

- PD-ABG-710



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

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AID REPRESENTATIVE

American Embassy  
Islamabad, Pakistan

September 22, 1986

Mr. Peter J. Rousselle  
Management Sciences for Health  
165 Allandale Road  
Boston, Mass. 02130

Subject: Cooperative Agreement No. 306-0203-A-00-6014-00

Dear Mr. Rousselle:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224), the United States of America, acting through the Agency for International Development (hereinafter referred to as "A.I.D."), hereby agrees to enter into a Cooperative Agreement (hereinafter referred to as the "Agreement") with Management Sciences for Health (hereinafter referred to as "Recipient" or "MSH") for a program to expand and strengthen health services inside Afghanistan, as more fully described in Attachment 1, entitled "Cooperative Agreement Schedule".

- a. The total amount planned to be incrementally obligated for program expenditures for the Agreement period October 1, 1986 through September 30, 1989, is estimated to be \$15,700,000, subject, at the time of each increment, to the availability of funds for the program, and the mutual agreement of the parties.
- b. A.I.D. hereby obligates the amount of \$3,500,000 for program expenditures during the period October 1, 1986 through September 30, 1987.

This Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program purposes during the period specified above.

This Agreement is made with MSH on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, and Attachment 2, entitled "Standard Provisions".

COOPERATIVE AGREEMENT SCHEDULE

I. Authority, Purpose and Program Description

A. Authority

Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224).

B. Purpose

To provide technical and financial humanitarian assistance to expand and strengthen health services inside Afghanistan as rapidly as possible and strengthen the capability of the health committee of the Seven Party Alliance to plan, operate, and monitor expanded health services in Afghanistan.

C. Program Description

Background

The background and recent history of the health conditions of war-affected Afghans is well documented in two reports prepared by the Recipient. The documents, "A.I.D. Cross-Border Humanitarian Assistance Activities to Improve Health of War-Affected Afghans" submitted in December 1985, and "Update and Recommended Implementation Arrangements for A.I.D. Cross-Border Health Assistance Activities to Improve the Health of War-Affected Afghans" submitted in June 1986, describe the health conditions of Afghans inside the country of Afghanistan, their needs for medical and surgical care, the need for medical supplies and expands on the dire conditions facing those Afghans in the war-affected areas.

The Alliance Health Committee (AHC) composed of representatives from each of the seven major Afghan parties focuses on the Afghan health conditions and problems. One of the major concerns of that committee is the existing health conditions of those citizens in the war-affected areas.

Description

In accomplishing the purpose of this Agreement, the Recipient shall provide key personnel who will work with the Seven Party Alliance Committee health representatives; coordinate with established Private Voluntary Organizations and the Office of the AID/REP; develop fiscally responsible plans for the disbursement of funds; and effect over-all coordination to improve the health of those Afghans in the war-affected areas of Afghanistan.

Specifically, the Recipient's efforts shall include but not be limited, to the following:

- Assisting the Alliance Health Committee (AHC) in the expansion and improvement of medical and surgical care for war casualties, e.g., emergency care services, urgent care services, evaluation services and continuing care services;
- Assisting the Alliance Health Committee (AHC) in the expansion and improvement of general health care for the civilian population and Mujahideen, e.g., primary health care and in-patient services, selected immunization services and public education services;
- Improving the capability of the Alliance Health Committee (AHC) in planning and managing expanded health activities, and in the training of first-aiders, nurses and doctors;
- Assisting the Alliance Health Committee (AHC) in developing the type and quantity of supplies required, assisting in distribution, and in the development of systems for supply and resupply;
- Providing close coordination with contractors and grantees who are providing medical supplies and equipment in order that those items are delivered on a timely basis and are available when needed; and
- As appropriate, review and comment on grant requests to the O/AID/REP for Afghan Affairs by PVO's for health-related projects.

