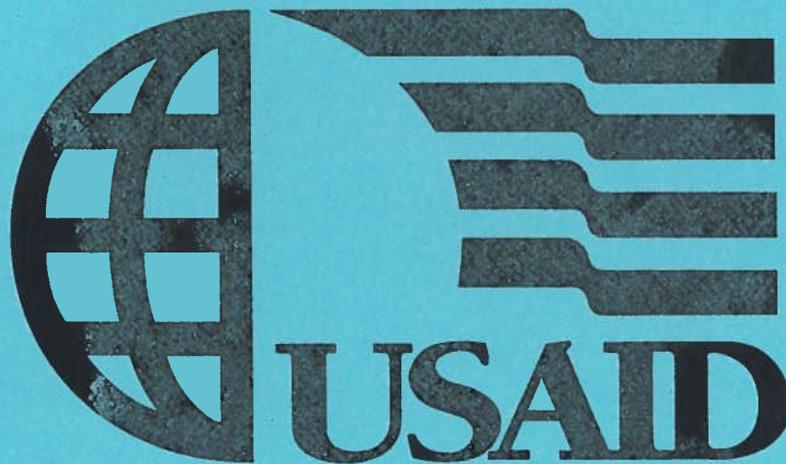
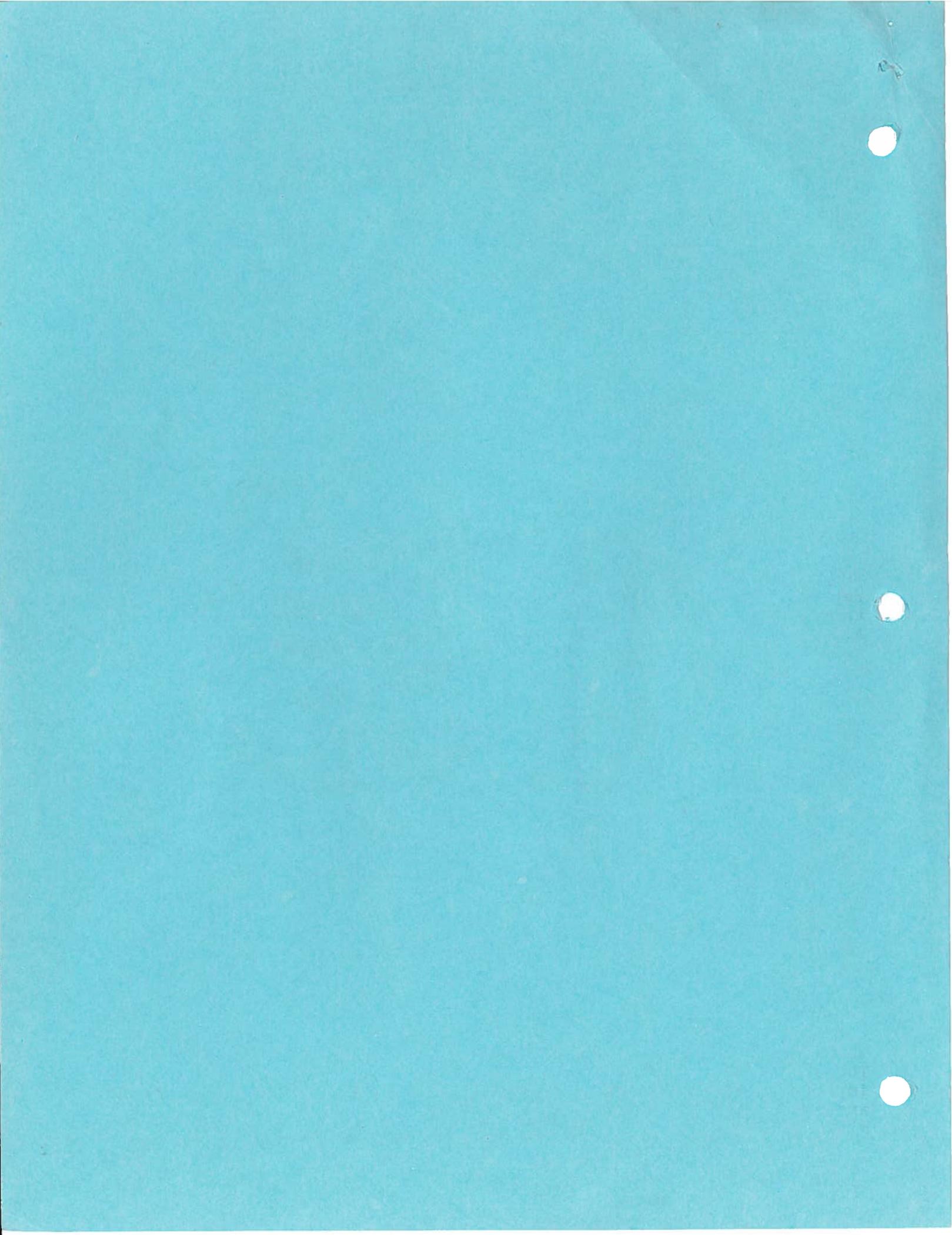


The Action Plan for  
Implementing the  
Recommendations of the  
Joint A.I.D.-OMB SWAT Team



August 31, 1992





U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

AUG 31 1992

Mr. Richard G. Darman  
Director  
Office of Management and Budget  
Washington, D.C. 20503

*The Administrator*

Dear Mr. Darman:

In line with our plan, I am forwarding our Action Plan for implementing the recommendations of the joint A.I.D.-OMB SWAT Team Report on "Improving Management at the Agency for International Development".

This Action Plan contains a summary report and implementation schedule along with detailed implementation plans for each of the 30 recommendations with key milestones and performance measures. Resource requirements are summarized in the report and detailed in the individual implementation plans. While the major resource needs relate to a relatively small number of recommendations, they are critical to the overall success of the improvement effort.

We thank Ambassador Gillespie who led the SWAT Team and the OMB officers who served on this joint effort. They have been most helpful to us in focusing and prioritizing key elements of our overall reform program.

Richard Ames and Brad Langmaid will contact your staff to discuss any questions OMB may have on our Action Plan.

Sincerely,

Ronald W. Roskens

Enclosure: a/s

Clearances:AA/FA:RAAme*s* Rak Date AUG 31 1992

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**The Action Plan for Implementing the Recommendations of  
the Joint A.I.D.-OMB SWAT Team**

**Executive Summary**

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With its initiative, "Towards Strategic Management," announced in December, 1990, A.I.D. embarked on a major management improvement effort. We must continue our ongoing efforts to focus and concentrate our programs and to improve the effectiveness and efficiency of the management of our resources. This will be a long-term, continuing task. It will require greater consensus on the strategic direction of the Agency, firm management direction, reliable and timely information, and adequate personnel and operating funds.

We do not and cannot fully control our program and managerial environment. The pace of reform, and of management improvements, is heavily influenced by the program demands placed on A.I.D., often from fast moving external events or from outside factors. Nevertheless, important improvements can be made in areas that we can control.

The Joint SWAT Team effort has been very helpful to us in this regard. Taking into account many of the concerns raised earlier this year by both the President's Commission on the Management of A.I.D. Programs and by the General Accounting Office, the SWAT team has focused on important management issues on which we can begin implementing solutions now without specific, additional legal or administrative authority. It has given us important help in prioritizing our management improvement efforts. The reforms we have jointly developed with OMB are the core of the second phase of our Management Improvement Plan.

In summary, this Action Plan focuses on improving Agency results by emphasizing improvement in project, grant, contract and program management and implementation. To support this focus on "portfolio management," we must make related improvements in human resource management, program evaluation, management information systems, contracting, and audits. These are all addressed in this Action Plan.

Some of the recommendations are resource-dependent in that their implementation will require additional personnel and operating expenses. Without these additional resources, some reforms will have to be stretched over a number of years or be deferred in their entirety until the resources are available.

The major components of our Action Plan are summarized below. These are followed by a more detailed discussion of the improvements planned in the major program areas, a summary budget and Action Plan, and an annex containing detailed implementation plans for each of the 30 report recommendations.

**Human Resources: Personnel Appraisal, Training, & Accountability (Recommendations 1-8, 19):** We are moving rapidly to link better our performance appraisal systems to individual accountability; to ensure that project management staff have the needed training and qualifications to manage projects effectively, and to implement and oversee them; and to establish standards of employee conduct more clearly. This Action Plan calls for (1) clearer, more objective, and more measurable work agreements, (2) more rigorous precepts that require the fulfillment of such agreements as a prerequisite for consideration for promotion and performance pay, and (3) a new guidance letter to Mission Directors outlining program and administrative management goals.

A revised and recently issued Foreign Service Evaluation Report stresses management control, program results/impact, and staff development. Similar guidance will soon be issued for our Civil Service and Senior Executive Service personnel. Position descriptions and performance appraisals for all employees involved in project management and oversight will be revised to emphasize their contract management and program evaluation responsibilities. A requirements study to define the terms of a Project Management Skills Certification Program is underway, and a new series of Project Management Training Courses is being procured.

We have drafted and, in the next few months, will issue to all employees new statements on values, management principles, and ethics. Expanded training in ethical decision making, organizational values, procurement integrity, and vulnerability assessment will be mandatory for all employees, including personal services contractors.

Changing the corporate culture is a long-term process requiring far more than changes in procedures. Enhanced training and communications are essential if behavior is to change, and are thus both significant elements in this Action Plan -- as are incentives and disincentives in the job environment that can usefully reinforce such training.

**Portfolio Management (Recommendations 9-13):** A working group on Portfolio Management has been meeting since the SWAT Team report was issued, defining the responsibilities for activity monitoring at each major management level within the Agency, identifying the information needs to fulfill each level of responsibility, and designing a standardized reporting system with a common format covering all activities in our project and program portfolio.

The system is being developed for a decentralized agency, with principal implementation responsibility at the project office and Mission or office director-level, and with management oversight and analysis at the regional bureau and Agency directorate level. It will facilitate development of an overall portrait of our

diverse portfolio and permit standardized analysis at the program and functional level as well as in Missions, within regions, and across the Agency. It will identify successes to communicate effective lessons learned across the Agency. A "watch list" for problem projects is being developed to facilitate management oversight of emerging issues.

A preliminary design of the system should be completed by early October, in sufficient detail to permit review by our field missions and completion of the design by the end of this calendar year. The current plan is to have a semi-annual reporting cycle with Mission portfolio review reports submitted in May and November of each year, keyed to the annual ABS and OYB budget and planning cycles. The end of year target for the design of this integrated system will permit the preparation of the first cycle of reports as of the end of March 31, 1993.

**Contracting (Recommendations 14-20, 24):** We will provide more training for contracting and project personnel, revise and strengthen delegations of contracting authority, expand evaluations of the procurement system, increase scrutiny of contract administration and contractor performance, revise and restate audit policy guidance and procedures for obtaining pre-award surveys, and otherwise improve its abilities to evaluate contractor performance and deliverables. Our internal Procurement Management Review Program will be expanded substantially, with the number of headquarters reviews of Mission contracting systems increased from 8 to 32 annually by early FY 1994. Contracting Officers will soon report directly to Mission Directors, and contracting authority will be limited to those individuals who have met the certification requirements for training and experience.

**Financial Audits (Recommendations 18, 21-23, 25):** A.I.D. is responsible for insuring that adequate and timely audits are performed, as required, on all its contractors and grantees, and that indirect cost (overhead) rates are established, when appropriate, for its "cognizant" firms for the use of all government agencies. The provision of necessary audit coverage of A.I.D. contractors and grantees has been made more difficult in the past by the split responsibilities for audit between the Office of the Inspector General and the Office of Procurement (OP). This split will be resolved beginning in FY 1994, at which time responsibilities now in the Inspector General's Office for scheduling, monitoring and paying for audits will be transferred to OP. This Action Plan includes steps to create in that Office a new audit tracking system, which will follow the audit status of all U.S. contractors and grantees (overseas Missions will be responsible for tracking audits of non-U.S. firms and host governments), and to establish in that Office a Contract Audit Management Branch which will be responsible for scheduling, monitoring and paying for audits and for directly performing pre-

award surveys of contractors and grantees. These moves will enhance our ability to guard against possible fraud, waste, abuse, or mismanagement of government funds, and put increased emphasis on contractors, grantees, and host governments to achieve expected results.

**Program Evaluation (Recommendations 26-30):** We are already making substantial progress in helping our managers better measure and assess program and project performance and in disseminating this information to key decision-makers. This Action Plan will both reinforce and significantly expand these ongoing efforts by, e.g., producing comprehensive reports on program and project performance.

In addition, the Action Plan focuses on administrative and management changes needed to ensure that better performance monitoring and evaluation information is obtained and used -- e.g., on measures to develop new evaluation guidance; expand training; ensure compliance with policy on program performance monitoring, project evaluation, and project completion reporting; include monitoring and evaluation information in new Agency-wide management information systems; include monitoring and evaluation findings in program, policy and budget reviews; and ensure that success in getting and using monitoring and evaluation information is reflected in promotions, awards and onward assignments.

**Overall Costs:** Funds and Full-Time Equivalent Positions shown in this Plan needed to implement the SWAT Team recommendations are additive to those in present or previously planned budgets. Thus, the Agency's additional Operating Expenses costs of implementing these recommendations are about \$7.9 million in FY 1993 and about \$13.6 million in FY 1994. FTE increases would be 46 in FY 1993 and 60 in FY 1994.

This Plan also outlines our intention to allocate a portion of its program resources to monitoring and evaluation -- about \$30 million for undertaking new activities and an equal amount now budgeted for current activities.

The largest single component of both OE and FTE increases is for evaluations, followed closely by contracting needs, auditing (due largely to the transfer of responsibilities from the Inspector General's Office), and human resources (much of which involves training for staff involved in the other areas of administrative management covered in this Plan). FY 1994 estimates will be included at the fully-budgeted requirement level in A.I.D.'s FY 1994 Operating Expenses budget request. Funding available in FY 1993 to carry out these recommendations will depend on A.I.D.'s final appropriation level for Operating Expenses, and the potential offsets in existing non-mandatory funding categories.

**The Action Plan for Implementing the Recommendations of  
the Joint A.I.D.-OMB SWAT Team**

**Introduction:**

We are now embarked on the second phase of our overall management improvement plan. This effort began with the Strategic Management Initiative, announced in December 1990. A Phase One Management Action Plan building on this Initiative was begun in May 1991, as part of the Agency reorganization announced at that time. The primary thrust was and continues to be increasing accountability.

Phase Two of our management improvement efforts will be a comprehensive, integrated, and prioritized program to address a number of vital issues, including strategic planning, policy development, program and project management and oversight -- supported by improvements in personal appraisal, training, auditing, contracting, accounting, financial management, program evaluation, and information management.

Some of these Phase Two efforts represent systems change that can begin now. Others require policy or legislative change that will take longer to achieve. Several will also require resources that, given our budget situation, may have to be phased in over several years.

The Joint A.I.D.-OMB effort has been particularly helpful by giving focus and priority to our immediate reform efforts, i.e., those steps that are largely within our control and which can be taken without legislative action, and, in many cases, without additional resources. Our Action Plan for putting into action the recommendations of the July 16 report of the Joint A.I.D.-OMB SWAT Team has become the core of our management improvement plans.

