

# **FY 2003 Results Review and Resource Request [R4] Guidance**

December 22, 2000

Office of Program Coordination  
Bureau for Policy & Program Coordination  
US Agency for International Development

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This notice provides R4 guidance for the FY 2003 R4 cycle. This guidance contains certain limited changes from last year as noted in section I.A. below. The following table of contents is provided to facilitate use of this guidance:

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**I. General Instructions**

**A. Changes for This Year**

In keeping with the spirit of the agreements reached on the R4 process at the October 1998 worldwide Mission Director's Conference, USAID has sought to make as few changes as possible in the format for the FY 2003 R4. This year's guidance, however, does include certain adjustments needed to harmonize the R4 with progress made over the past year in the Agency's ongoing reform process, as well as with changes in the form and content of other Agency reporting documents. This year's guidance, for example, reflects the issuance of the new ADS 200 Series, as well as our ongoing effort to harmonize the format of the R4 with the Budget Justification (formerly known as the Congressional Presentation).

Perhaps most importantly, this year's guidance reflects revisions in the Agency Strategic Plan (ASP) governing how USAID will meet the reporting requirements of the Government Performance and Results Act (GPRA). The revised ASP changes the Agency performance goals. *The Agency will now use progress toward Operating Unit strategic objectives* as the fundamental measures of Agency performance for purposes of complying with GPRA. Operating Units are therefore strongly encouraged, whenever possible, to include at least one Strategic Objective-level performance indicator for each SO reported in their R4 if results are being achieved at the SO level (see Section II.C). Another change in the revised ASP is the identification of five themes that cross-cut the six Agency goals and the management goal. In our annual Performance Overview (the combination of the Agency Performance Plan and Agency Performance Report

– APP/APR), we will report on **one** of these cross-cutting themes in depth each year. Institutional and organizational development is the theme on which we will report in the FY 2000 Performance Overview. Thus, this year's R4 guidance requests Operating Units to submit information as described in Section II. G.1 below.

This year's guidance also responds to the findings of PPC's annual assessment of the R4 process. The assessment showed that the bulk of Agency Operating Units made significant progress in streamlining their R4s. Operating Units continue to improve the R4 process by keeping the cost of the R4 in line with management benefits. Sixty-eight percent of Operating Units submitted R4s early or on time, trebling the results of last year. More Operating Units also met limits on pages and numbers of indicators. Operating Units with an overall outstanding response to limitations in the guidance were Tanzania, West Bank/Gaza, Lithuania, Romania, Armenia, Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, Dominican Republic, and Paraguay. These results were presented to and discussed with senior staff. Note that the assessment did not attempt to judge the quality of the information included in the narrative portions of the R4. PPC has recommended that in the near future the Agency evaluate the quality, substance and usefulness of the reporting in the R4. The R4 assessment report is available on the Agency Intranet website [cdie.usaid.gov](http://cdie.usaid.gov).

The findings of the assessment highlighted some areas where changes in the guidance are needed, as well as some areas where compliance with the guidance needs to be improved. Changes to this year's guidance are based on the findings in the assessment, the need to comply more fully with GPRA, discussions of the R4 Working Group, and feedback from Operating Units.

Key changes to last year's guidance include:

Language on changing the Management Agreement and its elements has been clarified (Section I.D). In particular, note requirements for reporting on unliquidated SOs.

In the case of disaggregated indicators, limits on the number of indicators that may be reported have been relaxed (Section II.C).

The procedures for the submission and distribution of the R4 have been altered (Section I.G).

The guidance makes clear that only in extremely rare instances should R4s be classified.

A new R4 application has replaced last year's template and its use is strongly encouraged. On request, training on use of the new application will be provided to OU representatives in or traveling through Washington (Section I.F)

In light of changes to the Agency Strategic Plan and the desire to improve the accuracy of SO linkages to Agency objectives, procedures for linking SOs to Agency objectives have been changed (Section II.C).

A new annex has been added to capture information on Institutional and Organizational Development (Section 11.G.1).

OUs should consult the new ADS 200 series, in particular Chapter 201, before making any SO level or Strategic Plan revisions.

Furthermore, the following areas from last year bear increased attention from OUs:

Supplemental Annexes should continue to be used when additional reporting on SO performance is needed beyond the prescribed page limits.

OUs should consult with PPC/PC and with their own Bureaus in the event that they receive guidance beyond that included in this R4 guidance notice before acting on it. PPC/PC will work with Bureau representatives to ensure that the guidance is consistent.

In their resource requests, OUs should discuss ways in which performance influenced resource decisions, especially for SOs not meeting expectations and repeat poor performers.

Finally, improvements to the Washington side of the process are also highlighted.

Within four weeks of review, Operating Units are to be sent a least an e-mail acknowledging receipt of "Cover Memo" issues and a time frame within which the Operating Unit can expect those issues to be addressed.

In accordance with the October 1998 guidance on "Revisions to USAID's Performance Planning, Monitoring, and Reporting System," and with Section 203.3.8 of the new ADS 200 Series, this year's guidance requires Bureaus to continue to carry out a mid-course strategic implementation review of each country program at least once every three years. Operating Unit participation in these reviews is strongly encouraged.

Lastly, USAID has developed an Agency wide expanded response to the Global AIDS and Tuberculosis Relief Act of 2000 which authorized additional funding to combat the worldwide HIV/AIDS epidemic and control the spread of infectious diseases including tuberculosis. Existing approved Strategic or Special Objectives may not cover some expanded activities contemplated by the initiative, or may be approaching the SO end-date. In such circumstances (e.g., when an Operating Unit wishes to launch or expand an HIV/AIDS or infectious diseases activity yet has no Strategic Objective for such an activity), we encourage operating units to take advantage of new waiver authority, pursuant to ADS 201.3.3.5, which will be announced in January. This waiver will allow implementation of the initiative to proceed by temporarily exempting the Operating Unit from full and open competition and having an SO in place before programming these funds. However, we do encourage Operating Units to update their Strategic Plans accordingly, per ADS 201.3.4.17. Operating Units that are exercising the waiver authority for existing SOs should say so in their applicable SO narrative.

## **B. Budget Outlook**

At this time it is not possible to give an accurate outlook on the FY 2003 budget because of the transition to a new administration. The FY 2003 budget levels will be determined to a great extent by decisions made on the FY 2002 budget request. In the fall of 2000 the Agency submitted a current services budget request to OMB, which was formula driven, based on the FY 2001 appropriated levels with a two percent adjustment for inflation. Final FY 2002 levels will not be established before the Agency submits a policy budget when the new administration is in place. We expect that will occur sometime between March and April of calendar year 2001.

The sharp increases experienced in FY 2001 in the Child Survival and Disease program fund account, especially for HIV/AIDS and tuberculosis, can be expected to be maintained in FY 2003. The new administration will determine the level of support for population and environment programs. Support for programs in microenterprise, agriculture, and basic education is likely to be continued. We expect that DA funding for other economic growth and democracy/governance activities will continue to be scarce and very competitive. Budget levels for PL 480 Title II food aid and for disaster assistance and transition initiatives are expected to remain at recent levels.

At this time we are unable to provide budget guidance for ESF or programs funded for Eastern Europe and the Freedom Support Act countries. Additional guidance on overall budget levels and constraints for these accounts will be sent separately.

We can expect the Congress to continue to provide an array of earmarks and directives over our budget. Missions and central offices should include funding for these, based on the appropriations bills of the past two years, in their budget requests. The new administration's priorities should be known early next year in

time for the FY 2002 policy budget submission to the new Congress. DP offices will be responsible for coordinating earmarks and directives for their missions and offices.

Performance will continue to be an important factor justifying budget levels. Other factors are U.S. foreign policy interests, host country need, host country commitment, and mission pipeline. Therefore, when preparing the resource request section of your R4, you should specify how these factors, particularly performance, informed your resource request.

You need to be aware of the various constraints and how they will affect your program. Operating expenses and staffing will undoubtedly continue to be seriously constrained in FY 2003. Salary increases, IT investments, and security requirements will be difficult to meet without offsetting savings. You should look for innovative ways to cut costs in these areas. Funding requests must be presented in the context of the constraints outlined above and include corresponding OE and workforce requirements. Further, you should be fully prepared to explain the effect on your program of reduced program or OE funding or of the lack of flexibility in sectors besides economic growth and democracy.

We will send you additional guidance on resource request scenarios for program, OE, and workforce as soon as it is available from the new administration.