In order to accomplish the work as set forth herein, the Recipient shall employ and utilize personnel on both short-term and long-term duty assignments during the period of this Agreement. The title and duties of each of these categories shall include, but not be limited, to the following:

a. Long-Term Assignments:

Title

1. Health Team Leader

Main Activities - Overall coordination on behalf of the project's major constituents, i.e., AHC, PVO's, Office of AID/REP, and the Technical Assistance Team. Assist in the preparation of National and Party health plans.

Primary Responsibilities - Help coordinate project activities with the major constituents and will supervise the health team staff, local staff and short-term technical assistance members. Will work directly with the party health committees in order to develop an over-all health plan for Free Afghanistan, individual party operational plans, and provide professional help to the committees as they move forward in implementing their respective plans.

In accomplishing the primary responsibilities, the Health Team Leader shall:

- Work with the Seven Party Alliance Health Committee to identify the common staffing needs of the individual party committees;
- Work with the Alliance Health Committee (after the party committees are staffed) to develop a practical over-all health plan for Free Afghanistan;
- Assist the party committees in developing their respective operational plans for carrying out the national plan;
- Provide technical assistance to the party committees in various specific areas of training and program management such as refresher training of physicians, health planning, and health system operations; and
- Work with PVO's and parties to maximize efficiencies and promote the organizational development of the parties.

## 2. Senior Management Advisor

Main Activities - Deputy Team Leader, coordinator of development of the Alliance Secretariat and of training activities.

Primary Responsibilities - The main emphasis will be on working with the party health committees and Secretariat to develop and implement the health plans required by the project and to strengthen the capability of the Secretariat to plan and manage health services and train personnel. The Senior Management Advisor will have primary responsibility for development of Quetta-based activities, when and if it is decided to expand operations in that location. In accomplishing the primary responsibilities, the Senior Management Advisor shall:

- Coordinate with the alliance, parties, and PVO's in achievement of training outputs including both health care providers and health administrators;
- Supervise short-term consultants in training operations and curriculum development;

- Work with the team leader in developing and implementing the overall health plans and operational plans;
- Coordinate the development of and provide technical assistance to the AHC and Secretariat in development of Secretariat management capability including management systems development in manpower planning, personnel management (including family allowance program), management information, and, in conjunction with the Fiscal Officer, financial management; and
- Supervise the medical and Field Operations in development of a commodities monitoring system and other activities as deemed useful by the Team Leader.

### 3. Medical and Field Operations Advisor

Main Activities - Provide advice on medical/community health topics for training and field operations, coordinate field operations development and management activities, including the medical supply services.

Primary Responsibilities - Will work with the Senior Management Advisor and training consultants to:

- provide advice on medical/community health topics for training and assist in the development/improvement of training programs including training methods useful for students who will be working in Afghanistan;
- review the experiences of training graduates who have returned from Afghanistan and assist in modifying training to better prepare students for service inside the country; and
- assist in organization of training of medical supply personnel to improve the medical supply system.

Will be responsible for the coordination of field operations inside Afghanistan including:

- Coordination of the development of clinic, hospital, and evacuation systems operations inside Afghanistan;
- Coordination of the set-up and management of medical supply services including the selection of medical equipment, drugs, and expendable supplies; and
- Coordination of the development of supervision systems inside Afghanistan.

#### 4. Fiscal Officer

Main Activities - Set up and manage AID funds on behalf of the Recipient. Assist the Alliance Health Committee in developing fiscal/disbursement planning capability.

Primary Responsibilities - Shall be fiscally responsible for the management of AID funds on behalf of the Recipient. Shall disburse funds to the Alliance Health Committee in accordance with procedures to be established, and assist the Alliance in strengthening its financial planning and management capabilities. Shall maintain strict accountability for funds in Pakistan and will work with AID to develop accountability standards for inside Afghanistan. Specifically, the responsibilities include, but not be limited to, the following:

- Establishing a financial recording and disbursing system consistent with project and AID requirements and the selection and training of local hire staff to operate the system;
- Working closely with USAID/Office of Afghan Affairs and AID Auditing Staff to develop standards of accountability for AID funds and procedures to monitor disbursed funds so that standards of accountability are met;
- Based on approved work plans, will advance funds to the Alliance Secretariat (and as required to individual party health committees) and monitor the expenditures for consistency with the approved work plans;
- Work closely with other staff of the Recipient to develop monitoring systems that link both the quantity and quality of performance in implementation of project activities to future levels and frequency of disbursement;
- Work closely with the Senior Management Advisor and the Medical/Field Operations Advisor to develop monitoring systems for disbursement and use of commodities supplied by the project; and
- Provide technical assistance in financial planning, financial management, and resource-based health planning to the Alliance Secretariat, and will help them set up their own Finance Office so that they may increasingly assume responsibility for disbursement and monitoring of funds for project activities.

#### 5. Project Coordinator

Main Activities - Provide coordination for the project in the United States by facilitating communications with AID/Washington, providing technical backstopping for the Pakistan-based technical assistance team and by recruiting short-term technical assistance personnel when needed.

Primary Responsibilities - Will coordinate all project related activities which require Recipient support in the United States including administration, communications and other field support. Specifically, the duties involved shall include, but not be limited to, the following:

- Assure availability of short-term advisors for the project, by recruiting and fielding qualified experts in a timely manner.
- Channel and respond to, as appropriate, all communications to and from the field.
- Develop and maintain a documentation system for all reports, correspondence and project-related materials.
- Investigate programs of various medical/training institutions and handle all necessary administrative arrangements in order to maximize third country training experiences of Afghans.
- Provide the technical assistance team with other support as required e.g., purchase of office equipment, supplies, language matters, and etc.

Prior to assignment of long term advisors under this Agreement, the Recipient shall submit documentation and resume information to the Office of the AID/REP for review and approval.

The health Team Leader, Senior Management Advisor, Medical and Field Operations Advisor, and Fiscal Officer will be based in Pakistan. The Project Coordinator will be based in the United States.

b. Short Term Assignments:

In achieving targeted outputs, it will be necessary to supplement the work of the resident advisors with short-term technical assistance. It is anticipated that approximately fifty (50) person-months of short-term assistance will be required during the period of this Agreement.

The need for individual short-term technical advisors and the timing of their visits shall be mutually determined by the O/AID/REP, AHC, and the Recipient. The Recipient shall prepare and submit to the O/AID/REP for approval a scope of work and a resume for each proposed short-term advisor prior to making arrangements for the advisor's assignment. To the extent possible, repeat visits will be encouraged in order to develop a cadre of short-term staff which will provide continuity over the life of the project.

The specific requirements for short-term technical advisors will be determined on the basis of annual work plans and contingencies; however, examples of the work that is anticipated are given as follows: (The list is illustrative rather than inclusive.)

<u>Activity Area</u>	<u>Illustrative Requirements</u>
Training	<ul style="list-style-type: none"> <li>- Curriculum development</li> <li>- Preparation of printed materials and visual aids</li> <li>- Specialized training of trainers</li> <li>- Specialized aspects of management training</li> </ul>
Communications	<ul style="list-style-type: none"> <li>- Feasibility studies for mass communications</li> <li>- Applied social science research</li> <li>- Mass media program development</li> </ul>
Supply and Logistics	<ul style="list-style-type: none"> <li>- Overall supply system design</li> <li>- Development of in-country distribution and inventory control strategies</li> </ul>
Management Support to Parties	<ul style="list-style-type: none"> <li>- Manpower planning</li> <li>- Finance and accounting</li> <li>- Manpower information systems</li> <li>- Specialized issues of health planning</li> </ul>
Health Care Issues	<ul style="list-style-type: none"> <li>- Combat casualty care</li> <li>- Vaccination program management</li> <li>- Laboratory applications</li> <li>- Combat medicine</li> <li>- Disease control</li> </ul>

## II. Funds Obligated, Payment, and Estimated Cost

A. The Agreement is incrementally funded. Each subsequent increment is subject to the availability of funds for the program, and the mutual agreement of the parties. The total estimated cost is \$15,700,000. The amount of Government funds obligated under this Agreement is \$3,500,000, of which \$3,159,000 is available for payment to the Recipient, and \$341,000 is reserved for direct expenditure by USAID for logistic support of the Recipient.