This Action Plan for implementing the SWAT Team's recommendations includes:

- o An overview statement for each of the five major groups of recommendations contained in the report, discussing the importance of that group of recommendations, how they relate to the overall Plan and to other actions already taken or underway, major obstacles and issues, what we plan to do to carry out the recommendations, how we plan to do it, and our expectations for improvements;

- o A summary statement of overall incremental dollar and FTE resources needed to carry out these recommendations;
- o A summary implementation plan showing the major milestones; and
- o Separate implementation plans for each of the 30 recommendations, which outline:
  - who is responsible for implementation,
  - what detailed and measurable action steps are involved,
  - what actions are required to facilitate any needed culture/behavioral change,
  - what information/communication changes are needed,
  - how are we going to measure progress against those indicators,
  - what financial and human resources are needed to bring about each action step, and
  - what realistic timetable is contemplated for completing each action step.

We recognize that the programming/management reforms discussed in this report are an important priority and will require explicit and continuing support, as well as some changes in the Agency's culture and behavior. We will give these reforms that support, and are committed to taking a hard look at remaining key management issues that need resolution if our management improvement efforts are to be fully effective.

#### **Human Resources: Personnel Appraisal, Training, & Accountability:**

This part of the Agency's Action Plan to carry out the SWAT Team Report focuses on what we are doing to improve our performance appraisal systems to support our goals and objectives better; to ensure that project management personnel have the requisite qualifications and training necessary to manage effectively, implement, and oversee projects; and to establish more clearly the standards of conduct expected of our employees.

The SWAT Team's recommendations are similar and complementary to the recent recommendations of the Agency Incentives Report. The Team's recommendations 1-5 represent an integrated approach to improving the performance appraisal system so that it is more closely tied to employee accountability -- from the establishment of clear, objective, and measurable work agreements to the creation of more defined and rigorous precepts that require the fulfillment of the work agreements as a prerequisite for consideration for promotion, performance pay,

and onward assignment. A number of actions to carry out these recommendations are now underway.

A planned letter of instructions to new Mission Directors, patterned after comparable letters to new ambassadors from the Secretary of State, will establish overall policy, program, and administrative management goals for the individual Missions concerned. The first round of these letters will begin no later than the end of CY 1992.

A revised Foreign Service Evaluation Report, already issued, emphasizes management control, program results/impact, and staff development along with improved instructions on the establishment of work requirements. This revision is in effect for the current rating period for our 1700 FS personnel. Similar guidance will be issued this fall for our Civil Service and Senior Executive Service personnel.

In addition, we will be providing guidance to all employees in December on providing effective feedback techniques and will require certification from Office/Mission management that employee performance reviews were conducted. Coupled with this, position descriptions for all employees involved in project management and oversight will be revised to emphasize their contract management and program evaluation responsibilities. This will tighten the linkage of management control and program results with individual accountability.

To help ensure that effective work agreements are established and progress reviews conducted, the roles of the various evaluation review panels are to be expanded to include the review of work agreements. To ensure that our limited promotion opportunities and performance pay awards are made to those individuals who advance the goals and objectives of the Agency, our precepts are being rewritten to require fulfillment of the work agreements. Additionally, the FS evaluation cycles and performance pay cycles are to be synchronized to better tie awards to performance. These changes are scheduled for implementation with the rating cycles starting in 1993.

Statements on Agency Values and Management Principles will be issued this fall and circulated widely to all our employees, including personal services contractors. At the same time, a related new statement on Ethics, called for in SWAT Team recommendation seven will be published, covering ethics, integrity, and personal conduct relating to official duties. A plan for an expanded training program in ethical decision making, organizational values, procurement integrity, and fraud prevention (recommendation eight) was submitted to the Office of Government Ethics in August, 1992. It will be mandatory for all employees, including personal services contractors. The recently

appointed full-time Agency Ethics Officer will play an important role in this effort.

The above actions will be undertaken in the relatively near term, most before March 31, 1993. These are shown as Phase I tasks in the attached implementation plans. Others, identified as Phase II tasks, will extend into FY 1994 and beyond, e.g., the process of designing a new evaluation system which will unify the various systems (GS, SES, FS) to the greatest extent possible and more fully incorporate the various recommendations into the system. The plan to revise the rating systems will be greatly facilitated if OPM's proposal to change the GS rating system is implemented. Otherwise, we will be constrained in our attempts to unify the systems. To carry out these revisions to the personnel evaluation systems will require outside expertise. Obtaining this expertise is contingent on sufficient funding. Although funds have been budgeted for FY 1993 and 1994, they are subject to the appropriations process.

The proposal to "certify" our employees prior to assigning them to key project management positions, particularly in field Missions (recommendation six) will also take time, but we will begin now. This action is clearly long-range in terms of both developing the process and achieving full certification of all affected personnel. To clearly define this concept and adapt it to A.I.D.'s circumstances, the first step is to assess requirements and options. This study, already begun, is now reviewing how other Government and private sector entities are approaching certification, determining which options best suit A.I.D., and will develop and cost out those options. We have revised our approach to Project Management Training. The new contracting process has already started, with development of a new three-level program of courses (entry-level, mid-level, and advanced) now underway. The final design of the courses will be shaped by the outcome of the certification study.

Bringing about real change in the corporate culture, including a clearer recognition of individual accountability -- and this applies, in varying degrees, to most if not all of the action steps needed to implement all 30 recommendations of the report -- is a long-term process requiring far more than changes in processes. Thus, training of our personnel is a significant element of our Action Plan for implementing the SWAT Team recommendations. Five recommendations -- under various sections of the report -- require new or increased training activities. They involve either classroom training or structured on-the-job learning.

The SWAT Team Report recommends training that leads to certification in project management and contract management. The new Project Management training curriculum will offer additional courses, delivered more frequently than in the past.

Nearly all our staff will receive training in ethical decision making. Expanded training will take place to activate a new system of monitoring, evaluation, and reporting on our programs and projects. We are modifying our management skills courses to increase the emphasis on performance management and also designing a new two-day workshop for managers on performance management. In addition to these explicit training recommendations, our Action Plan also calls for an improved performance management system, which, in our view, cannot be implemented without specialized training.

Thus, training components have been incorporated in the following narrative sections and detailed implementation plans. In addition, we have identified a number of key issues for other major action areas that must be resolved for the training plans to move forward, e.g., releasing many key employees for relatively long training courses at a time of severe understaffing of many Missions and offices.

Furthermore, changed management behavior may be needed, in some instances, to accompany or follow the training agenda, e.g., there must be greater encouragement, visible support, and constructive feedback from supervisors once trainees return to the job, and resources and incentives must be in place that support the practice of new behaviors and skills, along with disincentives for the old behaviors.

Similarly, effective communication regarding the changes being made and the reasoning behind the changes is vital to the program's success. To the extent feasible, vetting the proposals with employees prior to implementation is preferred. Thus, as part of our Action Plan, we have included a communications plan with action items delineated. The plan includes not only cables and notices, but briefings with various employee groups as well.

Also assisting the above actions is the Information Systems Plan (ISP) now being prepared as a means of achieving an effective centralized management information system for the Agency. In the Human Resources area, for example, ISP will allow a closer integration than has heretofore been possible of information on workforce availability, work assignments, and performance appraisal.

Incremental FY 1993-94 Costs: An additional \$295,000 and 3 FTEs for the training budget will be required in FY 1993 to implement these recommendations, i.e., for an expanded number of trainees and courses, and to establish the new and potentially complex certification programs. In addition, another \$655,000 in FY 1993 and \$1,445,000 in FY 1994 will be required to fund travel and per diem expenses for participants to attend courses. Also, a temporary increase in non-training staff for FY 1993 and 1994 will be sought to carry out the employee performance appraisal

actions. Absent this additional staffing, the Action Plan completion dates will have to be extended to FY 1995 and 1996. Additional details appears in the section on "Overall Costs" below.

### Portfolio Management:

Recommendations 9-13 of the SWAT Team Report are concerned with project management and the need for uniform oversight of our program portfolio. Portfolio management is a core Agency function, critical to ensuring both accountability and results. Our concern is not primarily the comprehensiveness of field Missions' portfolio review, but rather the fact the appropriate and timely information has not been coming to A.I.D./Washington in a form that would allow senior managers to exercise effectively their oversight responsibilities over our Agency's wide variety of programs and projects.

The SWAT Team recommendations are being dealt with in an integrated fashion. A working group has been meeting on them since the SWAT report was issued. This working group is drafting statements of responsibilities for project and program activity monitoring for each level of our management -- from the field project officer to the Administrator -- identifying the information requirements for satisfying these responsibilities and designing an integrated system for reporting that information.

This will be a uniform system requiring comprehensive semi-annual project reviews at the Mission level, and providing periodic reporting from all Missions and offices on a consistent basis, covering all program activities for which we have financial responsibility, both project and non-project. It will, in effect, reestablish a periodic project implementation report as a key management tool of the Agency and require data and format standards permitting mission, region, and Agency-wide analysis. "Exception" reporting will be emphasized, identifying both problems and successes, and a "watch list" process will be included in the system.

The current plan is to put in place a semi-annual reporting process with field reviews conducted in April and October of each year, the results of which would be submitted to Washington the following month. The first review would be six months into the fiscal year and keyed to providing core information important to the development of our annual budget submission. The second review, in October, would be as of the end of the fiscal year and keyed to the annual OYB process. In this fashion, the portfolio management system would directly underpin our annual planning and budget cycles.

It is important to emphasize this will not be a new "stand alone" information system. The data for this system will be drawn from existing Agency databases. While this is essential to ensure consistency, it creates some limitations in as much as it is dependent upon other information systems which have hardware and software limitations and are themselves being improved. Nevertheless, we have a major priority to develop an integrated management information system, and we must discourage creation of new "stand alone" systems.

Our goal is a uniform project and program monitoring system designed in detail by early October of this year. It would then be sent to our field Missions and central bureaus for review, to ensure its effective application to the range of different circumstances they face. Comments from the Missions would be expected by mid-November, and final guidance would be issued in January. This schedule will permit the first reports to be submitted in May of 1993, covering the first six months of fiscal year 1993. This system is being designed in close coordination with the Handbook updating process, and will be included in the final revised handbooks.

While this new system will provide immediate benefits it should be thought of as a "first stage" effort. As noted, we will be using other management information systems, such as our current accounting and contract information systems, which are themselves going through important modifications and improvements. In addition, we do not yet have the telecommunication capability to provide computer connectivity with all of our field missions. Until that occurs, we will be operating in a mixed mode, with some information coming in electronically and other data coming in by discs, requiring re-entry in Washington for bureau and Agency-wide application. Frequent handling of data in this fashion makes it more error prone. This system will not be fully effective until we have in place the telecommunication and computer capability for an integrated Agency information system, which is an important part of our longer-term Information Systems Planning effort.

While both the SWAT Team recommendations and this discussion address project monitoring as a discrete management system, project monitoring is, in fact, an important component of most of the SWAT recommendations. We are designing our implementation plan with these linkages firmly in mind. The letters to Mission Directors (recommendation 1) will include guidance on project and program management, monitoring, and objectives. New work requirements (recommendation 2) should specify project monitoring responsibilities which in turn will be addressed by unit panels (recommendation 3). Implicit in the project officer certification improvements (recommendation 6) as well as the number of recommendations on contracting and contract management is a renewed attention to project monitoring responsibilities,

with a focus on results. Project monitoring also will be an integral part of the training program supporting these and other recommendations.

Project monitoring provides key links to our evaluation system. Monitoring reports become an important part of the our overall project and program evaluation process, and Agency evaluation information must be made readily available to project managers for their effective utilization in program design as well as program implementation.

Incremental FY 1993-94 Costs: The cost of implementing the first stage of these recommendations is relatively modest, about \$500,000 in FY 1993, for software costs associated with providing missions with standardized programs and uploading the mission's submission into an A.I.D./W database to permit cross-mission analysis and evaluation. We understand the limitations in such an approach, but we believe it is better to move forward with a sub-optimal system now than to wait several years until our telecommunications and information management systems are upgraded and integrated.

#### Contracting:

Over the years, the Agency has become more reliant on contractors to implement its projects, grants, and host country contracts. At the same time, we have been slow to adjust our hiring and training to meet these changes. Accordingly, contracting requires increased emphasis and attention: e.g., more training for contracting and project personnel (see "Human Resources" above); revised and strengthened delegations of contracting authority; expanded evaluations of the procurement system; increased scrutiny of contract administration and contractor performance; and revised and restated audit policy guidance and procedures for obtaining pre-award surveys.

This part of the Action Plan details our plans for implementing Recommendations 14-20, and is supplemented by other actions under "Human Resources," related to training and accountability, as well as by the increased emphasis on auditing of contract actions. Together, these actions will provide a climate for increased attention to, and management of, our contract portfolio.

The SWAT Team Report mentions A.I.D.'s serious efforts to correct deficiencies, e.g., recent actions to improve host country contracting. In response to the Report, we will take additional actions in FY 1993 and 1994 to improve our ability to monitor contract deliverables, evaluate, and record contractor performance, and strengthen our procurement system.

It is possible to put in place by October, 1992 a system for Mission Directors to review their contracting systems against criteria already developed by the Agency's Procurement Executive, with self-certifications submitted next April for inclusion in the Agency-wide certification done in June of each year. But the needed reviews would have to be conducted by individuals not sufficiently proficient in contracting, and done without independent verification. A marginally reinforced Procurement Management Review (PMR) Program by itself would not be enough to correct this deficiency.

Thus, to comply with the intent of the Report's finding, we propose, instead, to substantially increase the reviews of Mission contracting systems by our central Washington office, from the current eight reviews a year to 32 a year, thus allowing a review of each post's contracting system about once every three years. A Washington review can be done with 8 FTEs, as opposed to the 12 overseas and 2 Washington FTEs needed for an overseas certification, resulting in considerably less expense (about \$920,000 a year, compared to about \$3.8 million annually because it is less expensive to support personnel in Washington than overseas). The results of this increased surveillance would be reflected in the Agency-wide certification submitted in June of 1994.

Contract management will be included as a critical element in Mission Directors' letters of instruction and, where appropriate, in performance appraisals at all levels, in connection with the Employee Evaluation Report Cycle beginning in April.

The policy of having Contracting Officers report to Mission Directors (or Deputy Directors in the larger Missions) will be announced by an A.I.D. General Notice by October, 1992. Whether to retract Mission Director's contracting authority requires an analysis of the pros and cons and consideration of the smaller Missions in Africa, Eastern Europe and NIS -- because it may leave such posts with no authority to buy even routine supplies in the local market. The Administrator, by the end of December, 1992, will make a final decision on this, and on whether the Procurement Executive should issue a waiver in those cases.

A system to coordinate Contracting Officer EERs with the Procurement Executive will be in place by April 1993, the beginning of the next rating period. Delegating responsibilities only to properly trained Project Officers is a longer-term action. Guidelines can be established as early as January 1993, but the new project management training will not commence until the third quarter of FY 1993 (see "Human Resources"). The system to accomplish this recommendation

should be established and functional by the end of the fourth quarter of FY 1994.

Reducing "level-of-effort" contracts and increasing the use of "fixed-price" contracts (Recommendation 16) will be initiated in October 1992 by a memorandum from the Senior Procurement Executive to all Contracting Officers. Guidelines for evaluating contractor performance will be developed between September and November, 1992.

