFORCE THE SECURITY STANDARDS OUTLINED IN THE NATIONAL INDUSTRIAL SECURITY PROGRAM OPERATING MANUAL (NISPOM) DATED JANUARY, 1995.

IN ADDITION TO THE ABOVE, SUPPLEMENTAL SECURITY REQUIREMENTS PERTAINING TO THIS PERFORMANCE IS ATTACHED AS ITEM NUMBERS 13-1-13-21. THE CONTRACT MUST IMMEDIATELY CONTACT THE DESIGNATED CTO IDENTIFIED IN BLOCK 12 ABOVE FOR CLARIFICATION OF THE SECURITY GUIDANCE APPLICABLE TO THIS PERFORMANCE.

14. **ADDITIONAL SECURITY REQUIREMENTS.** Requirements, in addition to ISM requirements, are established for this contract. [ ] Yes [X] No
(If Yes, identify the pertinent contractual clauses in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the cognizant security office. Use Item 13 if additional space is needed.)

15. **INSPECTIONS.** Elements of this contract are outside the inspection responsibility of the cognizant security office. [ ] Yes [X] No
(If Yes, explain and identify specific areas or elements carved out and the activity responsible for inspections. Use Item 13 if additional space is needed.)

16. **CERTIFICATION AND SIGNATURE.** Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.

a. TYPED NAME OF CERTIFYING OFFICIAL	b. TITLE	c. TELEPHONE *(Include Area Code)*
MR. MARK A. WEBB	INDUSTRIAL SECURITY SPECIALIST OFFICE OF SECURITY, USAID	(202) 712-5612

d. ADDRESS *(Include Zip Code)*	17. REQUIRED DISTRIBUTION	
1300 PENNSLYVANIA AVE, N.W. WASHINGTON, D.C. 20523-8800	X	a. CONTRACTOR
APR 11 2003	X	b. SUBCONTRACTOR
	X	c. COGNIZANT SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR
e. SIGNATURE	X	d. U S ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION
	X	e. ADMINISTRATIVE CONTRACTING OFFICER
	X	f. OTHERS AS NECESSARY USAID/SEC

DD FORM 254 (BACK), DEC 1999

SUPPLEMENTAL SECURITY GUIDANCE FOR CONTRACT NUMBER EDG-C-00-03-0001(
BLOCK #13 OF THE DD Form 254 ENTITLED "SECURITY GUIDANCE" CONTINUED:

13-1. The National Industrial Security Program (NISP) was established by Executive Order 12829 (EO 12829). Effective April 2, 1996, USAID entered into agreement with the Department of Defense (DoD) in accordance with EO 12829. This agreement established the terms of DoD's responsibilities to act on behalf of USAID for NISP matters.

13-2. The operating manual for the NISP replaces the DoD Industrial Security Manual. Accordingly, all references to the DoD Industrial Security Manual contained in this DD Form 254 or in other clauses in this contract shall be substituted with the National Industrial Security Program Operating Manual (DoD 5220.22-M).

13-3. FAR Clause 52.204-2, Security Requirements, is applicable to this contract.

13-4. The contractor will be responsible for abiding by the policies and procedures contained in the following USAID Automated Directive System (ADS) Chapters:

13-4a. USAID ADS Chapter 565, Physical Security Programs (Domestic) contains the policies and essential procedures for the protection of national security information and employees in the USAID Headquarters building.

13-4b. USAID ADS Chapter 567, Classified Contract Security and Contractor Personnel Security Program, contains the policies and essential procedures for classified contracts and personnel security investigations and clearances for contractor personnel.

13-4c. USAID ADS Chapter 568, National Security Information and Counterintelligence Security Program, contains the policies and essential procedures for the protection of national security information contact reporting, and counterintelligence awareness training.

13-4d. USAID ADS Chapter 551, Automated Information Systems Security, contains the policies and essential procedures for the protection of USAID sensitive systems and data.