B. The Recipient is required to pay for all local currency costs of performance in local currency obtained from a U.S. licensed/chartered banking facility in Pakistan. The Recipient shall purchase the required currency in advance and will provide, (1) a summary of local currency purchases including dates purchased and exchange rates, and (2) a summary of local expenditures supporting the amounts converted to dollars for billing purposes. The summaries will be submitted with the monthly voucher submitted X to FM/PAFD in AID/W as required by the LOC-TFCS method of financing. A copy of the voucher will also be provided simultaneously to the Office of Controller, USAID/Islamabad. The exchange rate used to convert local currency costs to dollars for monthly billings will be the same rate at which the local currency was purchased, using the "first-in, first-out" principle for utilization of the local currency purchased.

C. Payment of funds for those costs designated as Logistic Support as set forth in Article VII - Financial Plan - shall be made by O/FM, USAID/Islamabad, P.O. Box 1028, Islamabad. Payment of those costs designated in the Financial Plan as Technical Assistance and Program Costs shall be made by Letter of Credit by AID/W-M/FM/PAFD. Recipient is authorized to utilize AID funds to maintain a bank account in Pakistan to facilitate the handling of disbursements made under this Agreement.

### III. Substantial Involvement Understandings

#### A. Liaison

The Recipient will be responsible to the Office of the AID/REP through the cognizant AID Technical Project Officer.

The Recipient team will establish working relationships with the members of the Seven Party Alliance Health Committee, the Government of Pakistan, PVO's, and with other relevant AID contractors during the period of this Agreement.

#### B. Directions

Performance of the work hereunder shall be subject to the policy and management directions of the office of the AID Representative for Afghanistan Affairs. As used herein, "Directions" are directions to the Recipient which fill in details, suggest possible lines of inquiry, or otherwise complete the general scope of the work plan. "Directions" must be within the terms of this Agreement, and shall not change or modify them in any way. The Recipient shall notify the Recipient Officer in writing of any policy or management Directions which he considers to constitute changes prior to performing such changes. AID's intent is primarily to provide periodic guidance on substantive policy and management issues affecting technical efforts.

C. Approval of Professional Staff

All long-term expatriate professional staff are subject to USAID approval. In addition, USAID reserves the right to require the replacement of staff which, in its opinion, are not performing satisfactorily. In the event of non-performance, replacement costs, i.e. travel and transportation, shall be from the sole account of Recipient. Prior notification is required for all professional Local National positions on the Recipient's staff whether direct hire or sub-contracted. Each request for a position shall be accompanied by a position description prepared on an AID form 1420 Biographical Data Sheet to the Technical Office and shall include an indication of how long the position will be required. The Recipient shall have position descriptions and general salary levels cleared by USAID Personnel Office through the Project Officer. AID approval of local office non-professional support staff is not required, however these personnel shall be paid in accordance with a pay classification approved by the Mission.

D. Detailed Annual Work Plan

The Recipient shall submit to the AID Project Officer a detailed annual work plan for approval within one hundred (100) days following the Recipient team's arrival in-country. The work plan shall be reviewed and revised once every six (6) months. The work plan shall include, but not be limited to, the following:

- the objectives of the work plan and their relationship to the project purpose;
- a detailed description of the specific tasks to be accomplished to meet the objectives during the succeeding year;
- an illustrative implementation schedule with target dates for completion of each task; and
- for each task, identification of specific benchmarks or performance targets to be achieved over the course of the year.

E. Program Disbursement Plan

A. The Recipient team will manage funds obligated as part of this Agreement, for the support of the AHC and its activities. This will involve the development of a program disbursement plan (in conjunction with the detailed work plan discussed above) for the disbursement of funds for workers salaries, rent, utilities, and other costs associated with the establishment of the Secretariat, salary supplements for health care professionals in Afghanistan, the procurement of medicine and equipment, training costs, and other expenses.