### **C. *Mission Performance Plan (MPP) Linkage***

R4 documents must identify which MPP goals and national interests are supported by each USAID Strategic Objective, and confirm that these linkages are consistent with MPPs (see section II.B below). Use the MPP goals in the US Strategic Plan for International Affairs (IASP) (provided in the new R4 Template). MPP guidance requires that each USAID objective be described under one primary MPP goal (support to secondary goals can be indicated). In some cases a choice will have to be made in determining which IASP goal is primary. USAID education SOs may have to be somewhat arbitrarily linked to one Primary MPP goal even though they may benefit more than one. Field Operating Units are encouraged to pursue increased coordination with the State Department in order to report USAID results in the MPP.

PPC/PC is the principal contact point with State/RPP on MPP/R4 coordination and will assist in addressing questions related to guidance that may arise. The Regional Bureaus will have the lead in coordinating R4 reviews, including with their State counterparts.

### **D. *Changes to the Management Agreement***

In general, Operating Units responsible for executing strategic plans have authority to approve minor changes or refinements in a SO. Significant changes, however, require broad formal approval (see number 4 below). If in doubt, Operating Units are advised to consult with their Bureau Program Office. Minor changes should be explicitly noted in the R4 cover memo without requesting formal approval. Significant changes must be requested in the R4 cover memo (referencing the supporting information required) and approved by a management agreement cable.

Guidance on what types of changes to the management agreement require Washington rather than field level approval is summarized below, but can be found in the following ADS chapters: 201.3.4.9, 201.3.4.10.b, 201.3.4.16, 201.3.4.17, and 203.3.6.4.

1. The R4 reports on performance under the Strategy in effect during the last performance cycle. Changes to be reported in the R4 apply only to changes under that Strategy, not the changes resulting from a Strategy approved since the last R4 report. Therefore, an Operating Unit need not attempt to report as "changes" SOs, IRs or indicators that are part of a new Strategy. On the other hand, as long as an Operating Unit is continuing to obligate resources toward, or expend resources in pursuit of, an Objective, that OU needs to continue to report on its progress toward the expected results of that SO. This means that if the OU has a new SO similar, but not necessarily identical, to an old SO, the OU should continue to report in the

R4 the old SO -- both results and expenditures -- until fully liquidated. In this circumstance, there are two distinct sets of expected results, and two distinct sets of funding parameters.

Special Exception for Funds Notified and Obligated Below the SO Level: In certain cases, funds for a particular contract, grant, or other activity have been notified to the Congress and obligated below the SO level. In these cases, it is possible to re-orient such ongoing contracts, grants, or other activities to a new, successor SO without deobligating and re-obligating the funds committed to these instruments. This re-orientation may leave the expiring, old SO that once hosted these instruments with no residual funding. In such cases, the expiring SO should be considered to have been completed, and Operating Units should prepare a Strategic Objective Close-Out Report as described in ADS 203.3.7 and attach that SO Close-Out Report as a special annex to the R4. Operating Units should also submit in the body of the R4 a final narrative and a last set of Performance Data Tables for such expiring SOs.

2. Extension of SO End Dates: Per ADS 201.3.4.9, Bureau approval to extend SO end dates is required when the extension is needed to accommodate additional Fiscal Years of obligations beyond the originally approved strategic plan funding period. Operating Units, however, may extend SO end dates without prior Bureau approval when:

- No new obligations are needed; or
- New obligations are needed, but the sum total of additional obligations does not exceed 10 percent of the total life of SO amount previously agreed to by the Bureau, and additional funding is available.

R4s must specifically mention changes in SO end dates.

3. Changes to Strategic Plans: Per ADS 201.3.4.17.a, formal amendments to Strategic Plans should only be developed when new SOs are being proposed for Bureau-level approval. A formal parameter message from the Bureau is needed to initiate the process. Review and approval requirements are the same as for full Strategic Plans (see ADS 201.3.4.15).

4. Changes to Strategic and Special Objectives: Per ADS 201.3.4.17.b, changes to SOs must be based on evidence that the direction of the program must be modified. Significant changes at the SO level require approval by the AA with concurrence from PPC, M, GC, BHR (as appropriate), G (for non-G Strategic Plans), and regional Bureaus (for central operating Bureau Strategic Plans). The R4 Cover Memo is used to propose significant changes in SOs or to communicate changes made at the Operating Unit level.

5. Changes to Results Frameworks: Per ADS 201.3.4.17.c, changes to Results Frameworks below the SO level should be made when necessary by SO Teams and Operating Units. Bureau or Washington-level approval is not normally required. Operating Units communicate changes in Results Frameworks through the annual R4 submission. The fact that there are changes should be mentioned in the R4 cover memo and changes should be described and explained in the SO narrative summary and reflected in the Results Framework annex.

6. Limits to changes in indicator reporting: To comply with the Government Performance and Results Act (GPRA) concept of benchmarking, Operating Units must report the same indicators as last year unless it was noted last year that different indicators would be reported. If your OU plans to select a different indicator to report next year, in the Results Framework Annex please state the current indicator, why it is no longer useful, the alternative indicator that will be reported next year, and its baseline data and targets. Last year it was recommended that this be done in the cover memo. This year we are asking that indicators you wish to use next year be added to the mandatory annex on Results Frameworks, but that you mention in your cover memo whether there are such changes. Please see Section II.G. and ADS 203.3.6.4. If you have a newly approved Strategy, you do not yet have to specify the indicators you will be reporting on under the new Strategy. Per ADS 201.3.4.13, a written Performance Monitoring Plan must be in place for each SO within one year of Strategy approval unless otherwise prescribed in the Strategy review reporting cable. This implies that for some Operating Units that had strategies approved last year a full Performance Plan may not yet exist. Those Operating Units should still strive to include in their R4s three to four indicators per SO with baseline and targets through FY 2003 if such indicators are available and if (and only if) they meet the

quality standards for R4 indicators set forth in ADS 203.3.6.5. Progress reporting in the performance data table may be impractical particularly if the baseline year is FY 2000 but progress still should be discussed in the SO narrative.

### **E. Who Should Submit**

All Operating Units are required to submit complete R4s annually unless they do not need program funds and/or operating expense funds after the current fiscal year. Those OUs that do not need funds after the current year should submit an Results Review

Non-presence programs with defined country-level Strategic Objectives are also required to submit an R4 (see Section II.G 2 below). Washington Program Offices will identify the OUs responsible for preparing these R4s.

### **F. Electronic Format and Performance Data Tables**

The following standardized format instructions are aimed at allowing more rapid and efficient distribution of R4 sections to appropriate reviewers and for various external agency report preparation (e.g. the Budget Justification, the Performance Overview). Submit both hard and electronic copies of your document. Avoid the use of graphics. Do not send password-protected documents. Prepare narratives using 12-point Times New Roman typeface. Format your document for printing on 8.5 by 11 paper with one-inch margins.

To facilitate R4 preparation and to standardize processing, access and retrieval of R4 data, we have replaced last year's R4 template with a new, self-contained R4 processing application. Among other improvements, the new application corrects problems Operating Units identified such as the inability to spell check within the templates; difficulty adding and deleting Strategic Objectives; creating a fully consolidated R4 document; and broken indicator tables. Examples of the application can be viewed on the CDIE Website at [http://CDIE.USAID.gov/R4\\_2003/](http://CDIE.USAID.gov/R4_2003/). Operating Units may download a blank copy from the same Website, or by notifying CDIE at [R4template@dec.CDIE.org](mailto:R4template@dec.CDIE.org). The application will be available from the web site pre-populated with each Operating Unit's FY2002 R4. Upon request, pre-populated applications can be emailed to Operating Units wishing to receive them this way. Use of the application is not mandatory, but we strongly encourage Operating Units to do so.

Some features of the application: 1) the application automatically generates a consolidated MS Word document that compiles separate files for narrative, annexes and data files into a single document; budget and other spreadsheets must still be printed out separately and be attached as separate files when submitting the R4 to AID/W; 2) text from this guidance cable will be available within the application as 'help'; 3) multi-user: from a central location on your LAN, multiple users can work on different sections simultaneously; 4) the application generates a table of contents automatically with correct pagination; 5) menu selections allow you to choose appropriate responses to certain elements in the SO narrative; 6) indicator data is managed via an integrated Access database; 7) integrated e-mail function transmits finished R4 to Washington.