13-5. USAID ADS Chapter 565 specifies the conditions under which the Government will issue a USAID Building Pass. Possession of a USAID Building Pass is required for unescorted access into the USAID Headquarters building.

CONTINUED:

13-6. In addition to the requirements noted in USAID ADS Chapter 565 and 567, contractor employees who have been granted a security clearance will not be issued a USAID Building pass unless the contractor certifies in writing that the contract employee has signed an SF 312, Classified Information Nondisclosure Agreement, and received an initial security briefing in accordance with Chapter 3 of the NISP Operating Manual (NISPOM). (Note: The Request for Visit Authorization (VAR) serves as this certification that the security training and Non-Disclosure requirements have been met). Interim security clearances will be accepted by USAID. The CTO will determine whether Contract Hire personnel require a USAID RRB pass.

13-7. The contractor shall not permit any employee who has not been issued a USAID Building Pass by USAID to work in or have routine access in USAID-controlled space.

13-8. The Government will control access to classified national security information by contractor employees. All classified national security information will be properly marked by the Government prior to disclosure to the contractor. All discrepancies, doubts or questions concerning the proper sensitivity or classification level of information by the contractor will be resolved by the designated CTO.

13-9. The contractor shall not possess or store any classified national security information or materials in the contractor's controlled space within the U.S. or overseas without the prior approval of the U.S. Government CTO, The Department of State Regional Security Officer (RSO) and USAID/SEC.

13-10. The contractor shall not reproduce or copy any classified national security information without the prior written authorization from the Government CTO or designee. Upon completion of the contract, all classified material will be returned to the Government.

13-11. The Government will advise the FSO of all security violations by contractor's employee(s) while working in USAID-controlled space. In turn, the FSO must report this incident/violation to their designated DSS representative.

13-12. The contractor may be afforded access to information which is considered sensitive under the Computer Security Act of 1987, as amended (Public Law 100-235). Such information is "Sensitive But Unclassified" (SBU) and shall be safeguarded as specified in 12 FAM 540. The Government will ensure all SBU information provided to the contractor or placed under the control of the contractor is identified as SBU.

SUPPLEMENTAL SECURITY GUIDANCE FOR CONTRACT NUMBER EDG-C-00-03-00010-00
BLOCK #13 OF THE DD Form 254 ENTITLED "SECURITY GUIDANCE"
CONTINUED:

13-13. The Government CTO or designee will determine which contractor employees are allowed access to USAID sensitive automated information systems.

13-14. The contractor shall ensure that employees given access to SBU information, Government information technology systems containing sensitive information, and/or routine access to USAID-controlled space abide by the provisions of ADS Chapter 551.

13-15. The contractor shall not store any SBU information or materials in the contractor's controlled space without the prior approval of the Government Contracting Technical Officer's Representative (CTO) or designee. Upon completion of the contract, all SBU material will be returned to the Government.

13-16. Responsibility to Control Access: It is the contractor's responsibility to ensure that his/her employees do not have access to USAID data, information, network connections, and/or space without the appropriate clearance and that all mandated security procedures are followed.

13-17. The contractor shall ensure that upon termination from the contract his/her employees receive a security debriefing, sign the Security Debriefing Acknowledgement portion of the SF 312, and return the USAID Building Pass to the designated USAID CTO.

13-18. The Contractor shall submit for approval to the Government CTO the security requirements for any Subcontract that the Contractor may employ.

13-19. Any discrepancies, doubts or questions concerning the proper sensitivity or classification level of information provided to the contractor will be forwarded to the CTO for resolution.

13-20. The contractor will comply with the Visits and Meeting notification requirements as outlined in paragraph 6-103 inclusive of the National Industrial Security Program Operating Manual. Notifications are to be sent to: U.S. Agency For International Development, Office Of Security, 1300 Penn Ave, N.W., Rm. 2.06-A (RRB), Washington, D.C. 20523-8800.

13-21. Employees working under this contract must have been subject to a background investigation by the Defense Security Service, and awarded the appropriate interim/final security clearance by DISCO prior to the issuance of a USAID/W building pass.