B. Prior to any disbursement, or issuance of any commitment documents under this Agreement to finance the program costs, the Recipient shall submit, in form and substance satisfactory to AID, a detailed program disbursement plan along with the work plan for approval by the AID Project Officer within one hundred (100) days following the team's arrival in-country. The Recipient may submit an interim plan before the 100 days. The disbursement plan shall be reviewed and revised once every six (6) months. This disbursement plan shall set forth specific tasks to be accomplished for each major expenditure. Special features of the disbursement plan are:

- on the basis of the disbursement plan, the Recipient will disburse funds to the AHC in small amounts initially, against specified tasks, (task-order system) over a brief period of time, e.g. calendar quarter; and
- as the Alliance Health Committee demonstrates its capability to use and monitor funds effectively, the length and amounts of disbursement will be increased.

F. Key Positions

1. The positions which the Recipient shall furnish for the period of this Agreement are:

1. Health Team Leader
2. Senior Management Advisor
3. Fiscal Officer
4. Medical and Field Operations Advisor

The positions specified above are considered to be essential to the work being performed hereunder. Prior to diverting any of the above key positions, the Recipient shall notify the Agreement Officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. After the first year of the agreement, with Project Officer's approval, long-term advisor may take up to four (4) weeks for assignment to other Recipient activities. No other diversion or substitution shall be made by the Recipient without the consent of the Agreement Officer, provided that the Agreement Officer may approve such diversion or substitution and his approval shall constitute the consent of the Agreement Officer required by this clause.

2. The estimated level of professional long-term person months to be utilized for the duration of this 3 year Agreement is as follows:

<u>Key Positions:</u>	<u>Person-Months</u>
Health Team Leader	36
Senior Management Advisor	36
Fiscal Officer	36
Medical and Field Operations Advisor	36

#### IV. Period of Agreement

The effective date of this Agreement is October 1, 1986 and the expiration date is September 30, 1989.

#### V. Reports and Evaluation

All reports shall be in the English language and shall be in such form as is mutually agreed upon by the AID Project Officer and the Health Team Leader.

Three copies of each of the following reports shall be submitted as indicated to the AID Project Officer, O/AID/REP:

##### 1. Quarterly Progress Reports

The Recipient shall submit these reports within two (2) weeks following the completion of each calendar quarter. The first such report shall be submitted by February 15, 1987. The reports shall include, but not be limited to, the following:

- progress to-date on the program disbursement plan;
- progress to-date in accomplishing the specific tasks as set forth in the Work Plan, including a description and analysis of problems, constraints and recommended solution;
- a summary of all in-country training activities undertaken during the reporting period, including a discussion of results and required follow-up activities;
- a summary of the accomplishments and recommendations of short-term advisors during the reporting period;
- a summary of the status of commodity planning activities and distribution;
- a summary of planned activities and specific targets for the next reporting period; and
- a list of recommended actions to be undertaken by the Recipient, and/or O/AID/REP to overcome constraints or to alter the course of the project.

After the first year, frequency of progress reports will be reviewed.

##### 2. Quarterly Financial Reports

The Recipient will maintain strict accountability of funds in Pakistan and will work with the O/AID/REP to develop accountability standards for inside Afghanistan.

The quarterly financial reports shall be based upon the disbursement plan and shall include expenditures for all components; long and short-term technical assistance, home office support, and commodity procurements. Copies of the program disbursement information shall be provided to the Alliance Health Committee.

The Recipient will maintain a separate account of its internal operating expenditures and another account for use by the Alliance.

3. Short-Term Advisors' Reports

Upon the completion of the services of a short-term advisor, the Recipient shall submit to O/AID/REP a report summarizing the activities, accomplishments, and recommendations of the advisor.