While it will take six months to redo completely the delegations of authority to have host country contracting authority flow through the Procurement Executive (recommendation 17), the decision to have the Procurement Executive approve major procurement actions can be announced by the beginning of FY 1993. To modify Project Implementation Letters (recommendation 17.c) requires a review and revision of the appropriate Handbooks, which will be published by January 1993. Instructions to our field posts for Contracting Officers to monitor results also will be issued by the Procurement Executive at the same time.

Restating procedures for obtaining pre-award surveys (recommendation 18b) will be implemented by December 1992 by memorandum from the Procurement Executive. A system for appropriate checks and balances will be in place by February 1993. Some changes in audit policy guidance have already been issued. Those that remain (recommendation 20) will be accomplished by January 1993.

Incremental FY 1993-94 Costs: The above actions will cost about \$2.9 million in OE in FY 1993-94, and will require 7 additional FTEs in FY 1993 and 11 in FY 1994. The largest single component of these costs is the \$1.5 million for FTE and related costs associated with the fourfold increase in the number of Washington reviews of Mission contracting systems. In addition, training and other costs are shown under "Human Resources" above. Additional details appears in the section on "Overall Costs."

### Financial Audits:

Our procurement offices in Washington and approximately 85 overseas locations directly award contracts and grants to both U.S. and non-U.S. individuals, firms and organizations. We also finance an additional group of "host country contracts" which must be awarded in accordance with A.I.D. procedures. The total dollar value of active direct contracts and grants in FY 1991 exceeded \$6.2 billion, and the total dollar value of active host country contracts exceeded \$1.2 billion.

All of these agreements contain audit provisions which require the contractor/grantee to comply with U.S. government

requirements. A.I.D. has audit cognizance for more than 600 of the entities holding these contracts and grants. This means that we are the lead U.S. government agency for these firms and organizations. We are therefore responsible for insuring that necessary audits are performed and, when appropriate, that indirect cost (overhead) rates are established for the use of all government agencies. The effective accomplishment of these responsibilities is essential to protect the U.S. government's funds against the possibility of fraud, waste, abuse, or mismanagement. Recommendations 18a, 23, 24, and 25 dealt with corrective actions required in the area of financial audits.

The provision of adequate and timely audit coverage of our contractors and grantees has been made more difficult in the past by the split responsibilities for audits between the Office of the Inspector General and the Office of Procurement. This split will be resolved beginning in FY 1994. This Action Plan includes steps to create a new audit tracking system in the Office of Procurement which will follow the audit status of all U.S. contractors and grantees (overseas Missions will be responsible for tracking audits of non-U.S. firms and host governments), and to establish a Contract Audit Management Branch in the Office of Procurement. During FY 1993, we will be establishing the new organization and positions, hiring and training staff, and developing the automated systems required for that new Branch.

The specific tasks, responsibilities, and authorities to be transferred from the Inspector General to the Office of Procurement must be defined, and procedures will be revised and distributed by May, 1993. Responsibility for scheduling, monitoring and paying for audits will be transferred from the Inspector General's Office to the Office of Procurement on October 1, 1993.

FY 1993-94 Incremental Costs: An additional \$.82 million in FY 1993 and \$4.53 million in FY 1994 is required to fund the transfer and expansion of audit responsibilities from the Inspector General's Office to the Office of Procurement. This includes staffing, auditing and travel funds, for 14 new FTEs: 8 FTEs in FY 1993 (costing \$.82 million) and 14 FTEs in 1994 (\$1.43 million) to implement fully these audit improvements.

A.I.D.'s Inspector General (IG) has stated that all of its positions currently supporting the financial audit-related functions are needed and will be redirected to support expanded "systems audits." Thus, the substantially increased audit responsibilities, described above, in the Office of Procurement will require the additional FTEs identified. Additional OE funds also will be needed to pay for federal and non-federal audits (expanded use of non-federal audits was part of recommendation 25) and for travel of our personnel for pre-award surveys and audits. Since the IG is not requesting funds for audits in FY

1994, only some of these new costs will be additive. Additional details appear in the section on "Overall Costs" below.

### Program Evaluation:

We are firmly committed to management excellence--to "doing fewer things, but doing them very well." But to manage strategically for better development results, managers need a sound basis for measuring and assessing program and project performance and effective systems for disseminating this information to key decision-makers at all organizational levels.

As the SWAT Team Report recognized, we have already made substantial progress towards this goal through our ongoing Evaluation Initiative. The Evaluation Initiative encompasses an expanded agenda of more rigorous and credible central evaluation studies; better systems for getting and using Program Performance Information for Strategic Management (PRISM) in Missions, Offices, and Agency-wide; strengthened leadership and technical support for project-level monitoring and evaluation; and more vigorous dissemination of monitoring and evaluation findings for program, policy, and budget decision-making.

The SWAT Team recommendations for strengthening program and project evaluation both reinforce and substantially expand these efforts. Recommendation 26, for example, calls for producing comprehensive reports on program and project performance, grading each major program and project, and establishing program and project "watch lists." We would undertake diagnostic evaluations of those "problem" projects identified by the new reporting system proposed under the earlier section on "portfolio management." In addition to program monitoring and evaluation activities already encompassed in the Evaluation Initiative, this will require more comprehensive and systematic efforts to monitor project results and implementation. These efforts will be closely integrated with the related work in our Information Systems Plan.

But simply getting better monitoring and evaluation information is not enough. For that information to be useful, We need a programming system in which development results really count. We need management and incentive systems in which successfully implementing projects and managing for results are rewarded. And, just as importantly, we need an organizational culture in which both field and Washington staff see themselves as responsible and accountable for results, and feel truly able to make a difference.

We took steps in this direction in our Strategic Management Initiative and Phase One Management Action Plan. Our reorganization and emerging programming reforms embody a much clearer commitment to development programs and development

results in the field. And the wide range of improvements in program and project management, contracting procedures, personnel practices, and training activities recommended throughout the SWAT Team report, and dealt with elsewhere, are clearly intended to further reinforce our ongoing management reforms.

SWAT Team recommendations 27-29 specifically focus on those administrative and management changes needed to ensure that better monitoring and evaluation information is obtained and used.

Recommendation 27 calls for us to develop new evaluation guidance, expand training, and ensure compliance with policy on program performance monitoring, project evaluation, and project completion reporting. Through this Action Plan, we intend to complete new evaluation guidance this winter; to develop and implement a new monitoring and evaluation workshop; to infuse monitoring and evaluation into our broader training programs; to track Agency-wide performance in implementing evaluation guidance and using evaluation findings; and to identify and remedy problems.

Recommendation 28 focuses on making evaluation findings more accessible to senior managers and ensuring that those findings are reflected in major policy and budget decisions and included in budget justifications and Congressional presentations. We intend to conduct quarterly evaluation briefings for Senior Managers; to target the dissemination of evaluation findings to key decision-makers; to assess annually Mission, Office and Agency-wide use of monitoring and evaluation information; to include monitoring and evaluation information in new Agency-wide management information systems; and to include monitoring and evaluation findings in program, policy, and budget reviews.

Recommendation 29 is concerned with ensuring that our staff is held personally accountable for using evaluation information in managing for results. We intend to develop new performance appraisal elements; to ensure that these elements are applied; and to ensure that success in getting and using monitoring and evaluation information is reflected in promotions, awards, and onward assignments.

Getting better information on program and project performance also requires a clear commitment of resources, and Recommendation 30 directs us to allocate sufficient funds for program performance monitoring and evaluation functions. This not only includes the funds needed for new performance monitoring and evaluation initiatives recommended by the SWAT Team, but also the resources needed to continue the ongoing monitoring and evaluation activities on which these new initiatives are built.

Incremental FY 1993-94 Costs: In this regard, this Action Plan outlines our intention to allocate approximately 1% of its program resources for Agency-wide performance monitoring and

evaluation -- about \$30 million for undertaking new activities, and an equivalent amount now budgeted for current activities. This includes about \$12 million for central monitoring and evaluation functions, about \$36 million for monitoring and evaluation systems and activities in the field, and \$12 million for monitoring and evaluation activities by Bureaus and Offices in Washington, much of which would be reallocated to the field. These amounts would come from the various accounts (e.g., Development Assistance, Economic Support Fund, PL 480) whose activities were subject to evaluation. The Action Plan also calls for steps to increase flexibility (which would require OMB support and Congressional approval) in using our program resources to fund program monitoring and evaluation activities aimed at improving development results, including salaries and travel for direct-hire evaluators. Additional details appear below.

**OVERALL COSTS:**

The costs and Full-Time Equivalent Positions included in the individual implementation plans below are required to carry out the SWAT Team program and are additive to those in present or planned budgets. Thus, the incremental Operating Expenses costs to A.I.D. of implementing the SWAT Team report (shown in the following chart) are about \$7.9 million in FY 1993 and \$13.6 million in FY 1994. The incremental FTE increases are 46 in FY 1993 and 60 in FY 1994.

The FY 1994 estimates will be included at the fully budgeted requirement level in the A.I.D. FY 1994 Operating Expenses Budget Request. For FY 1993, the funding available for implementing the SWAT Team recommendations will depend on the final appropriation level that we receive from Congress for Operating Expenses. At the current House appropriation bill level, we would be severely restricted in our ability to fund new initiatives beyond the current services level. We are looking actively for areas of offset in the existing non-mandatory funding categories to ensure that the maximum possible resources are allocated to these important management improvement efforts without disrupting essential ongoing activities.

Of the estimated FTEs, 8 in FY 1993 and 14 in FY 1994 are associated with the transfer and expansion of the audit functions currently assigned to the Office of the Inspector General. The IG has stated that all positions currently supporting the financial-audit-related functions in that office are needed and will be redirected to support expanded "systems audits," suggesting that a transfer of FTE to A.I.D. from the IG for this work may be unlikely.

Two of the FY 1993 FTEs and 3 of the FY 1994 FTEs associated with the employee performance appraisal activity, are temporary and not required beyond the end of FY 1994.

Of the total FTE requirements, 21 FTEs in FY 1993 and 24 FTEs in FY 1994 are attributable to the Evaluation functions of the Agency. Of these, 10 in each year are for staff additions in the individual Bureaus/Offices to strengthen their role in Evaluation monitoring.

At the request of the A.I.D. Administrator, the FTE and budget estimates related to the Ethics program of the Agency go somewhat beyond the minimum mandatory requirements for Ethics training in government agencies to: (1) include an A.I.D.-specific orientation in the training program; and (2) increase the number of employees trained beyond the minimum necessary to insure compliance with mandatory requirements.

Wherever possible, we have found offsets for the resources required to implement this Action Plan.

As described under the preceding section on "Program Evaluation, " this Plan also outlines the Agency's intention to allocate a portion of its program resources for monitoring and evaluation -- about \$30 million for undertaking new activities and an equal amount now budgeted for current activities.

The dollar and human resource requirements are detailed in the individual implementation plans for each recommendation.

SWAT TEAM RECOMMENDATIONS - ESTIMATED COSTS  
(000's)

ACTION	FY 1992		FY 1993				FY 1994				TOTAL OE	TOTAL OE	TOTAL PRO	TOTAL PRO	TOT.FTE	TOT.FTE
	NON-FTE	FTE (\$)	NON-FTE	FTE (\$)	FTE (#)	PROG.(\$)	NON-FTE	FTE (\$)	FTE (#)	PROG.(\$)	FY 1993	FY 1994	FY 1993	FY 1994	FY 1993	FY 1994
Mission Director Letters (1)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Pers.Appraisal & Account. (1-5)	---	---	166.0	237.6	2.3	---	94.0	347.5	3.3	---	403.6	441.5	0.0	0.0	2.3	3.3
Cert. (Proj.Mgr.) (6)	---	---	765.0	102.1	1.0	---	1,710.0	102.1	1.0	---	867.1	1,812.1	0.0	0.0	1.0	1.0
Cert. Require. Study (6)	50.0	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Design cert. Prog. (6)	---	---	100.0	---	---	---	---	---	---	---	100.0	0.0	0.0	0.0	0.0	0.0
Ethics Policy State. (7)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Ethics Training (8)	---	---	296.0	464.9	4.5	---	165.0	473.9	4.5	---	760.9	638.9	0.0	0.0	4.5	4.5
Proj.Mgt. Definition (9)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Proj.Mgt.Report.Stds (10)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Proj.Mgt. Info Sys. (11) (see #26)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Cons./Integ.Systems (12)	---	---	470.0	30.0	0.3	---	---	---	---	---	500.0	0.0	0.0	0.0	0.3	0.0
Proj. Watch List (13)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Contracts - PMR Review (14)	---	---	60.0	446.6	4.0	---	120.0	693.2	8.0	---	506.6	1,013.2	0.0	0.0	4.0	8.0
Contracts - PAR Coord. (15)	---	---	---	51.7	0.5	---	---	105.3	1.0	---	51.7	105.3	0.0	0.0	0.5	1.0
Contracts - Perf. (16)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Contracts - DOA's (17)	---	---	---	630.0	2.0	---	---	636.2	2.0	---	630.0	636.2	0.0	0.0	2.0	2.0
Contracts - Pre-Awd Proc.(16)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Contracts - Pre-Awd Aud.(16)	---	---	---	206.6	2.0	---	50.0	315.9	3.0	---	206.6	365.9	0.0	0.0	2.0	3.0
Contracts - Trg/Cert. (19)	---	---	320.0	206.6	2.0	---	920.0	210.6	2.0	---	526.6	1,130.6	0.0	0.0	2.0	2.0
Audit Policy Guid. (20)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Audit Mgt. Assess.(21)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Audit-Rev. Of ICA Proc.(22)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Transfer Audits (23)	---	---	---	619.6	6.0	---	2,050.0	1,136.3	11.0	---	619.6	3,166.3	0.0	0.0	6.0	11.0
Contracts - Inventory (24)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Non-Federal Audits (25)	---	---	---	---	---	---	1,000.0	---	---	---	0.0	1,000.0	0.0	0.0	0.0	0.0
Eval - Mon./Eval. (26-1)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Eval.Studies (26-1A)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Strengthen Perf. (26-1B)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Info.Data Base(26-1C)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Mon./Eval.Results (26-2)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Data Base (26-2A)	---	---	60.0	103.3	1.0	120.0	40.0	105.3	1.0	80.0	163.3	145.3	120.0	80.0	1.0	1.0
Eval - Desk Reviews (26-2B)	---	---	---	103.3	1.0	480.0	---	105.3	1.0	480.0	103.3	105.3	480.0	480.0	1.0	1.0
Eval - Field Reviews (26-2C)	---	---	50.0	51.7	0.5	100.0	150.0	156.0	1.5	300.0	101.7	308.0	100.0	300.0	0.5	1.5
Eval - Diag. Evals (26-2D)	---	---	50.0	103.3	1.0	50.0	100.0	210.6	2.0	100.0	153.3	310.6	50.0	100.0	1.0	2.0
Eval - Form. Evals (26-2E)	---	---	---	---	---	12,000.0	---	---	---	12,000.0	0.0	0.0	12,000.0	12,000.0	0.0	0.0
Eval - Coll.Sys. (26-2F)	---	---	---	---	---	6,000.0	---	---	---	6,000.0	0.0	0.0	6,000.0	6,000.0	0.0	0.0
Eval - Eval/Mon. Staff (26-2G)	---	---	100.0	1,117.0	10.0	8,900.0	100.0	1,144.0	10.0	8,900.0	1,217.0	1,244.0	6,900.0	6,900.0	10.0	10.0
Eval - Mon. Eval. (26-3)(see #11)	---	---	50.0	103.3	1.0	250.0	50.0	210.6	2.0	450.0	153.3	260.6	250.0	450.0	1.0	2.0
Eval - (26-4)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Guidance (27-1)	---	---	---	---	---	50.0	---	---	---	---	0.0	0.0	50.0	0.0	0.0	0.0
Eval - Comp. - Training(27-2A)	---	---	20.0	103.3	1.0	380.0	55.0	105.3	1.0	455.0	123.3	160.3	380.0	455.0	1.0	1.0
Eval - Compliance (27-2B)	---	---	---	20.7	0.2	50.0	---	21.0	0.2	100.0	20.7	21.0	50.0	100.0	0.2	0.2
Eval - Compliance (27-3)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Compliance (27-3A)	---	---	---	103.3	1.0	100.0	---	105.3	1.0	100.0	103.3	105.3	100.0	100.0	1.0	1.0
Eval - Compliance (27-3B)	---	---	---	103.3	1.0	100.0	---	105.3	1.0	100.0	103.3	105.3	100.0	100.0	1.0	1.0
Eval - Briefings (28-1)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Annual Rep. (28-2)	---	---	---	206.6	2.0	100.0	---	210.6	2.0	100.0	206.6	210.6	100.0	100.0	2.0	2.0
Eval - Systems (28-3)	---	---	---	51.7	0.5	50.0	---	52.7	0.5	50.0	51.7	52.7	50.0	50.0	0.5	0.5
Eval - Dissem (CP) (28-4)	---	---	100.0	---	---	---	100.0	---	---	---	100.0	100.0	0.0	0.0	0.0	0.0
Eval - Proj/Prog Info (28-5)	---	---	---	103.3	1.0	---	---	105.3	1.0	---	103.3	105.3	0.0	0.0	1.0	1.0
Eval - EER elements (29-1)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Appraisals, etc.(29-2)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
Eval - Allocate Funds (30)	---	---	---	---	---	---	---	---	---	---	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL COSTS:</b>	<b>50.0</b>	<b>0.0</b>	<b>2,807.0</b>	<b>5,270.0</b>	<b>45.8</b>	<b>30,730.0</b>	<b>6,704.0</b>	<b>6,860.3</b>	<b>80.0</b>	<b>31,215.0</b>	<b>7,877.0</b>	<b>13,564.3</b>	<b>30,730.0</b>	<b>31,215.0</b>	<b>45.8</b>	<b>80.0</b>