Questions regarding the application may be e-mailed to [R4template@dec.CDIE.org](mailto:R4template@dec.CDIE.org).

ADS Section 201.3.7 describes the procedures for managing the public release of planning documents, including R4s, and requires the following wording on the title page of each R4 [This section is automatically generated in the application]:

Begin language

-- The attached results information is from the FY 2003 Results review and resource request (R4) for (country or OU) and was assembled and analyzed by (USAID/OU).

-- The R4 is a "pre-decisional" USAID document and does not reflect results stemming from USAID budgetary reviews. Additional information on the attached can be obtained from (Washington contact person and office making the distribution).

-- Related document information can be obtained from:

USAID Development Experience Clearinghouse  
1611 N. Kent St., Suite 200  
Arlington, Va. 22209-2111  
Telephone: 703-351-4006 ext. 106  
Fax: 703-351-4039  
Email: [docorder@dec.cdie.org](mailto:docorder@dec.cdie.org)  
Internet: <http://www.dec.org>

End language

### **G. Submission, Schedule and Contact Points**

Unless otherwise advised by your regional bureau, all R4s are to be submitted by Friday, March 30, 2001. Full R4s should be submitted to your Washington Program Office or the office/individual designated in Section III below, 'Bureau Specific Guidance'. The individual designated in Section III below will forward a final, complete R4 with all accompanying files, not later than April 30th, to the USAID Development Experience Clearinghouse at [r4submit@dec.cdie.org](mailto:r4submit@dec.cdie.org) after ensuring that any needed changes have been made.

Within each Bureau, the Program Office will be responsible for seeing that the document is distributed. The R2a, consisting of the results review narrative and performance data tables, will be posted on the USAID web site: <http://cdie.usaid.gov>. Full file versions of the R4 may also be requested by USAID employees from the Development Experience Clearinghouse at the following email address: [docorder@dec.cdie.org](mailto:docorder@dec.cdie.org). On July 1, 2001 all FY 2003 R2as will be made available on the agency's external web sites at <http://www.dec.org/partners>.

Bureau R4 contact points are included in the bureau specific guidance in Section III. Questions you send to your bureau contacts may be forwarded to PPC to be posted on the PPC R4 FAQs web page (<http://cdie.usaid.gov>). Cases of conflicting or uncleared supplementary guidance should be reported to Leon Waskin and/or Parrie Henderson-O'Keefe, PPC/PC, and copied to your Regional Bureau for resolution (see II.G. below).

Review schedule: all R4s are reviewed every year. In addition, USAID/Washington will conduct a full review of each Operating Unit's program, with Operating Unit participation, at least once every three years. (See Section IV below).

### **H. Supplemental References**

The following information on R4 preparation are available here for those OUs with "hot link" capability, and on the intranet web page at [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm). Partners will be able to access R4 guidance and related support materials at the following external web site: [http://www.dec.org/partners/r4\\_2003/r4prep.cfm](http://www.dec.org/partners/r4_2003/r4prep.cfm).

1. [http://cdie.usaid.gov/pdf\\_docs/pnaca927.pdf](http://cdie.usaid.gov/pdf_docs/pnaca927.pdf). CDIE tips number 12 - Guidelines for Indicator and Data Quality.
2. [http://cdie.usaid.gov/pdf\\_docs/pnaby215.pdf](http://cdie.usaid.gov/pdf_docs/pnaby215.pdf). CDIE tips number 7 - Preparing a Performance-Monitoring Plan

3. [http://cdie.usaid.gov/pdf\\_docs/pnaby226.pdf](http://cdie.usaid.gov/pdf_docs/pnaby226.pdf). CDIE tips number 8 - Establishing Performance Targets
4. [http://cdie.usaid.gov/pdf\\_docs/pnaca949.pdf](http://cdie.usaid.gov/pdf_docs/pnaca949.pdf). CDIE tips number 14 - Monitoring the Policy Reform Process
5. [http://cdie.usaid.gov/pdf\\_docs/pnaca947.pdf](http://cdie.usaid.gov/pdf_docs/pnaca947.pdf). CDIE tips number 13 - Building a Results Framework
6. The new R4 application tool replacing the Microsoft Word templates (Use is encouraged. Will be available Jan 17, 2001 on the USAID web page or upon request via e-mail from [r4template@dec.cdie.org](mailto:r4template@dec.cdie.org))
7. For OUs not using the application, performance data table macros can be downloaded from [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm).
8. R2b program budget, workforce and USDH tables with explanations can be downloaded from [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm).
9. Field support table can be downloaded from [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm).
10. List of all Operating Unit Objective ID numbers. See [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm).
11. [http://CDIE.USAID.gov/r4\\_2003/msw\\_docs/csfunds\\_guidance.doc](http://CDIE.USAID.gov/r4_2003/msw_docs/csfunds_guidance.doc). Policy on Description and use of the Child Survival and Diseases Fund.
12. Revised 2000 Agency Strategic Plan. [http://CDIE.USAID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAID.gov/r4_2003/r4prep.cfm)

## II. R4 outline and drafting instructions

Please note page length limits for each section. You are strongly urged to stay within the prescribed page limits and make use of annexes for additional information as described in II.G.

### A. **Cover Memo:**

(1-2 Pages) Used, at operating unit's option and discretion, to identify management or resource issues needing specific USAID/W action/resolution.

The cover memo should address critical issues or changing circumstances that may alter the management agreement, such as significant events that may affect viability of one or more SOs, staffing adjustments, unusual resource requests, and related Washington follow-up actions. Also use this memo per guidance in I.D above to indicate whether there are changes made to Performance Monitoring Plans and proposed adjustments to the Management Agreement. For Operating Unit adjustments to the SO plan and Results Framework, note which objectives or IRs have been selected for closeout or termination for performance reasons. This R4 cover memo is not intended for use outside the Agency but is intended for use in Washington reviews and will be distributed to US Direct Hire staff (See ADS201.3.7 for procedures on the public release of USAID documents).

Regional bureaus will respond to Operating Units within four weeks of reviewing the R4. At a minimum, Regional Bureaus will inform Operating Units by e-mail of the date by which issues raised in the cover memo will be resolved.

### B. **R4 Part I: Overview and Factors Affecting Program Performance**

(up to 3 Pages).

Requirements for this section are limited to those factors necessary for overall performance assessment and program prospects. The Operating Unit should include:

-- summary of progress in implementing the currently approved strategic plan;

- significant changes that would cause you to propose a change to or elimination of an objective or that account for poor performance (crisis/conflict, etc.);
- most significant program achievements, regardless of the level, SO or Intermediate Results (IR);
- country factors that have most influenced progress;
- overall prospects for progress through the budget request year, including Operating Unit actions to overcome factors impeding progress;
- prospects for successful closeout or graduation (only for those programs that have announced that they will close during or immediately following the R4 reporting period);
- discussions of the US national interests and goals that established the context for the development of the MPP and the linkages of Operating Unit SOs to the MPP (MPP goals can be found in the template).

In some cases, Operating Units are still seeing results from fully liquidated SOs from a previous strategy. Operating Units inclined to make note of these achievements may do so here.

Operating Units scheduled to exit by FY 2001 to 2003 are requested to provide information on program closeout or graduation. Building on approved or draft closeout plans, use the R4 to convey expected progress across the period leading to closeout. Reinforce your discussion of expected progress and management actions with the following: (1) Assessment of realistic prospects for achieving each objective within the remaining timeframe; (2) Managerial and resource adjustments to reinforce prospects for success; (3) Mechanisms for advancing sustainability; and (4) Status of closeout plan preparation, approval or implementation. Finally, if this is the Operating Unit's last Results Review, Operating Units should provide a summary of the achievements of the assistance program.

### **C. R4 Part II: Results Review By SO:**

(Up to 3 pages of text plus up to 4 performance data tables per SO results framework. Application boilerplate is not included in the page count) Information provided here will form the basis for the Budget Justification narrative.