4. End-of-Tour Report

Prior to the completion of the tour of each long-term advisor, the Recipient shall submit to O/AID/REP an End-of-Tour Report which summarizes the major accomplishments, identifies major constraints, and recommends feasible solutions to existing problems including, as appropriate, operational, policy, or technical changes required to strengthen the AHC.

5. Special Reports

The Recipient and Project Officer may mutually agree to prepare and submit to O/AID/REP, from time to time, as the Project Officer requires or requests, special reports concerning specific activities under this Agreement.

VI. Negotiated Overhead Rates

Pursuant to the provisions of the clause of this Agreement entitled "Negotiated Indirect Cost Rates-Provisional" a rate or rates shall be established for each of the Recipient's accounting periods which apply to this Agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, provisional payment on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below:

<u>Rate</u>	<u>Base</u>	<u>Period</u>
80%	Employees Salaries	9/15/86 until amended
50%	Consultant Fees	-do-

VII. Financial Plan

A. The following is the Financial Plan for this Agreement. Revisions to this plan shall be made in accordance with Standard Provision No. 4, entitled "Revision of Grant Budget". Without the prior written approval of the Agreement Officer, the Recipient may not exceed the total estimated amount set forth in the budget hereunder, or the obligated amount, whichever is less (see the requirements described in Article II "Funds Obligated, Payment and Estimated Cost").

Without the prior written approval of the Agreement Officer, the Recipient may not exceed the estimated dollar cost for any individual line item of cost as set forth in Paragraph B - Itemized Budget - I - Technical Assistance - as shown below by more than 15% of such line items, except for indirect costs (e.g., overhead), which are governed by the Special Contract Requirements of this section entitled "Negotiated Overhead Rates".

Funds set forth in Paragraph VII, I - Logistic Support - are reserved for the direct expenditure by USAID in support of the Recipient's technical staff.

B. Itemized Budget

I. Technical Assistance:

<u>Line Item</u>	<u>10-1-86/ 9-30-87</u>	<u>10-1-87/ 9-30-88</u>	<u>10-1-88/ 9-30-89</u>	<u>Total</u>
1. <u>Salaries</u>				
a. Long-Term Advisors	\$ 229,278	\$ 302,595	\$ 315,387	\$ 847,260
b. Short-Term Advisors	62,757	38,501	17,874	119,132
c. Home Office Support	116,266	108,620	110,992	335,878
2. Local Staff	\$ 124,589	\$ 142,446	\$ 149,412	\$ 416,447
3. Overhead	\$ 360,653	\$ 376,929	\$ 357,263	\$ 1,094,845
4. Consultants	\$ 68,024	\$ 34,314	\$ 3,721	\$ 106,059
5. <u>Allowances</u>				
a. Differential	\$ 66,574	\$ 75,693	\$ 76,215	\$ 218,482
b. Education	26,808	42,837	25,385	95,030
c. Temp Lodging	133,200	-	51,400	184,600
6. Travel, Transportation and Per Diem	\$ 331,436	\$ 252,170	\$ 286,459	\$ 870,065
7. Other Direct Costs	\$ 47,203	\$ 49,002	\$ 61,735	\$ 157,940
8. Equipment, Materials, etc.	\$ 66,000	\$ 24,250	\$ 34,250	\$ 124,500
<u>TOTAL:</u>	<u>\$1,632,788</u>	<u>\$1,447,357</u>	<u>\$1,490,093</u>	<u>\$ 4,570,238</u>

II. <u>Logistic Support</u>	\$ 341,000	\$ 103,875	\$ 113,143	\$ 558,018
III. <u>Program Cost</u>	<u>\$1,526,212</u>	<u>\$4,548,768</u>	<u>\$4,496,764</u>	<u>\$10,571,744</u>
<u>TOTAL PROJECT BUDGET:</u>	<u>\$3,500,000</u>	<u>\$6,100,000</u>	<u>\$6,100,000</u>	<u>\$15,700,000</u>

VIII. Special Provisions

A. The Recipient agrees that for the period of this Agreement no U.S. Nationals shall be sent inside Afghanistan either under this Agreement or under any other programs or projects of the Recipient.