## SUMMARY OF RECOMMENDATIONS AND MAJOR MILESTONES

RECOMMENDATIONS  AND  MAJOR MILESTONES	PLANNED FISCAL YEAR COMPLETION DATES												
	92	1993								1994			
	S E P	O C T	N O V	D E C	J A N	F E B	M A R	3 R D	4 T H	1 S T	2 N D	3 R D	4 T H
10. Develop and implement agency wide program reporting standards. a. Draft standards developed. b. Final guidance issued. c. First cycle of reports submitted.	X				X			X					
11. Specify information required for portfolio management. a. Information requirements defined. b. Final guidance issued. c. First cycle of reports submitted.	X				X			X					
12. Review information systems requirements with goal of consolidating and integrating. a. Review of information systems completed. b. Senior management decisions made.		X	X										
13. Campaign to identify project issues and develop watch list. a. Design as part of portfolio management system. b. Issue guidance and initiate system.				X	X								
14. Policy directive on direct and host country contracting. a. Guidance issued. b. Review completed. c. Annual certification.		X					X	X					
15. Clarify lines of contracting authority. a. Delegations of authority reviewed and issued.				X									
16. Evaluate contractor performance and reduce level of effort contracting. a. Evaluation guidelines developed. b. Guidelines implemented. c. Certification requirement in place.		X	X					X					
17. Revise delegation of contracting authority. a. Approval process in place for major actions. b. Delegations revised.		X					X						





**RECOMMENDATION 1:** The A.I.D. Administrator should provide written guidance to newly-assigned Mission Directors and other senior managers (similar to the Secretary of State's letter of instruction to new Ambassadors) clearly defining program and management objectives.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
1. Draft sample model letter.	X	X	X	N	N	X								N	N								Written guidance defining program and management objectives will provide benchmarks for the Director's tour, which will allow his/her efforts and accomplishments to be measured. This guidance will supplement and provide the overall framework for the Agency's annual program/budget guidance.  (DAA/FA:GKamens, and POL)
2. Draft letters to Mission Directors tailored to specific policies, programs, and management issues of the particular post, based on core agency guidance from OPS, POL, and F&A.							X	X	X	X	X	X	X	N	N	X	X	X	X	N	N	(Regional Bureaus geographic offices)	
3. Follow up to ensure compliance with elements contained in letters.								X	X	X	X	X	X	N	N	X	X	X	X	N	N	(Regional and Central Bureaus)	

(All costs are in thousands of dollars)

RECOMMENDATION 2: A.I.D. supervisors and employees should jointly prepare new employee Work Requirement Agreements at the beginning of each rating cycle and allow for feedback during the cycle.

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH	COST		FT E		
<b>I. TASK TO BE COMPLETED PHASE I (ending March 31, 1992)</b>																								
1. Issue Revised Foreign Service Evaluation Chapter/Report (completed 8/7/92).	X	X		N	N																			1. Revision provides for more specificity regarding project responsibilities and emphasizes results orientation and Agency/Mission goals and objectives.  (HRDM/PP:Trott)
2. Develop/issue guidance to reinforce performance management system requirements on the development of work requirements and managing for results (see Steps a, b, and c).																								2. Will emphasize requirements to jointly develop work agreements, link work requirements to Agency/Mission goals and objectives, require more specificity regarding responsibilities, emphasize managing for results, and require fulfillment of work agreement as prerequisite for promotion/performance pay consideration.
a. Senior Executive Service (SES) letter from the Administrator providing guidance (11/15/92).			X	N	N	X	X							N	N									<u>Performance Indicator:</u> a. Letter issued; 50% of plans in place by 1/1/93. b. Notice issued 11/30/92.
b. Civil Service (GS/GM/WG) Issue Notice providing guidance (11/30/92).			X	N	N	X	X							N	N									(HRDM/PMES:Zankowski)

(All costs are in thousands of dollars)

RECOMMENDATION 2: A.I.D. supervisors and employees should jointly prepare new employee Work Requirement Agreements at the beginning of each rating cycle and allow for feedback during the cycle. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
c. Foreign Service (SFS/FS Issue EER Revision (completed 8/7/92).	X	X																				c. EER Chapter/Report distributed. (HRDM/PP:Trott)
3. Issue Uniform Guidance to SES/FS/GS on feedback techniques and require organizations (offices/missions/bureaus) to certify that feedback sessions were held (12/15/92).			X	N	N	X	X	X						N	N							3. Guidance designed to improve quality of supervisory feedback during required progress reviews. Guidance will include reminder that fulfillment of work agreements is a prerequisite for promotion/performance pay. (HRDM/PMES:Zankowski)
4. Revise position descriptions for positions involved in project management and oversight to emphasize contract/program evaluation (2/28/93). <u>II. TASKS TO BE COMPLETED PHASE II</u>		X	X	N	N	X	X	X	X	X				N	N							4. <u>Performance Indicator:</u> Generic Duty statements developed, notice/cable issued to revise individual position descriptions accordingly. Evaluation compliance via classification surveys. (HRDM/PPM/PMC:Beaty)
5. Issue cable/A.I.D./W Notice to Mission Directors/Senior Management to require contract management/program evaluation as a key responsibility for GS/FS (4/93).									X	X	X	X		N	N							5. Issued as part of general guidance on the development of work plans for the 1993/94 cycle.  <u>Performance Indicator:</u> Cable and A.I.D./W notice issued. (HRDM/PMES:Zankowski)

(All costs are in thousands of dollars)

RECOMMENDATION 2: A.I.D. supervisors and employees should jointly prepare new employee Work Requirement Agreements at the beginning of each rating cycle and allow for feedback during the cycle. (Continued Page 3)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FTE	O	N	D	J	F	M	3RD	4TH	COST	FTE	1ST	2ND		3RD	4TH	COST	FTE
<p>6. Revision of evaluation system to create a single rating instrument (FS/GS/SES). See steps a-f. FY 93 COST is budgeted. FY 94 COST is not budgeted.</p> <p>a. Design scope of work (10/31/92).</p> <p>b. Award contract (2/15/93).</p> <p>c. Set up working group (2/23/93).</p> <p>d. Design System (10/93).</p> <p>e. Negotiate with all parties (12/93).</p> <p>* FTE REQUIREMENTS: 2 additional (temporary) FTE required in FY 93, 3 in FY 94, to implement recommendations 2, 3, and 4 -- already budgeted.</p>			X											90	*					35	*	<p>6. This action item incorporates incentive reform recommendations and enhances the accomplishment of the SWAT recommendation goals. The attainment of this task is directly contingent on OPM approval of new framework. This is not expected before 9/30/93 when the PMRS legislation sunsets.</p> <p><u>Performance Indicators:</u></p> <p>a. RFP issued. (HRDM/PP:Trott)</p> <p>b. Contract awarded. (HRDM/PP:Brandi)</p> <p>c. Groups set up. (HRDM/PP:DBrandi)</p> <p>d. Systems designed/vetted. (HRDM/PP:DBrandi)</p> <p>e. Systems negotiated with Unions (assumes joint development) (HRDM/PP:DBrandi)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 2: A.I.D. supervisors and employees should jointly prepare new employee Work Requirement Agreements at the beginning of each rating cycle and allow for feedback during the cycle. (Continued Page 4)

SUB/COMPONENT TASKS	FY 1992				FY 1993										FY 1994				NARRATIVE						
	COMPLETION DATE				COMPLETION DATE										COMPLETION DATE										
	J	A	S	COST	FTE	O	N	D	J	F	M	3RD	4TH	COST	FTE	1ST	2ND	3RD		4TH	COST	FTE			
f. Implement (6/94).																	X	X							f. New systems issued.
7. Education.																									7. Education is essential to successful implementation of SEAT recommendations.
(a) Added emphasis on performance management skills in Management Skills Course and Senior Management Course (11/30/92).	X	X	X	N	N	X	X																	(a) Courses modified to include added emphasis on performance management.	
(b) Develop and bring on line 2-day performance management workshop. COST/FTE is ongoing.	X	X	X	N	N	X	X																	(b) Course designed and advertised. (HRDM/TSD:LSotar)	
(c) Courses held.								X	X	X	X	X	X	N	N	X	X		X	N	N			<u>Performance Indicator:</u> 10 courses held per year, 24 participants per course. Train 240 people last year.	

(All costs are in thousands of dollars)

RECOMMENDATION 2: (Training component) A.I.D. supervisors and employees should jointly prepare new Employee Work Requirement Agreements at the beginning of each rating cycle, and allow for feedback during the cycle. The agreements should include specific work requirements directly linked to agency goals, with measurable indicators of successful performance. The agreements should specify the projects and activities for which officers would be responsible. They should also have, where appropriate, specific work elements for contract management, oversight of field activity, and effective use of program evaluations. Work Requirement Agreements of employees engaged in project management and oversight must be especially specific and focused on results. The employee appraisal rating system should be revised to reflect the new work requirement agreements.

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE		
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE						
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH		COST	FT E
1. Revise existing Management courses.						X	X							N	N							
2. Develop new 2-day intensive course.						X	X	X						76	.3					59	.3	

(All costs are in thousands of dollars)

RECOMMENDATION 2: (Training component) A.I.D. supervisors and employees should jointly prepare new Employee Work Requirement Agreements at the beginning of each rating cycle, and allow for feedback during the cycle. The agreements should include specific work requirements directly linked to agency goals, with measurable indicators of successful performance. The agreements should specify the projects and activities for which officers would be responsible. They should also have, where appropriate, specific work elements for contract management, oversight of field activity, and effective use of program evaluations. Work Requirement Agreements of employees engaged in project management and oversight must be especially specific and focused on results. The employee appraisal rating system should be revised to reflect the new work requirement agreements. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
3. Performance Management Training integrated into new Management Training Program.																X	X	X	X	N	N	A new Management Skills Program addressing all levels (supervisory, managerial, executive) will replace the existing four programs. Managing for results will be a central focus of this course.  (FA/HRDM:Lucy Sotar, training component)

(All costs are in thousands of dollars)

RECOMMENDATION 3: A.I.D. management should make Foreign Service (and Civil Service) unit review panels responsible for ensuring that work agreements are sufficiently specific, tied to Agency goals, and that there is evidence of supervisor feedback during the rating cycle.

SUB/COMPONENT TASKS	FY 1992				FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE				COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST		2 ND	3 RD	4 TH	COST	FT E
<p><u>I. TASKS TO BE COMPLETED PHASE II</u></p> <p>1. Delegate responsibility to issue guidance to Panels from the Director FA to the Director HRDM. (9/28/92)</p> <p>2. Issue revised FS-Evaluation Chapter/Report (completed 8/7/92).</p> <p><u>II. TASKS COMPLETED DURING PHASE II</u></p> <p>3. Develop/issue instructions to PAR/EER Unit Review Panels to perform a review of work agreement early in cycle to ensure compliance with instructions/guidance and requirement certification that reviews were conducted (5/30/93).</p>		X	X																			<p>1. <u>Performance Indicator:</u> Delegation signed 9/28/92. (HRDM/PMES:MZankowski)</p> <p>2. Revised FS evaluation report improved instructions regarding work requirements/unit review panels. (HRDM/PP:MTrott)</p> <p>3. Implemented for evaluation Cycles beginning 93.</p> <p><u>Performance Indicator:</u> Instructions issued; certification received from 50% of units that reviews were conducted.</p> <p>Note that this will place an added burden on Mission/A.I.D./W staff. (HRDM/PMES:MZankowski)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 4: A.I.D. should re-write the current promotion and performance pay guidelines, policies and standards to require employee fulfillment of the work agreements as a condition of promotion and performance pay.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
<p><b>TASKS TO BE COMPLETED FOR IMPLEMENTATION PHASE II</b></p> <p>1. Develop/issue uniform (FS, GS, SES, SFS) performance pay standards including as a standard the fulfillment of work agreements.</p> <p>a. Issue initial guidance as part of guidance on feedback (see recommendation 2, Task 3).</p> <p>b. Issue Uniform Guidance (5/93).</p> <p>(1) Set-up work groups to develop standards (11/15/92).</p> <p>(2) Develop standards (1/30/93).</p> <p>(3) Negotiate impact/implementation (3/31/93).</p> <p>(4) Issue/implement standards (5/93).</p>																							<p>1. Development of Uniform Performance Pay Standards was a key recommendation of the Incentives Committee. Will incorporate SWAT Recommendations. Implemented for 93/94 cycles.</p> <p><u>Performance Indicator:</u></p> <p>a. Cable issued 12/13/92.</p> <p>b. (1) Working group established.            (2) Standards developed as circular to Handbook.            (3) Standards cleared through AFSA/AFGE.            (4) Circular issued along with cable/notice announcing standards.</p> <p>NOTE: (Requires issuance of Management Principles/Values with Administrator's full support.)</p> <p>HRDM/PP:DBrandi;            HRDM/PMES:MZankowski</p>

(All costs are in thousands of dollars)