Formatting guidance: to facilitate subsequent use of this section for the Budget Justification, use the following format headings: Header, Operating Unit Self Assessment, Summary, Key Results, Performance and Prospects, Possible Adjustment to Plans, Other Donor Programs, and Major Contractors and Grantees and Performance Data Tables. The information in the above format headings should include:

- **Header:** Each SO narrative should begin with the header containing the following information: Operating Unit name; SO name; and the USAID/W assigned SO numbers (as available in your pre-populated application or on [http://CDIE.USAIID.gov/r4\\_2003/r4prep.cfm](http://CDIE.USAIID.gov/r4_2003/r4prep.cfm).) For questions on SO numbers, please contact Robert Baker in PPC/CDIE.
- **Operating Unit Self-assessment:** One of the following unambiguous statements must, repeat must, be used to begin this section – meeting expectations, exceeding expectations, not meeting expectations, or annual performance assessment unavailable (as in the case of new SOs). A specific explanation in the Summary below is required.
- **Summary:** Begin the summary with a designation of (1) the link(s) of the SO to one of the 21 Agency Objectives stated in the revised 2000 Agency Strategic Plan (ASP) and (2) the primary link to the MPP goal. You may link the SO to more than one Agency Objective. If you link to more than one Agency Objective please express as a percent your estimate of the relative impact your efforts have on each of those Agency Objectives. You apportionment must total 100 percent, but no more. The apportionment should reflect the intended SO results against the Agency's result, not budget accounts or codes.

Explain what the Operating Unit is trying to achieve with this SO. Use a concise statement-of-change planned at the SO level over the life of the SO, principal intermediate results necessary to achieve the SO, and ultimate customers. As indicated above, explain the Operating Unit self-assessment. In the case where non-achievement is significant and material, the explanation must show an understanding of why a performance shortfall occurred and the consequences of that shortfall. The specific explanation must also support actions you are taking to eliminate or reduce future shortfalls. Where expectations have not been met or have been exceeded, the explanation should indicate what adjustments might be required in terms of resetting targets or other management actions. Mixed performance SOs may also be explained if appropriate. This summary should reflect the description of the objective that is needed for the Budget Justification.

For only those objectives funded by a mixture of child survival and other accounts, the summary will identify which activities are being funded with which funds. The activities funded must be consistent with USAID policy guidance on the definition and use of Child Survival and Disease Program funds. This can be done in two sentences. The policy guidance on acceptable uses of child survival funds will be posted at <http://cdie.usaid.gov>. Questions on this matter should be addressed to Joyce Holfeld, PPC, and/or Joy Riggs-Perla, G/PHN. These instructions should not be read as implying a need to restructure Results Frameworks or indicators.

**- Key Results:** significant changes (positive or negative) relative to targets for the indicators selected by the Operating Unit in last years R4 (see Section I.D.3 above) should be discussed. The achievement of indicator targets is not necessarily equivalent to the achievement of results, so text should be clear regarding how achievements in the selected indicators demonstrate that results are being achieved. Focus on results where change has been most meaningful: the SO, principal IRs, and/or lower-level IRs. As appropriate, highlight results that exemplify the Agency's commitment to addressing gender concerns in development. You are requested to use summary output data if higher level results data is not available or incomplete. For objectives that have been funded by both the Child Survival and Disease Fund and other accounts, discussion of results must be disaggregated by source of funding. While the ADS 200 Series now makes clear that Results Frameworks should include key Intermediate Results achieved primarily (or even exclusively) through the efforts of other donors, it remains important to avoid appearing to claim as our own results that are largely based on the efforts of others. Operating units should therefore seek to focus their reporting on those results that are in USAID's manageable interests.

**- Performance and Prospects:** As opposed to the "Key Results" section above, highlight and explain significant differences between planned and actual performance for the SO in general. As appropriate, explicitly address gender concerns in the analysis of program performance. When discussing program performance, Operating Units should provide information (qualitative or quantitative) which gives a sense of USAID's relative role and contribution to overall performance over the past year (i.e. attribution).

Discuss longer-term SO performance trends and customer feedback wherever important to provide perspective on recent progress. Note when more formal, larger scale, evaluations contributed to your overall assessment.

Describe performance prospects through the budget request year, including anticipated benchmark achievements (and/or the most important breakthrough(s) necessary for USAID to have an impact on the SO) and the outlook for progress on SOs and key IRs that have not met expectations. In terms of prospects, identify crisis or conflict issues that might affect performance over the budget request year if appropriate.

The Operating Unit should indicate what will not be achieved should requested funding not be forthcoming, but please do so without referencing "pre-decisional" budget levels in the results reporting section of your R4.

**- Possible Adjustment to Plans:** Cite factors such as Operating Unit program adjustments, changed policy environment, and recently resolved issues. Report on how potential crisis or conflict issues would affect plans. Note in a sentence or two new key activities likely to be funded by USAID, if any. In order to

understand how performance assessment leads to the modification of an activity or result, state any evaluations or assessment by name that the OU has done on the SO in the last 12 months and what modifications it led to as well as any evaluations or assessments the OU is planning for the next 12 months. Plan adjustments will indicate how the Operating Unit is managing for results.

**- Other Donor Programs:** Since results at the SO level normally reflect the efforts of multiple partners, Operating Units must report the nature and extent of the substantive (not financial) contribution of other donors to USAID SOs and a sense of the extent to which SO results can be attributed to the host country and other donors. This will provide context to USAID's relative contribution to change and can be done in a sentence or two.

**- Major Contractors and Grantees:** Note in a sentence or two the key activities being funded by USAID, and the principal contractors, grantees or agencies implementing the activity.

If you feel the need to go beyond the 3-page limit for this section to provide additional information on a particular SO for a specific target audience, you may append to the R4 document an information annex for that purpose as explained in Section II.F below. The intended target audience should be noted at the top of the annex.

**- Performance Data Tables:** To complete the results review portion of the R4, please supply for each SO four performance data tables per SO Results Framework unless, 1) you are submitting data disaggregated by gender, region, crop, etc, in which case you may submit more than four tables, and/or 2) you are submitting an SO level indicator for the first time to comply with Section I.A above (also see below). For all tables submitted, supply baselines and targets to 2003. Do not report multiple indicators in the same table (see 1 above on disaggregated data). Do not include here additional tables for indicators you wish to report on next year. (These belong in the Mandatory Annex on Results Frameworks in Section II.G.) Use the "comment" section of each data table to elaborate on the following: interpretation of the reported data -- particularly to add qualitative interpretation to quantitative data and quantitative significance to qualitative data; the degree to which achievement of a target is attributable to USAID; to provide context; whether and how the Operating Unit assessed the reliability of performance data provided by others (e.g., contractors, host government); plans to verify and validate performance data; and significant data limitations and their implications for measuring performance results against anticipated performance targets. Do not use the comment section to describe performance.

**Meeting GPRA Requirements:** As noted in Section I.A above, USAID has decided to use progress toward Operating Unit strategic objectives as the fundamental measures of our compliance with GPRA. Operating Units are therefore strongly encouraged, whenever possible, to include at least one Strategic Objective-level performance indicator for each SO reported in their R4 if results are being achieved at the SO level. If such SO-level indicators are being reported for the first time specifically to respond to this request, inclusion of these indicators will not count against the normal four-indicator-per-SO limit.

In the case of new SOs, or SOs about which, for whatever reason, it is not possible to report SO-level indicators, operating units should instead identify at least one Intermediate Result-level indicator submitted with this R4 that, in their judgment, provides a reasonable illustration of progress toward the SO. In the narrative section, operating units should explain precisely why they selected these indicators; i.e., they should describe exactly what these indicators illustrate about progress toward the SO. In these cases, operating units should also state in the narrative when they expect to be able to begin reporting on indicators at the SO level.

As stated in ADS 203.3.6.5, an assessment of data quality is required under GPRA at least every three years and may be audited.

**D. R4 Part III: Resource Request:**

(2 pages of text. Resource tables additional.)

Pending additional guidance, you should be prepared to address the following concerns:

- A brief rationale for program resource level and SO allocations, including reasons for significant increases/decreases in OYB/BJ levels established on the basis of the past year's R4.
- Explain the justification for resource decisions. Give particular attention to the ways in which performance and pipeline informed these decisions, especially for SOs not meeting expectations and repeat poor performers. It is expected that the resource decisions articulated here reflect the use of performance information in management decisions. There are no a priori assumptions about the relationship between performance levels and resource allocation levels.
- For each SO, pipelines must be reported and they must be consistent with the pipelines reported in the Budget Justification (formerly the CP). Explain any inconsistencies between pipeline levels as of September 30, 2000, and Agency forward funding policy presented in ADS Section 602. Note that pipelines, except under certain conditions, may cover up to 12 months, but not less than six months, of planned expenditures beyond the fiscal year. That is, obligations generally should fund projected expenditures through the end of the fiscal year following the year in which funds are obligated. Describe any corrective action being taken, exceptions to the forward funding policy being requested by the operating unit director, and how pipeline levels projected through the planning period will be consistent with the forward funding policy.