B. No Agreement funds shall be used for teaching of religious studies.

C. The Recipient shall exert its best efforts to include as many women as possible among the trainees.

5D. The Recipient shall exert its best efforts to assure that trainees return to Afghanistan to continue medical relief work at the completion of training. Selection criteria for trainees, and/or a commitment from the trainee may be appropriate. In addition, the Recipient shall maintain records of the number of trainees who do not return to Afghanistan.

E. Title to Property

Property purchased under this Agreement shall be titled to the U.S. Government. See the Standard Provision entitled "Title to and use of Property (U.S. Government Title).

F. Shipment of Commodities - Notification

a. The Recipient shall send copies of the Bills of lading for all ocean shipment to the following five addresses:

- U.S. Department of Transportation  
Maritime Administration  
Division of National Cargo  
400 Seventh Street, S.W.  
Washington, D.C. 20590
- Office of Procurement  
Transportation Support Division  
Agency for International Development  
Washington, D.C. 20523

- USAID - Islamabad  
RLA/CC/CMO  
Department of State  
Washington, D.C. 20520
- USAID - Karachi  
M. Anwar, Liaison Officer  
Department of State  
Washington, D.C. 20520
- USAID - Islamabad  
(Technical Office (Block 11, page A-1))  
Department of State  
Washington, D.C. 20520

b. The document shall be a copy of the Non-Negotiable, Rated Bill of Lading and shall be sent as soon as possible but no later than 20 days from the date of shipment.

G. Amended Audit Provisions

The provisions of this Agreement with respect to accounting, records and audit as specified in Standard Provision No. 2 shall not apply to operational costs incurred by the Recipient within Afghanistan and end-use checks of commodities and equipment located within Afghanistan. However, the Recipient agrees to the maximum reasonable extent to exercise prudent oversight of such operational costs and commodities.

H. Personnel Compensation

1. Limitations. Compensation of personnel which is charged as a direct cost under this Agreement, like other costs, will be reimbursable in accordance with the Agreement following specified understandings which set limits on items which otherwise may be reasonable, allocable and allowable.

(a) Approvals. Salaries and wages may not exceed the Recipient's established policy and practice, including the Recipient's established highest rate or annual salary or wage received during any full year of the immediately preceding three years, provided that if the work is to be performed by employees serving overseas for a period in excess of one year, the normal base salary may be increased in accordance with Recipient's established policy and practice but not to exceed 5 percent of base U.S. salary excluding benefits. There is a ceiling on reimbursable salaries and wages paid to a person employed directly under the Agreement of the maximum salary rate of FS-1 (or the equivalent daily rate of the maximum FS-1 salary, if compensation is not on an annual basis), unless advance written approval is given by the Agreement Officer.

(b) Return of Overseas Employees. Salaries and wages paid to an employee serving overseas who is discharged by the Recipient for misconduct or security reasons will in no event be reimbursed for a period which extends beyond the time required to return him/her promptly to his/her point of origin by the most expeditious air route plus accrued vacation leave.

(c) Merit or Promotion Increase. Merit or promotion increases may not exceed those provided by the Recipient's established policy and practice. With respect to employees performing work overseas under this contract, one merit or promotion increase of not more than 5% of the employee's base salary may, subject to the Recipient's established policy and practice, be granted after employee's completion of each twelve month period of satisfactory services under the Agreement. Merit or promotion increases exceeding these limitations or exceeding the maximum salary of FS-1 may be granted only with the advance written approval of the Agreement Officer.

(d) Consultants. No compensation for consultants will be reimbursed unless their use under the Agreement has the advance written approval of the Agreement Officer; and if such provision has been made or approval given, compensation shall not exceed, without specific approval of the rate by the Agreement Officer, (1) the current compensation or the highest rate of annual compensation received by the consultant during any full year of the immediately preceding 3 years or (2) maximum daily salary rate of a Foreign Service Officer Class I whichever is less. (The daily rate of a Foreign Service Officer Class I is determined by dividing the annual salary by 260 days.)