RECOMMENDATION 4: A.I.D. should re-write the current promotion and performance pay guidelines, policies and standards to require employee fulfillment of the work agreements as a condition of promotion and performance pay.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
<p><b>TASKS TO BE COMPLETED FOR IMPLEMENTATION PHASE II</b></p> <p>1. Develop/issue uniform (FS, GS, SES, SFS) performance pay standards including as a standard the fulfillment of work agreements.</p> <p>a. Issue initial guidance as part of guidance on feedback (see recommendation 2, Task 3).</p> <p>b. Issue Uniform Guidance (5/93).</p> <p>(1) Set-up work groups to develop standards (11/15/92).            (2) Develop standards (1/30/93).            (3) Negotiate impact/implementation (3/31/93).            (4) Issue/implement standards (5/93).</p>																							<p>1. Development of Uniform Performance Pay Standards was a key recommendation of the Incentives Committee. Will incorporate SWAT Recommendations. Implemented for 93/94 cycles.</p> <p><u>Performance Indicator:</u>            a. Cable issued 12/13/92.</p> <p>b. (1) Working group established.            (2) Standards developed as circular to Handbook.            (3) Standards cleared through AFSA/AFGE.            (4) Circular issued along with cable/notice announcing standards.</p> <p>NOTE: (Requires issuance of Management Principles/Values with Administrator's full support.)</p> <p>HRDM/PP:DBrandi;            HRDM/PMES:MZankowski</p>

(All costs are in thousands of dollars)

RECOMMENDATION 4: A.I.D. should re-write the current promotion and performance pay guidelines, policies and standards to require employee fulfillment of the work agreements as a condition of promotion and performance pay. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
2. Revise promotion precepts to include the precept that work agreements be fulfilled/increase emphasis on accountability and managing for results (see steps a-d).																							2. Revising the promotion precepts was also a recommendation of the Incentives Committee. Initial changes to precepts, primarily relating to the task and revised EER will be put into place for 1993/94 cycles. Additional changes will be tied to the 1994 revision to the evaluation systems. (HRDM/PMES:MZankowski)
a. Set up work groups to develop initial precepts.						X																	<u>Performance Indicators:</u> a. Work groups established.
b. Develop standards.						X	X	X															b. Standards developed.
c. Negotiate with AFSA * (5/93).								X	X	X	X	X											c. Negotiation completed.
d. Issue precepts (6/93).											X	X	X										d. Precept issued as change to the Handbook. Cable/notice issued to announce changes.  *NOTE: Could potentially become bogged down in negotiations. Dependent on completion of matrices.

(All costs are in thousands of dollars)

RECOMMENDATION 5: The rating cycle periods for performance appraisal and performance pay should be synchronized.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
<p><b>II. TASK TO BE COMPLETED BY PHASE II IMPLEMENTATION</b></p> <p>Synchronize cycles for FS rating periods and performance pay.</p> <p>a. Develop time lines and procedures (12/30/92).</p> <p>b. Issue instructions and guidance to pool managers (3/31/92).</p>						X	X	X														<p>GS, SES, SFS performance periods are already synchronized with performance pay. Only FS requires a change as performance awards are made as long as 10 months after the rating cycle. This change better tie rewards to performance.</p> <p><u>Performance Indicators:</u></p> <p>a. Procedures established.</p> <p>b. Instructions/Guidelines provided via Notice and Cable.</p> <p>(HRDM/PMES:MZankowski)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
<b>COMPONENT ONE:</b> <b>Certification Program</b>  1. <u>Phase I, Step 1</u> Program Requirements Study/Options				60	N	X																This study involves widespread consultation and communication within A.I.D. AFSA and AFGE will be consulted at this phase and throughout. The study will result in a preliminary job analysis of the project management role in A.I.D. (possibly redefining it for the future); identify policy issues or obstacles that must be faced; assess project management certification programs in use in other agencies or firms; and present up to three options at varying levels of complexity (with costs and time frames) for A.I.D. to consider. A decision-making workshop will conclude this phase.  (FA/HRDM/TSD: Lucy Sotar)

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE							
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST
Decision on Option (A/AID)								X						N	N						
2. Phase I, Step 2 Design the Program												X		100	N						

A separate contract based on the type of program selected will be issued to design the detailed program. This involves further defining the key tasks and competencies, determining the means of meeting them (formal and on-job training, work experience), and devising the system of establishing and maintaining certification (internal or external to A.I.D.). Detailed costs and plans will be included.

(FA/HRDM/TSD: Lucy Sotar)

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 3)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
3. <u>Phase I, Step 3</u> Approve the Program.																						<p>The plan and budget will be presented for decision to the Agency management team, following a period to obtain comments and suggestions from a cross-section of A.I.D. staff, unions, and experts in certification programs.</p> <p>A training contract, possibly a certification services contract and other consulting services (including monitoring and evaluation) will be awarded. While some of the training and consulting needs might be met under existing or already planned programs (see below), new training is likely to be needed.</p> <p>(FA/HRDM/TSD: LSotar)</p>
4. <u>Decision</u> by A.I.D.												X		N	N							
5. <u>Phase II, Step 4</u> Procure Inputs to EXecute Program																	X			200	1. 0	

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 4)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
6. <u>Phase II, Step 5</u> Execute/Evaluate the Program																		X	X		.5	The program will be in a trial period during the first year, with an evaluation after 18 months to assess the operation, and if possible, the effects of the program.  (FA/HRDM/OD: Lois Hartman)

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 5)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
6. (Continued)																						<p>Issues and Challenges for Certification Program</p> <p>Introducing a certification program in A.I.D. for the first time must be done with great care. Units that will play a key role implementing the program must be identified and involved early in the process to assure their understanding/buy-in; potential issues must be identified and steps taken to deal with them; and it is important to identify the universe of individuals that will need to be certified. The Step 1 requirement study will further define issues. Some that will have major implications are:</p> <ul style="list-style-type: none"> <li>- A.I.D. staff acceptance of a certification program, and answering their concerns. Reaching a management or policy decision on the level and scope of the program and obtaining sustained commitment.</li> </ul>

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 6)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
6. (Continued)																						<p>Issues and Challenges (Continued)</p> <ul style="list-style-type: none"> <li>- The legal/policy framework for introducing certification program: Concerns or technical issues in the area of labor relations (e.g., linking certification to personnel actions, assuring equity in access to learning required for certification); How such a program will affect career progression in the Civil Service as well as the Foreign Service?</li> <li>- Defining how the current cadre of project management personnel will be treated by the program: Will they have to be certified? Ranked or tested in some way? "Grandfathered" into the system?</li> <li>- Can A.I.D. and OMB agree on a sustained investment to carry out high quality training, testing, and certification over the long term? Is the actual certification best done internally or by an external body?</li> </ul>

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 7)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
<b>7. COMPONENT TWO:</b> <b>Project Management (Training)</b> <b>Program (PMP)</b>																						<p>The PMP will provide a series of two week courses for new and experienced A.I.D. staff (direct hire, FSN) and PSCs on how to plan, execute, and evaluate development programs and projects. Drawing on and expanding the content of existing training in project design and implementation, these courses will add emphasis on planning and oversight of contracts (responding to Recommendation 19, part 2), financial management/audits/risk management, and teamwork among A.I.D. and counterparts, contractors/grantees, and between technical and support staff units.</p> <p>(PA/HRDM/TSD:LSotar)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 6: A.I.D. should implement a system for training and then "certifying" A.I.D. employees prior to assigning them to key project management positions -- especially in A.I.D. missions abroad. (Continued Page 8)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994					NARRATIVE		
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE							
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH	COST		FT E	
8. Step 1: Award Contract																							
9. Step 2: Design/Test Courses										X	X	X											
10. Step 3: Conduct Courses														765		X	X	X	X		1510		In FY 1993, 175 Project Managers will be trained by TSD, and 90 in Mission-funded courses. In FY 1994, 340 will be trained in TSD courses; and 340 in Missions. At this rate (approximately 600 participants per year) it will take two additional years to reach 2000 Project Managers with one of the 3 courses in the series. Costs include travel and per diem for 50% of participants.

(All costs are in thousands of dollars)

RECOMMENDATION 7: The Administrator should issue a clear policy statement on the importance of ethics, integrity and personal conduct relating to official duties.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
Issue Ethics Statement						X								N	N								<p>This ethics statement will be issued and circulated widely in conjunction with the Agency statements on Values and Management Principles.</p> <p>(GC:AHaiman)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 8: A.I.D. should expand its training in ethics to cover all employees, including personals service contractors. This program should include training in organizational values and ethical decision making.

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE								
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE												
	J	A	S	COST	FTE	O	N	D	J	F	M	3RD	4TH	COST	FTE	1ST	2ND	3RD	4TH		COST	FTE						
1. Submit annual training plan to Office of Government Ethics.		X											X															
2. Decision on FTE for GC.						X																						GC needs 7 full-time FTE for Ethics Office. If not received, action plan will have to be adjusted for longer time frame.
3. Decision on extent of RLA Train-the-Trainer needs.						X																					Ethics Officer will assess capability of RLAs to conduct new training programs. This will determine the scope and nature of "train-the-trainer" program.	
4. Design and produce Standards of Conduct training package.							X							60													Training package will contain: informational brochure; design of "train-the-trainer" workshop and 1 1/2 hr. "Standards of Conduct" training; audiovisual aids, and trainer manual.	
5. Train GC trainers and RLAs to conduct Standards of Conduct Workshop.														100													4 Ethics Office staff and the 25 RLAs will be trained. GC staff will train in A.I.D./W, RLAs in each mission, with GC staff assistance.	

(All costs are in thousands of dollars)

RECOMMENDATION 8: A.I.D. should expand its training in ethics to cover all employees, including personals service contractors. This program should include training in organizational values and ethical decision making. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH		COST	FT E		
6. Design training package for Ethical Decision Making.										X				100								60		<p>Training Package will include "train-the-trainer" program and workshop design for 3-hr. Ethical Decision Making training for targeted employees and 1-day Ethical Decision Making for Senior Managers training; 3-4 videos, etc.</p> <p>Train GC trainers and NIS/EE RLAs in 3-5 day A.I.D./W workshop; train 25 RLAs in 3 regional workshops.</p> <p>All 4800 targeted employees will receive at least 1 hour of training each year.</p> <p>140 employees will be trained in FY 1993; 280 in FY 1994, with all senior managers trained by Sept. 30, 1994.</p> <p>(GC: Arnold Haiman)</p>
7. Train GC and RLA trainers to conduct Ethical Decision Making Workshops						X						X		25										
8. Conduct Standards of Conduct Workshops.									X	X	X	X	X		.5 TD	X	X	X	X			.5		
9. Conduct Ethical Decision Making Workshops.												X	X	11		X	X	X	X			22		
10. Complete annual evaluation of training.												X						X						

(All costs are in thousands of dollars)

RECOMMENDATION 9: A.I.D. should clearly define the responsibilities for project and program activity monitoring and oversight at all levels. Appropriate responsibilities should be defined for the following levels at a minimum: (1) Mission level (Mission Director), (2) Bureau level (Regional Assistant Administrator), (3) Directorate level (Associate Administrator for Operations, Associate Administrator for Finance and Administration, Director for Policy), and (4) Administrator level (Administrator and Deputy Administrator).

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
Design of an integrated portfolio management reporting system which includes the definition of management responsibilities and identification of the information requirements to support these needs.																							<p>Recommendations 9-12 and 13 are being addressed as an integrated activity. The guidance to be issued in January 1993 will be issued as an interim guidance pending completion of the handbook revision process. As the system will depend on other Agency data systems that are themselves being revised, we expect to review the system annually to ensure its compatibility with other system improvements and to "de-bug" the data sets and software. (Committee formed and is meeting).</p> <p>While this is an integrated management system its success, i.e. effectiveness, depends on the implementation of several other recommendations which address the importance, responsibilities, and training needed for effective portfolio management.</p> <p>Action responsibility for system design (DAA/FA:Brad Langmaid).</p>
A. Establish an inter-bureau working group to review agency portfolio management systems and develop a unified reporting system.				N	N																		
B. Define management responsibilities.			X	N	N																		
C. Review with field missions.						X	X							N	N								
D. Issue final guidance as part of an Agencywide portfolio reporting system.									X					N	N								
E. Receive First Comprehensive Agency Reports.												X		N	N								
F. Review first full cycle of reports and reissue guidance as needed.																	X			N	N		

(All costs are in thousands of dollars)

RECOMMENDATION 10: A.I.D. should develop and implement Agency-wide standards for reporting project and program activity status to support specific responsibility levels. Agency handbooks should include these up-dated agency standards.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
Design of an integrated portfolio management reporting system which includes the definition of management responsibilities and identification of the information requirements to support these needs.																							<p>Recommendations 9-12 and 13 are being addressed as an integrated activity. The guidance to be issued in January 1993 will be issued as an interim guidance pending completion of the handbook revision process. As the system will depend on other Agency data systems that are themselves being revised, we expect to review the system annually to ensure its compatability with other system improvements and to "de-bug" the data sets and software. (Committee formed and is meeting).</p> <p>While this is an integrated management system its success, i.e. effectiveness, depends on the implementation of several other recommendations which address the importance, responsibilities, and training needed for effective portfolio management.</p> <p>Action responsibility for system design (DAA/FA:Brad Langmaid).</p>
A. Establish an inter-bureau working group to review agency portfolio management systems and develop a unified reporting system.	X			N	N																		
B. Define management responsibilities.			X	N	N																		
C. Review with field missions.						X	X							N	N								
D. Issue final guidance as part of an Agencywide portfolio reporting system.									X					N	N								
E. Receive First Comprehensive Agency Reports.												X		N	N								
F. Review first full cycle of reports and reissue guidance as needed.																	X			N	N		

(All costs are in thousands of dollars)

RECOMMENDATION 11: A.I.D. should formally specify the information required for project and program oversight at each level of management and communicate these needs up and down the organizational ladder.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
Design of an integrated portfolio management reporting system which includes the definition of management responsibilities and identification of the information requirements to support these needs.																							<p>Recommendations 9-12 and 13 are being addressed as an integrated activity. The guidance to be issued in January 1993 will be issued as an interim guidance pending completion of the handbook revision process. As the system will depend on other Agency data systems that are themselves being revised, we expect to review the system annually to ensure its compatibility with other system improvements and to "de-bug" the data sets and software. (Committee formed and is meeting).</p> <p>While this is an integrated management system its success, i.e. effectiveness, depends on the implementation of several other recommendations which address the importance, responsibilities, and training needed for effective portfolio management.</p> <p>Action responsibility for system design (DAA/FA:Brad Langmaid).</p>
A. Establish an inter-bureau working group to review agency portfolio management systems and develop a unified reporting system.	X			N	N																		
B. Define management responsibilities.			X	N	N																		
C. Review with field missions.						X	X							N	N								
D. Issue final guidance as part of an Agencywide portfolio reporting system.									X					N	N								
E. Receive First Comprehensive Agency Reports.												X		N	N								
F. Review first full cycle of reports and reissue guidance as needed.																	X			N	N		

(All costs are in thousands of dollars)