***E. Program, OE, USDH, Workforce, FSN Separation & Trust Fund, and Controller.***

There are seven basic data submission requirements for program, operating and workforce expenses. Formats for the following tables will be sent in a package with the application. If you do not receive funds for one of these categories, you should nevertheless return the blank tables in your R4.

1) Budget request by program/country (table Country03r2b\_SO'.xls). Breaks out each SO by the Agency's goal/strategy areas including splits between bilateral and field support requirements. These tables must be filled out for each of FYs 2001 to 2003 including targets. There are separate tabs within this file for each fiscal year (including an FY 2002 alternate tab), broken down by account. In addition, separate tabs have been added for the Child Survival sub-directives (polio, DCOF, and Infectious Diseases) for FY 2002, FY 2002 alternate, and FY 2003. Changes from the FY 2002 R4 tables include the addition of a vulnerable children sector, deletion of the health promotion sector and the addition of a starting pipeline column. The starting pipeline column on the FY 2001 tab must agree with the end of FY 2000 pipeline data, as reflected in the FY 2002 Budget Justification tables, or the latest CN. Operating Units are reminded that field support is considered to be fully expended in the fiscal year following obligation. Hence, only FY 2000 obligated field support would be reflected in the FY 2001 starting pipeline data. When Operating Units request program funds for each SO, the level requested should include estimated/anticipated program funded ICASS costs. Regional Bureaus are also reminded to request funds accordingly when preparing regional SO submissions where annual program ICASS requirements are not met through bilateral programs.

2) Workforce (table country03r2b\_wf.xls used by each Operating Unit in Washington and overseas), showing the distribution of the various types of workforce (end of year on-board levels) by SO and by management categories. Totals must be in whole numbers;

3) USDH staffing requirements (table Country03r2b\_dh.xls used by each Operating Unit in Washington and overseas), showing the numbers of USDH in each backstop expected by end of year FY 2001 and requests for FY 2002 - FY 2003. The purpose of this table is to help the agency make recruitment decisions to ensure we have the right mix of skills on board. These data are necessary for development of the FY 2001 Foreign Service recruitment plan. Note that the occupations and backstops are listed in a different order this year. Particularly for out-years, the requests should match the functions of the position without regard to the backstop of the incumbent.

4) Operating expenses (table country03r2b\_OE.xls used by overseas Operating Units and table washorg03r2b\_oe.xls used by Washington Operating Units), showing the proposed use of OE and trust fund resources by resource category for the FY 2001 estimate, the FY 2002 target, and the FY 2003 target and request levels. For overseas OE tables, identify the U.S. dollars used for local currency purchases and the exchange rate used in computations.

5) Trust fund and FSN voluntary separation payment/withdrawal information (table Country03r2b\_tfFSN.xls used only by overseas Operating Units) showing a) availability of local currency trust funds and b) deposits to and withdrawals from the FSN voluntary separation account. Please note that if an overseas unit shows obligations under object class 12.1 on the OE table for FSN voluntary separation (FSN direct hire or FSN PSC), then the FSN voluntary separation portion of this table must be submitted. The OE totals on this table must match the total FSN voluntary separation amounts for FSN direct-hire and FSN PSCs on the OE table. Also, exchange rates used in computing the dollar equivalent of local currency trust funds must be provided--this information is required to be included in the agency's Budget Justification.

6) Controller operations (table country03r2b\_co.xls). This is in the same format as the overseas OE table, but is to reflect only those costs associated with the office of the controller at overseas missions.

7) Working capital fund requirements (table country03r2b\_cif.xls). Same format as the OE table without non-applicable RCCS. Separate special schedules will be provided to M, G, GC, and LPA for their "administrative expense cost center" budget accounts. M/B will issue FY 2001 OE and U.S. direct-hire workforce levels to bureaus (including levels available for overseas missions), FY 2002 targets, and FY 2003 targets as soon as decisions are made.

8) G field support table (country03gfs.xls). Use this table to list services to be provided through G-managed contracts, cooperative agreements and grants, with a high-side estimate of the level of resources needed to fully fund these services. The table provides a distinction for: (a) funds that are part of the unit's planning level, but designated for obligation and management by the G Bureau; and (b) funds that are part of the unit's planning level and OYB and obligated or subobligated by the unit through G bureau mechanisms (unit obligation, generally referred to as buy-in). In addition, please specify the following in the field support table: (1) the SO for which these services are needed, (2) the name and number of the G bureau activity to be used, (3) the level of priority the unit places on the field support and buy-in services, (4) the duration of the field support and buy-in services; and (5) the name of the entity obligating the funds--G or Operating Unit. For FY 2002 and FY 2003, Operating Units should think creatively about and describe in a footnote what types of services are needed, even if the G bureau does not appear to have an existing mechanism at the present time. The Regional Coordinators in the Global Bureau Centers and G/WID use the information in the field support tables to plan and prepare for future programming needs of missions.

## ***F. Special Reporting Situations***

### **1. G Bureau Field Support**

The development impact of Global Bureau field support (services and commodities requested and funded by Operating Units) will be captured and reported in Operating Unit Strategic Objectives in the results review portion of the R4. See section E. above for the discussion of the field support table.

### **2. Development Credit Authority**

The development impact of DCA will be captured and reported in Operating Unit Strategic Objectives in the results review portion of the R4.

### **2. BHR Programmed Resources**

To help meet Congressional reporting requirements for Title II resources, the following information should be included in R4 documents:

-- Integrated programs: in cases where Title II and dollar-funded activities are integrated to support one or more strategic or special objectives, the SO performance and prospects section of the narrative must include a brief description of the contribution and effectiveness of PL-480 resources to enhanced food security in the country using appropriate quantifiable indicator data from the Performance Monitoring Plan. BHR/FFP has an illustrative list of indicators for this purpose and can advise, if necessary, on which one of your existing indicators would work best.

The SO performance and prospects section of the narrative contained in the R4 will form the basis of the agency's performance assessment for integrated programs. BHR review of Previously Approved Activity (PAA) submissions will continue.

Cooperating sponsors (CS) and Operating Unit SO teams are expected to work together in reviewing the utility and cost/benefit of performance indicators for the entire SO including indicators used by Title II sponsors as specified in prior agreements. Agreement on elimination of CS indicators will be confirmed through PAA reviews with Operating Unit inputs, through other consultations with Operating Units and BHR/FFP, and if necessary, through grant or cooperative agreement amendments.

-- Stand-alone programs: When non-emergency Title II resources do not contribute directly to a strategic or special objective, Operating Units are asked to include a special information annex to the R4 per section II.G below which addresses in 1-2 pages the following information: (1) the contribution of these resources to food security in the country; and (2) the effectiveness of the programs supported with these resources in achieving results agreed upon in the relevant Development Activity Proposal (DAP). The CS reports on Title II activities should be referenced in the annex provided directly to BHR/FFP in addition to Operating Units. BHR/FFP will use this information, along with PAA submissions, to make food resource allocation decisions. Agreement on elimination of CS indicators will be confirmed through PAA reviews with Operating Unit inputs, through other consultations with Operating Units and BHR/FFP, and if necessary, through grant or cooperative agreement amendments.

-- Other programs: BHR will report on Title II emergency, disaster and transition assistance (IDA) results and resource needs, and may contact relevant Operating Units for assistance in doing so. BHR will also report on PVC grants to strengthen the capacity of USAID's PVO and CDO partners as well as American Schools and Hospitals Abroad (ASHA) Grants.

3. Closeout and graduation. In keeping with approved closeout plans, if not previously reported or if there are changes in what was previously reported, please report the following in a special information annex per section II.G below: (1) brief schedule for termination of principal activities; and (2) recommendations to continue selected activities after closeout with related rationale and plan.

## **G. *Supplemental Information Annexes***

As in years past, we are requesting certain additional reporting for purposes other than assessing country SO performance (such as regional trend analysis, reporting on multi-country initiatives, and special external reporting needs that may vary year-to-year). This reporting will be provided through mandatory supplemental annexes so as to focus the main R4 text on performance vis-a-vis agreed upon strategy objectives. To keep these requirements clear and limited, PPC and the R4 working group will not approve requests not included in this guidance. Any such request should be reported to Leon Waskin and/or Parrie Henderson-O'Keefe, PPC/PC, for resolution with the working group.