(e) Third Country and Cooperating Country Nationals. Salaries, wages or benefits (e.g., allowances, differentials, etc.) paid to third country or Cooperating Country nationals may not, without specific written approval of the Agreement Officer, exceed either the Recipient's established policy and practice or the level of salaries or benefits paid to equivalent personnel by the AID Mission in the Cooperating Country; or the prevailing rates in the Cooperating Country, as determined by AID, paid to personnel of equivalent technical competence.

(f) Work Week. a. Nonoverseas Employee. The work week for the Recipient's nonoverseas employees shall not be less than the established practice of the Recipient. b. Overseas employee. The work week for the Recipient's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week for those employees of the AID Mission and the Cooperating Country associated with the work of his Agreement. A six (6) day work week is authorized as necessary for short-term personnel in-country.

2. Definitions. As used herein, the terms "Salaries, "Wages", and "Compensation" means the periodic remuneration received for professional or technical services rendered exclusive of overseas differential or other allowance associated with overseas services, unless otherwise stated. The term "compensation" includes payments for personal services (including fees and honoraria). It excludes earnings from sources other than the individual's professional or technical work, overhead or other charges.

I. Logistic Support

a. The following logistic support services will be supplied in kind, or reimbursement made to the Recipient for the Recipient's in-country staff, in accordance with USAID policy:

- a. Office space and equipment
- b. Housing and Utilities
- c. Household furniture
- d. Household equipment (stove, refrigerator, freezer etc.)
- e. Transportation to and from country.
- f. Transportation in-country.
- g. Medical facilities (see b below).
- h. Official vehicles, on a temporary basis, if and when USAID vehicles are available, until arrival of project vehicles. (see k below)
- i. Travel arrangements/tickets.
- j. Long-Term Advisors Support
- k. Official Vehicle Expenses:
  - (1) Project vehicles for official use
  - (2) Registration and insurance (full coverage)

b. Miscellaneous

Logistic support and facilities available to Recipient are governed by the U.S. Embassy and USAID/Pakistan's policies and the terms and conditions set forth in the UEG bilateral agreement with the GOP.

All U.S. citizens under this Agreement will receive the standard entitlements and services in accordance with the above. Services and entitlements for third country personnel hired under this Agreement will be negotiated separately.

Services currently available for U.S. Citizen Contractors/Recipients include the following:

- 1) Use of U.S. Embassy medical facilities in Islamabad, including services of physician, nurse and health room, for immunization, diagnostic examinations, advice and emergency treatment;

- 2) Use of State Department Diplomatic Pouch facilities, official and first class mail only; and,
- 3) Membership in the United States Government Employees Association (USGEA) commissary and recreation facilities, subject to the rules of Association.

Note: All rupee costs will be paid in local currency purchased in accordance with article II of this section. The Recipient may use dollars for international travel and per diem, for reimbursement in dollars. In-country per diem entitlement will be governed by rates established by USAID/Pakistan Mission Order No. PAK-506.3, dated May 1, 1985, as amended.

J. Geographic Code

The approved geographic code for this Agreement is (935) including Afghanistan and Pakistan, as well as the United States. The Recipient will be responsible for ensuring the safety and appropriateness of pharmaceuticals financed by this Agreement.

IX. Standard Provisions

1. The Standard Provisions of the Agreement shall be the attached provisions (Attachment 2) entitled "Mandatory Standard Provisions for U.S., Nongovernmental Recipients and Optional Standard Provisions for U.S. Nongovernmental Recipients", which are incorporated into this Agreement.
2. Should any conflict arise between the "Schedule" and/or the Special Provisions therein, and the "Standard Provisions", the terms of the "Schedule" and/or Special Provisions shall prevail. The Special Provisions, in turn, take precedence over other sections of the "Schedule".