RECOMMENDATION 12: A.I.D. should review existing and proposed systems improvement projects with the goal of consolidating and integrating them so that Washington management will get reliable summary information and useful "exception" reporting.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3R D	4T H	COST	FT E	1S T	2N D	3R D		4T H	COST	FT E
1. Complete Information Systems Plan (ISP)	X	X	X	N	N																	<ul style="list-style-type: none"> <li>- ISP Steering Committee review required</li> <li>- Task to be completed by 9-30-92</li> <li>- Performance Measure: Completed ISP</li> </ul>
2. Senior Management Review ISP						X																<ul style="list-style-type: none"> <li>- Senior Management Decision Point</li> <li>- Task to be completed by 10-16-92</li> <li>- Performance Measure: Approved ISP</li> </ul> <p>Note: The ISP effort has been funded and no additional resources will be required</p>
3. Provide support for Portfolio Management Reporting System			X	N	N	X	X	X	X	X	X			500	.3							<ul style="list-style-type: none"> <li>- Support includes software acquisition and systems development</li> <li>- FTE represents only FA/IRM staff support</li> <li>- Performance Measure: Reporting System Designed</li> </ul> <p>(FA/IRM:Barry Goldberg)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 13: A.I.D. management should initiate an agency-wide campaign encouraging employees to bring project shortcomings and questionable activities to the attention of their supervisors, for inclusion in an agency project and program "watch" list.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	P	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
Design of an integrated portfolio management reporting system which includes the definition of management responsibilities and identification of the information requirements to support these needs.																							<p>Recommendations 9-12 and 13 are being addressed as an integrated activity. The guidance to be issued in January 1993 will be issued as an interim guidance pending completion of the handbook revision process. As the system will depend on other Agency data systems that are themselves being revised, we expect to review the system annually to ensure its compatibility with other system improvements and to "de-bug" the data sets and software. (Committee formed and is meeting).</p> <p>While this is an integrated management system its success, i.e. effectiveness, depends on the implementation of several other recommendations which address the importance, responsibilities, and training needed for effective portfolio management.</p> <p>Action responsibility for system design (DAA/FA:Brad Langmaid).</p>
A. Establish an inter-bureau working group to review agency portfolio management systems and develop a unified reporting system.	X			N	N																		
B. Define management responsibilities.			X	N	N																		
C. Review with field missions.						X	X							N	N								
D. Issue final guidance as part of an Agencywide portfolio reporting system.									X					N	N								
E. Receive First Comprehensive Agency Reports.												X		N	N								
F. Review first full cycle of reports and reissue guidance as needed.																X				N	N		

(All costs are in thousands of dollars)

RECOMMENDATION 14: The A.I.D. Administrator should issue a comprehensive policy directive on direct and host country contracting which would:

a) Require A.I.D. Mission Directors to review their contracting procedures and organization using criteria already developed by the A.I.D. Senior Procurement Executive, identify any deficiencies, and develop an action plan for correcting them.

b) Require A.I.D. Mission Directors to certify annually that their contracting programs comply with Procurement Executive criteria.

c) Direct that A.I.D. Senior Procurement Executive certifications of the A.I.D. procurement system, as required by Executive Order 12352, reflect Mission Directors' certifications.

SUB/COMPONENT TASKS	FY 1992				FY 1993								FY 1994				NARRATIVE			
	COMPLETION DATE				COMPLETION DATE								COMPLETION DATE							
	J	A	S	COST FTE	O	N	D	J	F	M	3 RD	4 TH	COST FTE	1 ST	2 ND	3 RD		4 TH	COST FTE	
<u>Mission Director Review and Plan for Correcting Deficiencies</u> -- Levy requirement on Missions. -- Mission conduct reviews and develop action plan. -- Action plans submitted to A.I.D./W for review. b) <u>Mission Director Annual Certification</u> c) <u>Incorporate Mission Director Certifications with E.O. 12352 Certifications</u>					X								N	N						a) FTE requirements are 12 overseas and 2 in FA/PPE to review submittals. Net increase of 12 overseas is 72 Missions times 2 man months to conduct review.  SEE ALTERNATE SOLUTION IN NARRATIVE WHICH HAS BEEN INCLUDED IN BUDGET SUMMARY.
						X	X	X	X	X			N	N	X	X			N	N
											X		N	14			X		N	14
											X		N	N			X		N	N
												X	N	N			X		N	N

(All costs are in thousands of dollars)

RECOMMENDATION 14: (Continued Page 2)

- d) Establish contract management as a critical element in A.I.D. Mission Directors' letters of instruction and in performance appraisals at all levels. Unsatisfactory contract management performance should result in the withholding of performance pay and adversely affect promotions.
- e) Reinforce A.I.D.'s Procurement Management Review (PMR) program, which establishes minimum procurement staffing requirements for each Mission.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE						
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E		
<u>d) Contract Management as a Critical Element in Letters of Instruction and Performance Appraisals</u>																								e) 1 FTE required in PPE for FY 93 recruiting purposes and 2 in FY 94 when individuals are on board for entire year.  (FA/PPE:James Murphy; FA/HRDM)
-- coordinate with HRDM						X								N	N									
-- critical elements developed						X								N	N									
-- incorporated into instructions and appraisals											X			N	N									
<u>e) Reinforce PMR Review Program</u>																								
-- positions established						X								N	N									
-- individuals recruited											X			N	1					.1	2			
-- individuals trained											X	X		N	N	X				N	N			
-- review program enhanced																X				N	N			

(All costs are in thousands of dollars)

RECOMMENDATION 15: The A.I.D. Administrator should ensure that clear lines of contracting authority and accountability are maintained through the A.I.D. Senior Procurement Executive to the individual contracting officers. The program should provide that:

a) Contracting authority be delegated only to individuals with experience and training in contracting, unless a waiver is granted by the Senior Procurement Executive.

b) Principal contracting officers at overseas missions report to the Mission Director or Deputy Director (in the larger missions). (See next sheet)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE								
	J	A	S	COST	FTE	O	N	D	J	F	M	3RD	4TH	COST	FTE	1ST	2ND	3RD	4TH		COST	FTE		
<p>a) <u>Delegate Only to Experienced Individuals</u></p> <p>-- consider retracting Mission Director delegations - staff pros and cons</p> <p>-- action memo for decision of the Administrator</p> <p>b) <u>C.O.s Report to Mission Directors</u></p> <p>-- announce new policy</p> <p><u>C.O. EERs Coordinated with Senior Procurement Executive</u></p> <p>-- develop and clear system for coordinating EERs</p>																								<p>a) Mission Directors now have authority for contracts up to \$100,000 and grants up to \$5 million. FA/PPE needs to staff the pros and cons of continuing or retracting that authority with the Regional Bureaus and submit an Action Memo to the Administrator for decision.</p> <p>b) C.O. EERs will require 1 FTE in FA/PPE to review EERs for the Procurement Executive starting with the rating period commencing April 1993. (Need .5 FTE in FY 93 to recruit against).</p>
			X	N	N	X	X							N	N									
								X						N	N									
			X	N	N	X	X		X	X	X	X		N	N									
														N										
								X																

(All costs are in thousands of dollars)

RECOMMENDATION 15: (Continued Page 2)

Contracting officers' annual performance appraisals should be coordinated with the Senior Procurement Executive.

c) Administrative contracting responsibilities, such as approving vouchers and travel expenses, should be delegated only to properly trained project officers.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
-- put system in place for rating cycle												X		N	.5					N	1	(FA/PPE:Elizabeth Cordaro; HRDM)
c) <u>Delegate Responsibilities Only to Properly Trained Project Officers</u>																						
-- COTR guidelines established to coincide with training									X					N	N							
-- Project Officers training offered											X			N	N					N	N	
-- system fully implemented																				N	N	

(All costs are in thousands of dollars)

RECOMMENDATION 16:

- a) A.I.D. project managers should routinely and consistently evaluate contractor performance and document whether contractors have met contract terms and satisfied project requirements.
- b) Use of "level-of-effort" contracts should be reduced, and their future use should require certification by the Deputy Mission Director. Fixed price contracts should be used to the maximum feasible extent.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
<b>a) <u>Evaluate Contractor Performance</u></b>																							<p>a) Guidelines for the new evaluation system will be developed by FA/PPE, staffed with the appropriate Bureaus and Offices and implemented in April 1993. Handbooks will be rewritten and published in the fourth quarter.</p> <p>b) A system for reducing "level-of-effort" contracts and increasing the use of fixed price contracts can be implemented in October 1992 by memorandum prepared by FA/PPE and signed by the Procurement Executive.</p> <p>(FA/PPE:James Murphy)</p>
-- guidelines developed			X	N	N	X	X							N	N								
-- coordinated with bureaus and GC								X	X	X	X			N	N								
-- guidelines implemented												X		N	N								
-- incorporated into Handbooks													X	N	N								
<b>b) <u>"Level-of-Effort" Reduced</u></b>																							
-- guidelines developed			X	N	N																		
-- certification requirement in place							X							N	N								
<b><u>Fixed Price Contracts Used More</u></b>																							
-- guidelines developed and issued							X							N	N								

(All costs are in thousands of dollars)

RECOMMENDATION 17: Delegation of contracting authority, including approval of host country contracts, should flow through the A.I.D. Senior Procurement Executive. Where delegations have not been made, the Senior Procurement Executive should review and approve decisions to renew or enter into major (over \$10 million) host country contracts. The Senior Procurement Executive should review major extensions of host country contracts to assure proper procedures and safeguards are in place. Project implementation letters should (a) contain mandatory provisions for open, properly competed contracting actions following guidelines and model contract provisions already developed by the A.I.D. Senior Procurement Executive, and (b) be monitored by A.I.D. Contracting Officers.

SUB/COMPONENT TASKS	FY 1992				FY 1993										FY 1994				NARRATIVE		
	COMPLETION DATE				COMPLETION DATE										COMPLETION DATE						
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST
a) <u>Redo Delegations</u>			X	N	N	X	X	X	X	X	X			N	N						
b) <u>Approval Process in Place for Review of Major Actions</u>						X								N	2					N	2
c) <u>Modify Project Implementation Letters</u>																					
-- review handbooks			X	N	N	X	X							N	N						
-- develop Handbook changes								X						N	N						
-- Handbook changes published									X					N	N						
<u>Monitoring by Contracting Officers</u>																					
-- issue instructions to the field									X					N	N						

(FA/PPE:James Murphy)

(All costs are in thousands of dollars)

RECOMMENDATION 18A: A.I.D. should develop in-house capability to conduct pre-award audits in cases where Federal auditors cannot provide timely service. This capability and responsibility (presently assigned to the Inspector General) should be colocated with the responsibility for scheduling and management of the Agency's contractor financial audit program (see Recommendation 23).

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
1. New Functions in FA/OP Approved.				N	N									N	N					N	N	Completed.
2. FTE and Travel Funds (OE) Authorized.				N	N	X								N	2.0					50	3.0	Management decision required by OMB and FA/B to authorize FTE and funding.
3. Establish and Classify New Positions.						X	X							N	N					N	N	
4. Recruit and Hire Staff.				N	N		X	X	X	X	X	X		N	N					N	N	A total of 3 people to be recruited.
5. Staff Orientation and A.I.D. Specific Training.				N	N						X	X		N	N					N	N	Training to include A.I.D. Procurement processes.
6. New Functions Operational.				N	N									N	N	X				N	N	New capabilities to be fully functional on 10/1/93.

FA/OP: Barry S. Knauf)

(All costs are in thousands of dollars)

RECOMMENDATION 188: The A.I.D. Senior Procurement Executive should establish a system to address the requirements and procedures for obtaining pre-award audits and provide for necessary checks and balances to assure that no one individual has unrestricted control of a procurement action.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
<b>b) <u>Restate Procedures for Pre-Awards</u></b>  <u>Provide for Checks and Balances</u>  -- develop procedures  -- implement procedures								X						N	N								Memoranda from the Procurement Executive to Contracting Officers prepared by FA/PPE (James Murphy).
							X	X	X					N	N								
										X				N	N								

(All costs are in thousands of dollars)

RECOMMENDATION 19: (1) The A.I.D. Administrator should direct implementation of a competency-based contracting training program as part of the procurement career management program required under section 16 of the Office of Federal Procurement Policy ACT (41 U.S.C. 414(4)). In its training program, A.I.D. should follow the guidelines developed by the Federal Acquisition Institute, adapting them as necessary to A.I.D.'s special requirements, and establish a contracting-competency certification program. (see also recommendation #6) (2) A.I.D. should develop a special course on "Contracting for Project Personnel" to explain proper contracting techniques: including preparation of statements of work and purchase requests, contract administration guidelines, and methods to identify indicators of fraud, waste and improper contractor actions.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE							
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST
1. Submit Procurement Career Management Plan to OMB.						X								N	N						
2. Develop program to train Agency contracting specialists and executive officers in required competencies.							X	X	X	X	X	X		N	N						

(All costs are in thousands of dollars)

RECOMMENDATION 19: Contracting Officer Certification/Training in Certification. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E	
3. Implement training program in FY 1993 focussing on GS and FS contract specialists.								X	X	X	X	X	X	320	2								All 120 USDH GS and FS contracting officers will receive 2 weeks of training annually starting in FY 1993. Training will take place in-house through the FAAR course and externally through GSA and other entities. \$320K includes course costs (\$120K) and travel and per diem (\$200K). 2 FTEs are needed: 1 for FA/HRDM/TSD and one for FA/PPE.
4. Expand program to include Executive Officers and FSN contracting specialists.																X	X	X	X	920	2		Starting in FY 1994 @ 70 FSN contracting specialists will be incorporated into the program and receive two weeks of training annually. @ 140 FS Executive Officers and their assistants will receive 2 weeks of training every other year. \$920K includes \$240K in course costs and \$680K in travel/per diem.  See actions under Recommendation 6.  (FA/PPR: James Murphy/ FA/HRDM/TSD: Lucy Sotar)
5. Provide "Contracting Project Personnel" training.																							

(All costs are in thousands of dollars)

RECOMMENDATION 20: A.I.D. should revise and strengthen its audit policy guidance in the Project Assistance Handbook (Handbook 3), particularly with regard to the audit of host country contracts. A.I.D. should also revise its audit procedures in the Country Contracting Handbook (Handbook 11) for requesting, funding and performing audits of host country contracts.