Of the annexes described below, only three are mandatory for all R4s. These can be completed in no more than five pages or in a table. Another five annexes are mandatory for certain Operating Units only (Title II supplementary performance data required by BHR in Section II.F.2 above, non-presence country reporting, E&E, GCC implementers, Greater Horn of Africa related programs). Operating Units may voluntarily, as noted in II.C above, provide additional information on SO performance or program related matters in a special information annex (e.g. to report on SOs under a former Strategy where results are still

being achieved, to report on closeout and graduation per II.F.3 above, etc.). The voluntary annex on success stories remains.

**Microenterprise Reporting:** Separate from the R4 submission, the Microenterprise Results Reporting System (MRR), which is managed by G/EGAD/MD, will again be used in FY 2001 to capture microenterprise data. Operating units will receive instructions by either cable or e-mail. Instructions for reporting FY 2000 actual obligations will be sent in December 2000. Data will be due January 15, 2000. Institutional questionnaires will be available on-line January 15, 2001. Questions should be addressed to MRR2000@mrreporting.org.

**Security profiles:** Instructions will be sent by cable from the Security Office by March 1, 2001 to all Operating Units for reporting on general security profiles at respective overseas locations for determining anticipated security needs and commensurate OE requirements for the coming budget year. Responses are due April 1, 2001 but are NOT to be included in the R4, but are to be sent by classified cable.

#### 1. Mandatory for all Operating Units

Information annex topic: Environmental Impact

Requested by: Bureau environment officers and program offices.

What the information annex will be used for: Component one - A notional plan for any new or amended initial environmental examinations (IEE) or environmental assessments (EA) that Operating Units expect to need for the coming year, and a timeframe for approval if known (per 22 CFR 216). This serves as a management tool for the Operating Unit and its Bureau Environmental Officer to plan for needed work, staff time and budgets that are required prior to obligation of funds. Component two - A brief statement of whether Strategic Objectives and related activities are in compliance with previously approved IEEs, categorical exclusions (CE), or EAs. This information will be used to identify any problem areas that may require additional resources in order to be brought into compliance.

Specific points to be addressed: The first component on anticipated determinations for new activities could be a short notional list or table listing any anticipated new activities or sets of activities that might need environmental determinations, as known at the time the annex is prepared. If there are none anticipated, please so state. The second component will be either a single sentence that all activities are in compliance with their corresponding IEEs, CEs or EAs, or a brief listing of activities (by SO) that are not currently in compliance and describing what Washington resources may be needed to bring the SO into compliance. Note: If an activity is not in compliance with its environmental requirements, it should not be reported as being successful in meeting its objectives.

Maximum page length: 1 page

Requirement: mandatory for all USAID Operating Units.

Information Annex Topic: Updated Results Framework.

Requested by: PPC/CDIE/PME

What the information annex will be used for: (1) CDIE maintains a database for the Agency of R4 information that includes a complete listing of all Agency SOs and IRs by sector. Agency staff and others frequently request this information. Its continued usefulness is dependent on assurances that it is up-to-date. (2) OUs may find it necessary to change indicators. Indicator changes may be reported or (if Bureau review is required) proposed here.

Specific points to be addressed: Part A: This should be a simple listing of **current, approved** SOs and IRs organized to show their relationship to each other (for example, lower level IRs could be indented immediately below higher level IRs or the SO). Do not include *proposed* framework changes (if approved, they will appear in this annex in next year's R4). Part B: *If you will be changing the indicators you will be reporting next year*, i.e. selecting a different indicator or indicators from your PMP to report on next year, please include in this annex the current indicator(s), the proposed indicator(s), and the baseline and target for the proposed indicator(s) to 2003.

Maximum page length: as necessary.

Requirement: mandatory for all USAID Operating Units.

Information Annex Topic: Institutional and Organizational Development

Requested by: PPC

What the information annex will be used for: Prepare the cross-cutting theme chapter of the FY 2000 Performance Overview. The 2000 revision of the Agency Strategic Plan includes five cross-cutting themes in addition to the six Agency goals and the management goal. It also includes a commitment to report on one of the themes in depth in the Performance Overview each year. Institutional and organizational development has been chosen as the theme to be reported on in the 2000 Performance Overview. The Performance Overview chapter aims to document the following points, based on the information requested: support for institutional and organizational development is systematically programmed in results frameworks for the majority of Agency OUs; support for institutional and organizational development systematically cross-cuts Agency goal areas in OU programs; institutional and organizational development support is provided to public sector, private for-profit and private non-profit organizations consistent with program objectives; a variety of types of capacity-building (e.g., financial accountability and sustainability, management and leadership, service delivery, political advocacy, technical expertise) is being supported. The information provided by the OUs will enable the Agency to support the points that are stated as hypotheses above. Each point will also be illustrated with descriptions of activities.

Specific points to be addressed: Using the definitions of institutional and organizational development stated on the first page of the Excel table (country03inst.xls) for this annex, provided to each Operating Unit along with the Excel budget tables, and pre-populated with information available from CDIE, OUs are required to:

- verify that the IRs and indicators identified for their programs fall within the definition of institutional and/or organizational development provided;
- correct the list as necessary to add or delete IRs and indicators that match the definition or delete IRs that either do not match the definition or are no longer included in the Operating Unit's results framework; and
- identify the recipients of institutional and organizational development support as public sector, private for-profit, private non-profit, listing all that apply in each case.

The required information should be submitted using the table provided (country03inst.xls) in each Operating Unit's package of tables. A copy of the file for the table (not pre-populated), as well as IRs and indicators for all OUs that were available as of December 1, 2000 can also be found on the Agency web site at [http://cdie.usaid.gov/R4\\_2003/R4prep.cfm](http://cdie.usaid.gov/R4_2003/R4prep.cfm) after January 1, 2001.

OUs are invited to describe their efforts over the past five years to promote institutional and organizational development. Descriptions could include illustrations, success stories, challenges, a focus on a specific institution or organization. Descriptions are welcome, but not mandatory.

Maximum page length: Completed table required. Up to 2 pages of narrative optional.

Requirement: Mandatory.

## 2. Mandatory for some Operating Units only

Information Annex Topic: Non-Presence Countries (NPCs)

Requested by: M, PPC, and Regional Bureaus

What the information annex will be used for: Every NPC program with defined country-level strategic or special objectives is subject to R4 reporting. USAID regional offices and bilateral missions which have been assigned specific oversight responsibilities by their regional bureaus for NPC programs with country-level objectives, are requested to prepare an R4 submission for each non-presence country. NPC R4s may be stand-alone or included as this annex to the Operating Units' own R4 document (one annex per NPC). Missions with bilateral or twinning responsibilities for Title II programs are also requested to submit a supplemental annex as discussed in Section II.F above (stand-alone programs). Operating Units who are unable to comply with this request should consult with their regional bureau for assistance.

Specific points to be addressed: Follow the guidance contained in Sections II.B through II.E above.

An indication of the linkages between USAID-funded interventions and the MPP goals for that country is paramount as is a discussion of significant program achievements and how these are contributing to MPP goals. Be sure to include related data tables for indicators and resource requests.

Maximum page length: 2-4 pages of narrative.

Requirement: mandatory for NPCs with defined Country-level strategic or special objectives.

Information Annex Topic: Global Climate Change

Requested by: G/ENV for all reporting units attributing resources toward USAID climate change Initiative

What the information annex will be used for: This narrative will enable G/ENV to prepare the annual report to Congress, as required in FY 2001 legislation.

Specific points to be addressed: Reporting units will report on climate change activities by following special guidance that includes indicator tables and a template for a separate narrative. This guidance will be available on the Agency R4 web site, and through G/ENV. Both the indicator and narrative information are mandatory, and should discuss activities related to: (1) increasing developing country participation in the United Nations framework convention on climate change, (2) decreasing net greenhouse gas emissions, and (3) reducing developing country vulnerability to climate change impacts.

Maximum page length: indicator tables and 2-4 pages of narrative.

Requirement: mandatory for those missions and Washington-based offices attributing resources toward the Agency Global Climate Change Initiative.

Information annex topic: Greater Horn of Africa Initiative (GHAI)

Requested by: Africa Bureau

What the information annex will be used for: To prepare the required annual report on the GHAI that permits overall assessment of progress on this program. All agency operating units implementing GHAI Activities (including BHR and G Operating Units) need to report GHAI status and issues.

Specific points to be addressed: Those operating units which are directly managing GHAI funds should report explicitly on the relevant activities and results, including which GHAI and operating unit intermediate result they support. Results not captured in operating units' main SO performance narrative should be highlighted in the supplemental GHAI annex. Examples of operating units directly managing GHAI funds include, inter alia, USAID/Uganda for water hyacinth management activities, BHR/OFDA for climate outlook activities, the Sudan and Somalia programs, and multiple bilateral missions receiving Conflict Quick Response and Conflict Pilot Activities funds. The main text of the REDSO/ESA R4 will capture GHAI results since it manages the majority of GHAI-funded activities.

Operating units contributing to GHAI results with their own resources should report in the relevant strategic objective section of the operating unit's R4, with a brief recap of these results in the annex. Bureaus are reminded that M, PPC, and GC operating units, while not easily captured through the traditional results reporting indicators, have made numerous contributions to the achievement of GHAI results.

Operating Units should also indicate if and how the GHAI "operational framework" is being applied to both GHAI-funded activities and the overall bilateral portfolio. The operational framework reflects the GHAI principles of African ownership, strategic coordination, linking relief and development, regional perspectives, and promoting stability. For example, if an activity is co-funded with other donors, other USAID Operating Units and/or other USG agencies, this would be a good example of strategic coordination. Operating units contributing in other ways to the operational framework need to report on specific examples of these results in the annex. A few very specific examples of the application of the GHAI Principles are needed, rather than generalized statements.

GHAI bilateral missions should also report on progress to date towards convergence, whether this be through formal strategy adjustments and modifications or through changes in programs/activities.

Finally, in all GHAI-related reporting in the R4, operating units are encouraged to report in greater specificity on a smaller number of GHAI activities rather than to report in general, vague language on a vast number of activities.

Maximum page length: two pages

Requirement: Required for Africa Bureau GHAI bilateral missions and central bureaus operating units managing GHAI funds, working toward GHAI convergence and/or contributing to the GHAI operational framework.

Information Annex Topic: E&E R4 detailed budget information

Requested by: E&E/PCS to meet reporting requirements of State Coordinators offices

What the information annex will be used for: these tables will be used by the coordinators in the budget allocation process.

Specific points to be addressed: for CEE countries, reporting would be at the SO, project, subproject/grantee/contractor level. For NIS countries, reporting is at the SO, project, project component, grantee/contractor level.

Maximum page length: one table per country

Requirement: this supplemental R4 annex requirement is mandatory for E&E missions. It does not apply to non-E&E missions.

### 3. Voluntary annexes

Information Annex Topic: Success Stories

Requested by: LPA, PPC and Operating Bureaus

What this information will be used for: Speeches, Hill testimony, public relations, Performance Overview.

Specific points to be addressed: LPA and the operating Bureaus are looking for success stories that can be told in human terms for use in speeches and press stories. Audiences are often more impressed by stories about other human beings which can bring meaning to statistics and abstract ideas such as 'indicators' and 'intermediate results'. The idea is to show the people level impact of our assistance on the lives of specific individuals. It is very helpful to have the names and location of the people involved. You can improve access to your stories by labeling each with the related objective number or objective title. The R4 preparation process provides a good opportunity to pull together success stories so useful in testimony and elsewhere. For further information on writing success stories, contact Barbara Bennett in LPA.

Maximum page length: 1 page

Requirement: voluntary.

## III. Bureau Specific Guidance

### A. ***Africa Bureau Supplemental Guidance***

**NON-PRESENCE REPORTING:** This year, Sudan and Somalia are requested to submit separate abbreviated R4s (apart from REDSO/ESA). REDSO/ESA is responsible for reporting on activities in Burundi. Missions with twinning responsibilities for Title II programs are also requested to submit a supplemental Annex as discussed in section II G. Accordingly, Senegal should report on the stand-alone programs in Guinea Bissau, Gambia, Mauritania, and Cape Verde; Mali should report on Burkina Faso, Niger, Chad, and Cote d'Ivoire. Regional activities in non-presence countries should be reported under the appropriate SOs of the operating unit responsible for results.

**DUE DATE:** All R4 documents, including completed tables, and GHAI or non-presence country annexes and other required annexes (as indicated in this guidance cable) are due no later than March 30, 2001 with the exception of the following regional programs: REDSO/ESA, RCSA, and AFR/SD. R4s for these operating units are due no later than April 13, 2001. Earlier submissions are welcome.

**SEND TO:** All R4 documents EXCEPT budget, OE, and workforce tables are to be electronically submitted to the country desk officer and copied to the appropriate AFR/DP regional contact. Regional contacts are as follows: Southern Africa – Kathie Keel; East Africa – Ruth Buckley; West Africa – Curt Grimm and Sharon Pauling (Nigeria and Liberia). Annexes on the GHAI activities should also be sent to Lynne Cripe, REDSO/ESA. Resource request tables should be sent directly to Carrie Johnson, AFR/DP/PAB. OE and workforce tables should be sent directly to both Thomas Williams, AFR/DP/PAB, and Steve Malinowski, M/B. Kathie Keel will forward all R4s to the Development Experience Clearinghouse.

**SO NARRATIVES AND PERFORMANCE DATA TABLES (PDT):** AFR Operating Units should highlight efforts to integrate gender and promote synergies between objectives, especially through institution and civil society strengthening, broadening participation and a focus on poverty reduction and people level impacts. Operating units are encouraged to report in the body of the R4 under the relevant SO how

programs are achieving gender integration, cross-sectoral synergies, participation, African leadership and ownership as well as contributing towards Presidential Initiatives. AFR notes the concern that it can be hard to compress the full range of performance results and context setting into the page limits for each strategic or special objective. Although agency guidance specifically limits the number of pages and PDT, informational annexes may be submitted if a mission decides that further space is needed. While not a requirement, operating units are invited to submit a full set of performance data tables to both their desk officer and AFR/DP/POSE if this will enhance understanding of results.

Alternative FY 2002 budget request: AFR missions and operating units may submit an alternative program budget request table for FY 2002 which presents requested changes from either the FY 2002 current services BPBS level or the FY 2002 BJ levels (if one has been published). However, any alternative submission must also contain a budget table showing the FY 2002 BJ base request.

All R4s will be reviewed in separate country-specific sessions. Missions can expect feedback from their R4 review to be communicated to them from the CDO.

QUESTIONS: All questions with regard to the AFR R4, strategic planning and performance assessment processes should be directed to Gary Imhoff, AFR/DP/POSE. The DP strategic planning and assessment team will backstop queries as follows: Southern Africa -- Kathie Keel; East Africa -- Ruth Buckley; West Africa -- Curt Grimm and Sharon Pauling (Nigeria and Liberia). Questions regarding Food for Peace, Title II reporting should be directed to Nancy McKay, AFR/DP/PFP. Questions regarding the GHAI annex should be directed to Lynne Cripe, REDSO/ESA, and copied to Ruth Buckley, AFR/DP/POSE. Questions regarding the completion and submission of the resource tables should be referred to Carrie Johnson, AFR/DP/PAB. Any questions regarding the completion and submission of the workforce or OE tables should be referred to John Winfield, AFR/AMS and Thomas Williams, AFR/DP/OEFM. For the mandatory GCC annex, please contact Jim Graham, AFR/SD, for the list of GCC priority countries.

## ***B. Asia Near East Bureau Supplemental Guidance***

SUBMISSION INFORMATION: Operating units should send an electronic copy of the complete R4 to their respective desk officer and to ANE/SPOTS, Jennifer Hoffman, no later than Friday, March 30, 2001. Patricia Jordan will forward all R4s to the Development Experience Clearinghouse.

PREPARATION QUESTIONS: Operating units with general questions about R4 preparation should contact ANE/SPOTS, Pat Jordan or Jennifer Hoffman. Questions about financial resources should be directed to ANE/SPOTS, Bob Hudec or Yvette Hart. Workforce questions should be directed to ANE/AMS, Andrew Luck.

COVER MEMO ISSUES: The Operating Unit's R4 cover memo should clearly indicate any actions the Operating Unit expects of USAID/W. The cover memo also should clearly highlight any requested changes to the management agreement, such as proposed strategy extensions; addition or deletion of an SO; significant changes in SO-level indicators, targets, or intended results; and significant changes in resource expectations that affect the feasibility of the strategic plan.

CROSS-CUTTING THEMES: Operating units are encouraged to discuss the following cross-cutting themes in the body of the R4 under the relevant SO(s): (a) how programs are achieving gender integration; (b) significant cross-sectoral synergies; and (c) information technology (IT) achievements and issues.