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE			
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE							
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH		COST	FT E	
<b>a) Handbook 3 Revisions</b>																							FA/PPE (Kathleen O'Hara) working with the Policy Directorate, IG and FA/OP will make remaining changes by January 1993.
-- develop guidance	X	X	X	N	N	X								N	N								
-- clear revisions							X	X						N	N								
-- Handbook change published									X					N	N								
<b>b) Handbook 11 Revisions</b>																							
-- develop guidance			X	N	N	X								N	N								
-- clear revisions							X	X						N	N								
-- Handbook change published									X					N	N								

(All costs are in thousands of dollars)

RECOMMENDATION 21: The IG should assess the effectiveness of A.I.D.'s new audit management resolution program one year after the program is implemented, using agency wide statistical samples of A.I.D.'s projects, grants and contracts.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
Access the efficacy of A.I.D.'s Audit Management & Resolution Program													X	N	N	X	X					The AMRP assigns responsibility for developing and maintaining the universe of required audits and for requesting (of the IG) that financial audits of recipient organizations be performed - both domestic and foreign. As part of its normal audit work, the Inspector General will assess the AMRP and the first full year of operation and ensure that financial audits of A.I.D. recipients meet U.S. government or other acceptable and recognized auditing standards.  (IG/A/FA: John Connors)

(All costs are in thousands of dollars)

**RECOMMENDATION 22:** In cooperation with OMB, A.I.D. should revise its internal control review process under the FMFIA as it relates to audits of grants and contracts to:

1. More accurately describe the control deficiencies and related impact.
2. Provide more detailed specific milestones and dates to enable A.I.D. management and OMB to track the issuance of final policy guidance and progress made in implementing this guidance.
3. Provide for senior management and IG review of the process and related FMFIA reports.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
1. Review and audit missions' audit inventory submissions for accuracy and completeness.		X	X	N	N	X	X							N	N							MCS will coordinate this task with FA/OP for all U.S. contractors and grantees.
2. Determine audit coverage needs for non-U.S. and U.S. grantees and contractors.		X	X	N	N	X	X							N	N							Using mission inventories, MCS with mission input, will determine number of audits needed for non-U.S. contractors and grantees.
3. Revise FMFIA report to describe magnitude of audit problem for U.S. and non-U.S. grantees and contractors.		X	X	N	N	X	X	X						N	N							Using above data, MCS will determine where audit coverage is not adequate and revise FMFIA accordingly. Revision will include specific steps with an estimated completion date for any necessary corrections.
4. Obtain more detail and simplify corrective steps agenda in FMFIA report. Refine dates to specific months.		X	X	N	N	X	X	X						N	N							For all material weaknesses reported in FMFIA make certain corrective steps are simple but specific with a definite time for completion.  (FA/MCS:John Koehring)

(All costs are in thousands of dollars)

RECOMMENDATION 23: Audit functions presently assigned to the IG should be assigned to the Office of Procurement should be located in a new Contract Audit Management Branch within the Procurement Support Division. The branch should have responsibility for scheduling, monitoring and paying for audits by outside firms, and it should be properly staffed. Related shifts in resources would be addressed in the implementation plan.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FTE	O	N	D	J	F	M	3RD	4TH	COST	FTE	1ST	2ND	3RD		4TH	COST	FTE
1. Define Specific Tasks, Responsibilities and Authorities to be Transferred		X	X	N	N									N	N					N	N	Meetings to be held between IG, OP and MCS to define responsibilities.
2. Contract Audit Management Branch (OP/PS/CAM) Approved				N	N		X							N	N					N	N	Management decision required by FA/HRDM.
3. Authorized FTE and Funding for Audits				N	N	X								N	6.0					2000	11.0	Management decision required by OMB and FA/B to authorize FTE and funding.
4. Establish and Classify Positions				N	N	X	X							N	N					N	N	
5. Recruit and Hire Staff				N	N		X	X	X	X	X	X		N	N					N	N	A total of 11 people to be recruited.
6. Staff Orientation and A.I.D. Specific Training				N	N							X	X	N	N					N	N	Training to include A.I.D. Procurement processes.
7. Establish New Procedures and Distribute				N	N				X	X	X	X		N	N					N	N	Procedures to be coordinated with FA, MCS, IG and bureaus.
8. Modify Existing Audit Tracking System				N	N				X	X	X	X		N	N					N	N	System expanded to include new tasks.
9. Develop New System for Audit Scheduling				N	N				X	X	X	X		N	N					N	N	System to include requests for audits and Agency/NFA to perform.

(All costs are in thousands of dollars)

RECOMMENDATION 23: Audit functions presently assigned to the IG should be assigned to the Office of Procurement should be located in a new Contract Audit Management Branch within the Procurement Support Division. The branch should have responsibility for scheduling, monitoring and paying for audits by outside firms, and it should be properly staffed. Related shifts in resources would be addressed in the implementation plan. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE		
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE						
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH		COST	FT E
10. Develop New System for Audit Budgeting				N	N				X	X	X	X		N	N					N	N	System to track obligations, disbursements and prepare budget estimates.  New capability to be fully functional on 10/1/93.
11. Transfer Responsibilities for Audit IQCs to OP/PS/CAM				N	N								X	N	N					N	N	
12. Transfer (DCAA,HHS, etc.) MOUs to OP/PS/CAM				N	N								X	N	N					N	N	
13. New Functions Operational				N	N										X					N	N	

(FA/OP: Barry S. Knauf)

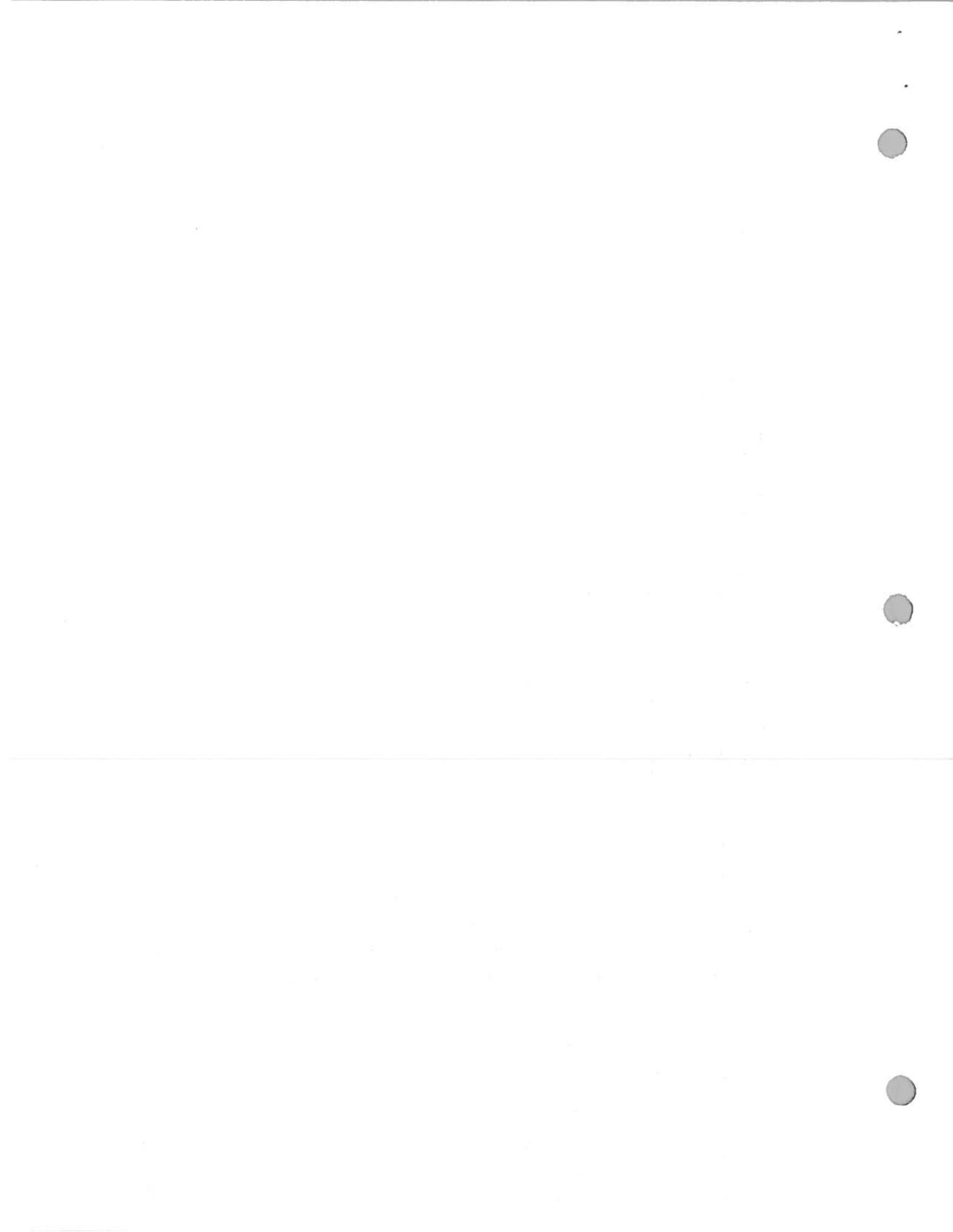
(All costs are in thousands of dollars)

RECOMMENDATION 24: A.I.D. must complete, and maintain, a comprehensive inventory of U.S. and overseas contracts and contractors requiring audits.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
1. Decision to Rely on OP Data on U.S. Concerns and Mission Data on Non-U.S. Concerns per AMRP Policy								X						N	N					N	N	Management decision required by FA/MCS.
2. Required Mission AMRP Reporting to FA/MCS							X							N	N					N	N	FA/MCS to issue guidance/ requirements.
3. Improve CIMS Reporting						X	X	X	X					N	N					N	N	Improvement is an ongoing task of the CIMS Team.
4. Validate CIMS Data										X	X	X		N	N		X	X		N	N	CIMS data validation will be done annually.

(FA/OP:Barry S. Knauf)

(All costs are in thousands of dollars)



RECOMMENDATION 25: A.I.D. should use non-Federal auditors whenever practical to reduce backlogs and to perform critical audits.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
1. Approve Additional Funding for Non-Federal Audits				N	N	X								N	N	X				1.0	N	Management decision required by OMB and FA/B to authorize funding.
2. Raise Maximum Order Limitation (MOL) on Audit IQC Contracts			X	N	N									N	N					N	N	Increased to accommodate the expanded use of non-federal auditors.
3. Establish Additional Audit IQC Contracts			X	N	N									N	N					N	N	Expanded to add additional firms to the list of available non-federal auditors.

(FA/OP:Barry S. Knauf)

(All costs are in thousands of dollars)



RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
1B. Strengthen Mission and Office Program Performance Information Systems.	X	X	X			X	X	X	X	X	X	X	X			X	X	X	X			Technical Assistance to strengthen Mission and Office program performance monitoring and reporting systems is already being implemented by CDIE/E/SDS as part of the PRISM initiative. 100% field coverage by 4th Qtr FY 1993; 100% central coverage by 4th Qtr FY 1994. Related training, guidance, and funding are discussed under other recommendations.  (POL/CDIE:Gerald Britan)
1C. Develop an Agency-wide Program Performance Information Database.	X	X	X			X	X	X	X	X	X	X	X									An Agency-wide program performance information database is already being developed by CDIE/E/SDS as part of the PRISM initiative and should be fully operational and linked to other Agency-wide management information systems by the end of FY 1993.  (POL/CDIE:Gerald Britan)
2. Report comprehensively on <u>project</u> results, assign grades to each major completed project, and establish a project performance "watch list."	X	X	X			X	X	X	X	X	X	X	X		X							Initial report assessing projects completed the previous year prepared 1st Qtr FY 1994, based on project completion reports and reviews completed FY 1992. The report will include "watch list" of projects that failed to produce their targeted results and also identify particularly successful projects.

(All costs are in thousands of dollars)

RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 3)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E		
2. (Continued)																							Each subsequent fall, comprehensive assessments of project results will be prepared covering all major activities for which completion reports and reviews were completed--approximately 20% of the total portfolio annually. Beginning FY 1994, diagnostic evaluations more thoroughly assess lessons learned from problem, and particularly successful projects. While A.I.D. Missions and Offices currently conduct project monitoring and evaluation activities, this represents a substantially expanded and more systematic effort, as described below:	
2A. Develop an Agency-wide project performance database.	X	X	X			X	X	X	X	X	X	X	X	120 (P)	1	X						80 (P)	1	This will provide a more systematic and comprehensive basis for tracking evaluation activities and monitoring of project performance. Database designed by 12/92; fully operational system accessible to senior managers by 1st Qtr FY 1994. It will consolidate information from the activities listed below as a basis for annual reporting and as part of an Agency-wide management information system.
														60 (O)								40 (O)		(POL/CDIE:Annette Binnendijk)
																							(POL/CDIE:Gerald Britan)	

(All costs are in thousands of dollars)

RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 4)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
2B. Conduct desk reviews assessing the performance of all major projects (e.g., those involving at least \$1 million in funding) for which activity completion reports have been prepared (about 200 to 300 projects each year).														480 (P)	1					480 (P)	1	CDIE/E will conduct desk reviews assessing the performance of all projects for which activity completion reports (ACRs) have been completed each year. New evaluation guidance (see Recommendation #28) will require activity reports for all completed projects (over \$1 million) and at periodic intervals (perhaps every five years) for longer-term or ongoing activities. Beginning FY 1993, desk reviews will be completed in the 4th Qtr and findings entered in the project performance database.  (POL/CDIE:Gerald Britan)
2C. Conduct field reviews assessing the performance of about 10% of the projects for which activity completion reports have been prepared each year.														100 (P)	.5					300 (P)	1.5	In FY 1993, CDIE/E will begin conducting field reviews to provide more in-depth performance assessments for a sample of the projects for which ACRs were completed. By FY 1994 this is expected to cover about 10% of completed ACR's, for a total of 20-30 field reviews each year. These reviews will assess additional Mission documentation; interview relevant A.I.D., host government, and contract officials; conduct site
														50 (O)						150 (O)		

(All costs are in thousands of dollars)



RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 6)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
2E. Develop and implement systems for collecting, analyzing, and reporting program and project performance in Missions and Offices, for preparing project completion reports, and for using performance information in management decisions.														12k (P)						12k (P)		Mission and Office program performance monitoring systems being developed as part of PRISM would need to be expanded to include project performance data. 50% Missions & offices covered by 4th Qtr FY 1993; 100% by 4th Qtr FY 1994. It is estimated that the costs of developing and maintaining improved Mission program and project performance monitoring systems, and related data collection efforts, would require about .3% of total program costs (or about \$18 million/year). This would cover both contractor costs and any additional staffing needs (for budget purposes, these are presumed to be program-funded PSC's rather than OE-funded direct-hires). Current Mission and Office M&E systems costs are difficult to estimate, but are on the order of \$5-10 million per year.  (Mission & Office Directors, assisted by CDIE)

(All costs are in thousands of dollars)

RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 7)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
2F. Conduct "formative evaluations" at the Mission and Office-level to diagnose potential problems identified through routine monitoring or as a basis for project termination, redesign, or follow-ons.														8k						8k		Monitoring and evaluation guidance developed and promulgated by 12/92. Routine program and project monitoring and "formative evaluations" by Missions and Offices expected to require about .3% of total program funding (or a total of about \$18 million/year). This would cover both contractor costs and any additional PSC or direct-hire staffing needs. Current monitoring and evaluation expenditures are difficult to assess (since they are not separately tracked in the budget) but are on the order of \$10-15 million/year.
2G. Develop and implement systems for collecting, analyzing, and reporting program and project performance information in Regional and Central Bureaus and for coordinating and supplementing Mission and Office monitoring and evaluation activities.														8.9k (P) 100 (0)	10				8.9k (P) 100 (0)	10	This includes the costs of summarizing and assessing Mission and Office program performance data, for conducting Bureau-level performance monitoring and evaluation activities, for conducting special "diagnostic evaluations," and for evaluating central programs. It is presumed that a substantial portion of these	

(All costs are in thousands of dollars)

RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 8)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE						
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E		
2G. (Continued)																							resources will be reallocated to Missions and Offices to meet special and evaluation needs. The budget includes 10 direct-hire FTE's to supplement current, exceedingly sparse, Bureau M&E staffing.	
3. Report comprehensively on <u>implementation</u> performance for all major ongoing projects, assign grades, and develop a project implementation "watch list."														250 (P)	1							450 (P)	2	An automated system for monitoring key elements of project implementation at the mission level for incorporation into the Agency-wide system will be developed as part of program and project management (see separate recommendations). This implementation monitoring will be consistently linked to information on program and project results, will provide a basis for grading implementation performance, and will identify problems for an implementation "watch list" and for possible "diagnostic evaluations." Prototype system approved 10/92, piloted in 3-5 Missions by 1/93. System installed in 25 Missions 4th Qtr FY 1993, with 100% coverage by 4th Qtr FY 1994. (AA/OPS & DAA/FA, assisted by CDIE & IRM)
														50 (0)								50 (0)		

(All costs are in thousands of dollars)

RECOMMENDATION 26: A.I.D. should produce a comprehensive report on project and program performance. A.I.D. should assign comparative grades (e.g., successful, passing, failure) to each major on-going and completed project or program. A.I.D. should also establish a "watch list" of problem programs or projects. (Continued Page 9)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
4. Coordinate performance monitoring and evaluation improvements with broader reforms of program and project management and agency culture.																						<p>To be useful in managing for results, comprehensive reporting on program and project performance must be linked to broader changes in A.I.D.'s program and project management, personnel systems, and resource allocations. Successfully implementing comprehensive program and project performance reporting also presumes the implementation of other, related recommendations for transforming A.I.D.'s organizational culture. Senior Advisory Committee formed 10/92; quarterly meetings begin 1/93.</p> <p>(POL/CDIE:John Eriksson)</p>

(All costs are in thousands of dollars)

RECOMMENDATION 27: A.I.D./Washington should develop new evaluation guidance, expand training and enforce compliance of policy on project completion reports.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE						
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E		
1. Develop and disseminate new evaluation guidance, including an updated evaluation handbook and new requirements for activity completion reporting.						X	X	X	X	X	X	X	X	50 (P)		X	X	X	X					<p>This goes substantially beyond the scope of guidance on program performance monitoring already promulgated as part of the PRISM effort (4/92) to encompass project monitoring and evaluation and activity completion reporting responsibilities. Draft performance monitoring and evaluation guidance would be completed by December 1992; a new monitoring and evaluation handbook would be reviewed, revised, approved, and disseminated by the third quarter of FY 1993; the first (partial) set of activity completion reports from the field would be submitted in the summer of 1993, in conjunction with ABS submissions; supplemental guidance would be issued during the first quarter of FY 94, based on the first year's experience; and a complete set of ACR submissions would be expected by the end of FY 94.</p> <p>(POL/CDIE:Annette Binnendijk)</p> <p>CDIE would take the lead in developing and conducting a monitoring and evaluation workshop to help implement program and project performance measurement reforms. HRDM, assisted by CDIE</p>
2. Develop and implement related evaluation training needed to improve A.I.D.'s ability to "manage for results."																								