## ***C. Europe Eurasia Bureau Supplemental Guidance***

### **1. Changes in the management agreement**

The E&E bureau provided information on what constitutes changes in the management agreement in its September 1, 1998 guidance on strategic plans. That guidance is still relevant. Changes in the management

agreement include: addition or deletion of a strategic objective; significant change in the level of impact (intended result) specified for the strategic objective; significant change in the indicators or targets for the SO and/or principal IRs (the principal IRs in our view are those at the level just below the SO); significant change in resource expectations affecting plan feasibility. EE missions planning to make changes of this magnitude should note this in the R4 cover memo and request approval of a change in the management agreement.

## 2. Special initiatives

Report progress and resource requirements for special initiatives shown under SO 4.1. For each such special initiative, EE Operating Units are requested to briefly report progress in a narrative and against at least one indicator, including future targets for that indicator, and to identify future resource needs.

3. As mentioned in the guidance, please format your submissions so they print on 8½ by 11 paper. Utilizing the European paper lengths causes the printers in USAID/W to stop and requires manual restarting, greatly impeding distribution.

4. This guidance requires that the cover page of the R4 contain language identifying (primarily for those outside USAID) the Washington contact person for each R4 and the distributing office. For Europe R4s that Person is Clinton Doggett. For Eurasia R4s the person is Sherry Grossman. In both cases the office is EE/PCS.

5. The mission contact point in EE/W for information on R4s is Jeff Evans in EE/PCs. However, program budget questions should be directed to Sheila Cunningham (for Europe) or Pat Brown (for Eurasia), EE/PCS, and OE questions should be directed to Mario Rocha or Audrey Doman, EE/OM. Jeff Evans will forward all R4s to the Development Experience Clearinghouse.

## 6. Submission dates and addressee

EE has already advised missions of the due date for each R4. All R4s should be submitted to Jeff Evans, EE/PCS with Europe R4s also submitted to Clinton Doggett and Eurasia R4s also submitted to Sherry Grossman.

## ***D. Latin America And Caribbean Bureau Supplemental Guidance***

1. Please submit the full R4 (in hard copy and electronically) to LAC/SPO (Jeannie Bassett and Toraanna Francis) by March 15, 2001. Jeannie Bassett will forward all R4s to the Development Experience Clearinghouse. When assembling the hard copy version of the R4, make sure that the top of landscape tables and charts appears on the left side when the documents are bound.

2. Intensive Program Reviews. Updated ADS 200 guidance requires intensive program reviews for each operational unit at least every three years. These reviews may be but do not have to be conducted in conjunction with the R-4. The Mid-Cycle Reviews will use the current R-4 to inform the review process and will be conducted primarily in the springtime. LAC is preparing a schedule for spring 2001 mid-cycle reviews and will inform Missions when this process is complete.

3. Objective ID Numbers. Missions are asked to use the new seven-digit Objective ID numbers listed on CDIE's Internet Webpage in the R-4 when describing their programs. This is becoming increasingly important because these numbers are key to the Phoenix accounting system and will be used for all program financial transactions. It is also important for assuring consistency between all key programming documents. If there are any questions on this issue, please contact Susan Hill in LAC/SPO.

4. If there are any questions of the R4, particularly regarding regional issues, please contact your respective, backstop: Linda Bernstein (Caribbean); Donald Soules (Central America); Susan Hill or Abdul Wahab (South America).

## **E. G Bureau Supplemental Guidance**

All Global Bureau Operating Units (G/DG, G/ENV, G/PHN, G/HCD, G/EGAD, G/WID and G/PDSP-Peace Corps) must prepare an R4 NLT March 30, 2001. G Operating Units will need to submit the R4 to the USAID Development Experience Clearinghouse (DEC) so that the R4 can be prepared in PDF format. Once prepared in PDF format by DEC and returned to the Operating Unit, the R4 should be submitted to G/PDSP, Richard Whitaker and Victoria Ose. G/PDSP, Richard Whitaker will again serve as the G Bureau's R4 Coordinator.

G Operating Units are expected to address the following in the R4: technical leadership, field support, direct development impact, and programmatic adjustments made in the management of activities. All G Operating Units are required to identify at least one "area for improvement" in the R4.

## **F. Bureau for Humanitarian Response (BHR) Supplemental Guidance**

BHR Operating Units will strive to meet the Agency's R4 submission date. BHR/PPE will establish submission due dates with respective Operating Units. Please submit all R4s to Frank Alejandro, BHR/PPE. Frank will forward all R4s to the Development Experience Clearinghouse.

## **IV. Washington Review of R4s**

In reviewing the FY 2003 R4 submissions, Washington Bureaus will continue to adhere to the guidance provided in the October 20, 1998 memorandum on "Revisions to USAID's Performance Planning, Monitoring, and Reporting System" reviewed and approved at the 1998 worldwide Mission Director's Conference and subsequently reflected in ADS 203.3.8. While there is, in accordance with that guidance, no longer prescribed formats for annual R4 reviews, all R4s will be read and evaluated for performance and it is expected that Mission Directors and other staff will still have consultations in Washington in conjunction with annual leave or other events. Moreover, Bureaus will continue to hold, as prescribed by that guidance, a mid-course strategic implementation review of each Operating Unit program at least once every three years. This will be the occasion for a thorough review of how the program is proceeding according to the strategic plan and as a supporting element of a country's Mission Performance Plan (MPP). Such reviews are to include presentations by Operating Units to a broad audience, including representatives from regional Bureaus, PPC, M, G, and BHR. Special circumstances and changing situations may require that reviews be held more frequently.

PPC will provide information on non-performance factors. The three non-performance factors that inform the budget process--need, country commitment, and foreign policy--will continue to inform budget allocation decisions, but no attempt will be made to convert these into a composite numerical score. However, in USAID's consultations with OMB on our compliance with GPRA, OMB emphasized the importance of explicitly incorporating these performance and non-performance factors in the process for making decisions about resource allocations. Therefore, a summary table will be prepared by each Bureau showing for each SO the final performance summary and the three non-performance categorizations. No effort will be made to create a composite summary score incorporating all factors. The summary table will be used by bureaus as a starting point for resource allocation decisions.

In the short-term (one-to-two years), difficulties in achieving expected progress on a particular SO should result in increased management attention at both mission and Washington levels. If, after reasonable efforts, progress is not improved, then it follows that the budget planned for that SO may be increased, reduced, temporarily suspended, or even reallocated completely and the SO terminated or significantly redesigned. Such decisions will be arrived at collaboratively by Operating Unit and Bureau/Washington management.

Objectives whose performance significantly exceeds expectations will likely receive special attention in the Agency Performance Overview. High performance will not necessarily justify a claim for additional resources beyond that needed to achieve agreed upon results.

Management Agreement cables will be prepared only when there are specific changes to the Management Agreement initiated with approval of the country (or unit) strategic plan.

Bureaus will review and respond to issues raised in the R4 cover memo and to the R4 itself within four weeks of review unless other arrangements are worked out with the Operating Unit. At a minimum, the OU will receive an e-mail from Washington telling the OU when cover memo issues will be addressed.



**Date:** 12/22/2000

**Subject:** R4 2003 Guidance

**Type:** Policy

**Number:** 78

**Agency Notice Message:**

POLICY

USAID/General Notice  
PPC/PC  
12/22/2000

Subject: R4 2003 Guidance

This notice provides the R4 guidance for the FY 2003 R4 cycle. This year the R4 guidance is being issued as an attachment to this notice, as an e-mail attachment, as a link on the USAID intranet, and as a cable.

USAID has sought to make as few changes as possible in the format for the FY 2003 R4. This year's guidance, however, does include certain adjustments needed to harmonize the R4 with progress made over the past year in the Agency's ongoing reform process, as well as with changes in the form and content of other Agency reporting documents. This year's guidance, for example, reflects the issuance of the new ADS 200 Series, as well as our ongoing effort to harmonize the format of the R4 with the Budget Justification (formerly known as the Congressional Presentation).

Perhaps most importantly, this year's guidance reflects revisions in the Agency Strategic Plan (ASP) governing how USAID will meet the reporting requirements of the Government Performance and Results Act (GPRA).

Attached: 1250a.doc

Point of Contact: Any questions concerning this Notice may be directed to Parrie Henderson-O'Keefe, PPC/PC, 202-712-5672.

Notice 1250