(All costs are in thousands of dollars)

RECOMMENDATION 27: A.I.D./Washington should develop new evaluation guidance, expand training and enforce compliance of policy on project completion reports.  
(Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH	COST		FT E		
2. (Continued)																								
2A. Develop and implement a new CDIE performance monitoring and evaluation workshop, and related training materials, to disseminate new evaluation guidance, improve monitoring and evaluation methods and systems, and communicate new activity completion reporting requirements throughout A.I.D.						X	X	X	X	X	X	X	X	380 (P) 20 (O)	1	X	X	X	X	455 (P) 55 (O)	1	would develop and implement a comprehensive plan for infusing monitoring and evaluation for performance management in all of A.I.D.'s training activities.  This involves a major expansion of CDIE's planned PRISM workshops to include performance monitoring and evaluation systems and methods and activity completion reporting requirements as well as program performance monitoring and reporting improvements that were previously encompassed. It also envisions CDIE making the training available to A.I.D. personnel worldwide through 10-15 field workshops each year. M&E workshop developed by 2/93; piloted in 2-3 Missions 3rd Quarter FY 1993; conducted in 3-5 field sites 4th Quarter FY 1993; and conducted in 10 additional sites by 4th Quarter FY 1993.  (POL/CDIE:Gerald Britan)		
2B. Develop and implement a comprehensive Agency-wide plan for infusing performance monitoring and evaluation guidance and performance management principles throughout A.I.D.'s training curricula.						X	X	X	X	X	X	X	50 (P)	.2	X	X	X	X	100 (P)	.2	HRDM would, with CDIE's help, develop and implement a comprehensive plan for infusing information and guidance on monitoring and evaluation for performance management throughout relevant training activities. This would involve the development of			

(All costs are in thousands of dollars)

RECOMMENDATION 27: A.I.D./Washington should develop new evaluation guidance, expand training and enforce compliance of policy on project completion reports.  
 (Continued Page 3)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE						
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E		
2B. (Continued)																								tailored training materials, discrete M&E components for ongoing and new courses (e.g., program and project management, project implementation, etc.), and perhaps other activities, such as a separate course on "monitoring and evaluation" or on "managing for results." A training plan completed by 12/92; existing courses revised by 3rd Quarter FY 1993; and new courses implemented by 1st Quarter FY 1994.
3. Ensuring compliance with monitoring and evaluation policies and requirements.																								(FA/HRDM) To ensure compliance with evaluation guidance, A.I.D. will require a consistent and comprehensive framework for evaluation reporting (so that compliance and performance can be fairly compiled and assessed), accurate information on the human and financial resources devoted to performance monitoring and evaluation, and selected reviews of the quality and integrity of program and project performance information systems in the field. Actions needed to accomplish this are detailed below:

(All costs are in thousands of dollars)

RECOMMENDATION 27: A.I.D./Washington should develop new evaluation guidance, expand training and enforce compliance of policy on project completion reports.  
(Continued Page 4)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
3A. Develop and implement automated performance information and M&E tracking systems that enable Missions and Offices to easily report their objectives, indicators, results, evaluations conducted, ACRs completed, and related human and financial resources as part of their annual ABS submissions.						X	X	X	X	X	X	X	X	100 (P)	1					100 (P)	1	Preliminary information on Mission and Office objectives, resources, and evaluations were included in current ABS submissions and are being jointly analyzed by FA/B and CDIE. CDIE has also developed (in collaboration with IRM) prototypes for automated Mission performance monitoring and evaluation tracking systems which could be used to easily produce additional information for next years ABS (and which would eventually become part of a unified Agency-wide information system). Additional changes would be needed in budget coding systems (to enable better tracking of evaluation expenditures) and in personnel classification systems (to clarify evaluation functions and enable better tracking of human resources). System developed by 12/92. New ABS guidance incorporating M&E reporting issued by 3rd Quarter FY 1993.  (POL/CDIE:Gerald Britan with assistance from FA/B & OPS)

(All costs are in thousands of dollars)

RECOMMENDATION 27: A.I.D./Washington should develop new evaluation guidance, expand training and enforce compliance of policy on project completion reports.  
 (Continued Page 5)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994					NARRATIVE			
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD		4 TH	COST	FT E
3B. Compile, analyze, and assess Mission and Office M&E reporting, expenditures, and human resources; identify needed remedial actions and coordinate related technical support, training, and guidance to redress identified deficiencies.														100 (P)	1					100 (P)	1	OPS would have the lead in assuring the adequacy of Mission and Office monitoring and evaluation, in assessing the use of performance information in managing for results, and in taking remedial action. CDIE would provide assistance in assessing the quality and coverage of Mission and Office M&E systems, the adequacy of M&E reporting, and the use of M&E data. CDIE, FA/B, and HRDM would assist OPS in assessing the human and financial resources associated with M&E activities. CDIE would provide related guidance, technical support, and assistance, as needed.  (AA/OPS with assistance from CDIE, FA/B and FA/HRDM)

(All costs are in thousands of dollars)

RECOMMENDATION 28: A.I.D. should make evaluation findings more accessible to senior managers and require managers to use those evaluations; a review of relevant evaluation findings should be included in budget justifications and Congressional presentations. A.I.D. should ensure that CDIE is integrated into major policy and budget decisions.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE						
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE										
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E		
1. Conduct quarterly briefings for A.I.D. senior managers on key monitoring and evaluation findings and their implications.																							This is already being implemented as part of the Evaluation Initiative.  (POL/CDIE:John Eriksson)	
2. Prepare tailored reports, memos, cables, briefings, and other innovative strategies to communicate key monitoring and evaluation findings to appropriate A.I.D. managers and external audiences.														100 (P)	2							100 (P)	2	Although originally envisioned, as part of the Evaluation Initiative, dissemination efforts were reduced due to funding and FTE constraints. Additional resources are needed to encompass additional project performance monitoring information and to restore this function to required levels.  (POL/CDIE:Annette Binnendijk)
3. Assess mission and office evaluation performance and their use of performance monitoring and evaluation data in program and project decision-making as part of ABS and CP submissions.														50 (P)	.5							50 (P)	.5	In the 4th Quarter of each year, CDIE will prepare summary annual assessments of Mission and Office evaluation performance and use based on analyses of Mission ABS submissions (outlined in previous recommendation) and related program and project documents.  (POL/CDIE:Annette Binnendijk)

(All costs are in thousands of dollars)

RECOMMENDATION 28: A.I.D. should make evaluation findings more accessible to senior managers and require managers to use those evaluations; a review of relevant evaluation findings should be included in budget justifications and Congressional presentations. A.I.D. should ensure that CDIE is integrated into major policy and budget decisions. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E
4. Incorporate key program and project information in user-friendly management information systems that are widely accessible to A.I.D. decision-makers.						X	X	X	X	X	X	X	X	100 (0)		X	X	X	X	100 (0)		As part of the PRISM effort, CDIE is already incorporating program performance information into the Agency's Magellan information system and other new information activities. This would need to be expanded to include project performance data. By the 4th Quarter FY 1994, PRISM fully integrated in Agency-wide management information system.  (POL/CDIE:Gerald Britan)
5. Incorporate evaluation and performance monitoring findings into agency policy and operational guidance and all major program, project, and budget decisions.															1						1	This is already being implemented as part of the Evaluation Initiative, but efforts would need to be expanded and intensified. In collaboration with OPS and POL/PAR, CDIE is actively working to incorporate evaluation findings in key program and project decisions. CDIE has also initiated discussions with FA/B and LEG about improving the use of evaluation and program performance information in a reformed ABS and CP process.  (POL/PAR & AA/OPS with assistance from CDIE)

(All costs are in thousands of dollars)

RECOMMENDATION 29: A.I.D. should include the effective conduct and use of evaluations as an element of personnel performance appraisals, with managers held directly accountable for gathering and analyzing data on the performance of projects and programs.

SUB/COMPONENT TASKS	FY 1992					FY 1993								FY 1994				NARRATIVE					
	COMPLETION DATE					COMPLETION DATE								COMPLETION DATE									
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND		3 RD	4 TH	COST	FT E	
1. Develop new elements and standards that appropriately incorporate performance monitoring and evaluation responsibilities and "managing for results" in personnel appraisals.			X			X	X	X	X														HRDM would take the lead on this activity, with CDIE assistance in clarifying substantive aspects and suggesting appropriate language for relevant performance elements and standards. FS and GS standards drafted by 10/92 and final standards disseminated in 1/93.
2. Assure that managers are held directly accountable for getting and using program and project performance data and that this is reflected in personnel decisions, job assignments, promotions, and awards.																						(FA/HRDM)  HRDM would take the lead on this activity, with CDIE assistance in obtaining and assessing other relevant information on evaluation performance. CDIE may also review, analyze, and report on overall Agency progress in this area. New FS standards implemented in 3rd Quarter FY 1993; new GS standards implemented in 4th Quarter FY 1993; standards reviewed and revised as appropriate 1st Quarter FY 1994.  (FA/HRDM)	

(All costs are in thousands of dollars)

RECOMMENDATION 30: A.I.D. should use substantially more of its program funds to strengthen evaluation and performance monitoring, and staff and fund CDIE at the planned levels.

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994				NARRATIVE				
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE								
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH		COST	FT E		
1. Allocate 1% of total program funding (approximately \$60 million) for performance monitoring and evaluation activities in Washington and the field.						X								60k		X						60K		This encompasses all of the funding needed for evaluation and performance monitoring (other than routine project monitoring for administrative management) in Washington and the field. It includes both the NEW resources need as listed under previous recommendations (about \$25 million) and CURRENT M&E expenditures (about \$35 million) for a total of \$60 million. This \$60 is further allocated to particular M&E functions described below:  Funds allocated in FY 1993 and FY 1994. This should be sufficient to fund CDIE's central evaluation activities. Includes \$3.5 million in new funds.  (FA/B)  Funds allocated for FY 1993 and FY 1994 to cover the costs of getting and using program performance and evaluation information for Bureau and Directorate decision-making. Includes \$9 million in new funds.  (FA/B)
1A. Allocate .2% of total program funding (approximately \$12 million) for central monitoring and evaluation activities.						X								12K		X						12K		
1B. Allocate .2% of total program funding (approximately \$12 million) for other Directorate and Bureau-level monitoring and evaluation activities, for diagnostic evaluations, for						X								12K		X						12K		

(All costs are in thousands of dollars)

RECOMMENDATION 30: A.I.D. should use substantially more of its program funds to strengthen evaluation and performance monitoring, and staff and fund CDIE at the planned levels. (Continued Page 2)

SUB/COMPONENT TASKS	FY 1992				FY 1993								FY 1994				NARRATIVE				
	COMPLETION DATE				COMPLETION DATE								COMPLETION DATE								
	J	A	S	COST	FT	O	N	D	J	F	M	3	4	COST	FT	1		2	3	4	COST
				E							RD	TH		E	ST	ND	RD	TH		E	
1B. (Continued) assembling and analyzing Mission and Office M&E data, and as a possible PD&S-type fund to support specific additional field M&E activities.																					
1C. Allocate .6% of total program funding for establishing and maintaining Mission and Office program and project performance information systems, for collecting and analyzing information on program and project results, for conducting formative evaluations, for preparing activity completion reports, and for conducting other operational-level evaluation studies.						X								36K		X					36K

Funds allocated for FY 1993 and FY 1994. This would amount to an average of about \$300,000-\$400,000 per Mission or Office to cover planning, collecting, analyzing, and reporting program and project performance information and using it in operational-level management decisions (excluding administrative monitoring of project implementation). It is estimated that about .1% (\$6 million) of total funding would be used to cover personnel and management costs; .2% (\$12 million) to cover program and project monitoring systems, data analysis, and reporting; and .3% (\$18 million) to cover formative evaluation. Includes \$20 million in new funds.

(FA/B)

(All costs are in thousands of dollars)

RECOMMENDATION 30: A.I.D. should use substantially more of its program funds to strengthen evaluation and performance monitoring, and staff and fund CDIE at the planned levels. (Continued Page 3)

SUB/COMPONENT TASKS	FY 1992					FY 1993										FY 1994					NARRATIVE		
	COMPLETION DATE					COMPLETION DATE										COMPLETION DATE							
	J	A	S	COST	FT E	O	N	D	J	F	M	3 RD	4 TH	COST	FT E	1 ST	2 ND	3 RD	4 TH	COST		FT E	
2. Clarify and expand A.I.D.'s authority to fund performance monitoring and evaluation activities from program sources, including salaries and travel for direct-hire evaluators.						X										X							Although performance monitoring and evaluation is explicitly aimed at improving development results, it's unclear whether such activities are part of A.I.D.'s development program (supportable through program funding) or represent a "cost of doing business" (that should be funded as operating expenses). Evaluation and program performance monitoring in A.I.D./Washington are currently funded from a variety of OE and Program funding accounts; and in Missions and Offices, primarily through projects or other program sources. FA and OMB need to clarify that performance monitoring and evaluation are appropriately funded from program resources and, if necessary, obtain Congressional authorization to use program funds for performance monitoring and evaluation activities that might otherwise be construed as requiring OE resources.  FA/B (with support from OMB & authorization from Congress)

(All costs are in thousands of dollars)





