

MILESTONE COMPLETION REPORT
CONTRACT NUMBER: 263-C-00-99-00017-00

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Date: May 30, 2002

Task No:	8
Task Description:	Public Sector, RCT, and CSI Facilities Operating with Greater Cost Effectiveness and Efficiency and Utilizing Cost Recovery and Cost Containment Mechanisms Toward Increased Financial Self-Sufficiency
Milestone Nos.:	8.7
Milestone Descriptions:	Plans to implement cost recovery mechanisms for CSI and RCT completed and initiated
Sources of Verification:	Plans
Planned End Date:	6/30/2002
Status:	Completed
Comments:	This milestone submission summarizes the work done under Task 8 and 11 to help CSI and RCT develop plans to generate new business and recover costs during the life of Pop IV. We refer the reader to individual milestones where a more detailed description of the work can be found.

MILESTONE 8.7

PLANS TO IMPLEMENT COST RECOVERY MECHNAISMS FOR CSI AND RCT COMPLETED AND INITIATED

I. INTRODUCTION

This milestone submission summarizes the work done during Pop IV under Task 8 and 11 to help CSI and RCT develop plans to generate new business and more effectively manage their cost. We refer the reader to the individual milestones where a detailed description of the work can be found.

II. CSI

1. Development of a Five-year Strategic Business Plan (*See Milestone 11.2, 11.5 and 11.6*)

The CSI five-year strategic business plan assesses CSI's immediate, medium and long-term business situation and recommends strategies to help it be sustainable when USAID completely withdraws its funding in 2007. The business plan (*Milestone 11.5*) builds on the findings of the following studies:

- Long-term base case financial projections
- Comprehensive clinic utilization studies, 2001
- CSI client survey, 2002, which surveys six clinics and nearly 800 clients
- Cost and revenue analysis, 2002, which calculates the cost of individual units of service on an individual clinic level, based on resources used, staff utilization, and overhead costs.

These studies have provided invaluable data to help CSI consider new ways to think about its business both in term in of generating greater revenues from existing and new clients, and in managing its internal resources. As a result, we have develop a strategic business plan that for the first time offers CSI a viable, albeit challenging route to achieve sustainability.

2. Development of Technical Assistance / Consulting Unit (*See Milestone 11.2*)

We have also facilitated the development of CSI's embryonic technical assistance (TA) business stream. The initial plan has been developed but more significant are the business opportunities CSI has seized through the Pop IV and the Policy projects. CSI have provided TA to the Pathfinder Pop IV project for the renovation of the medical school clinics at Al Azhar, Alexandria, Assuit, Banha, Kasr El Aini, Minia, and Zagazig Universities. Under the auspices of the Policy project, CSI has conducted a situational analysis of three Egypt Family Planning Association clinics to assess how the clinics could improve their utilization. In addition, CSI staff have taken part in practical training in the use of the MSH Management and Organizational Sustainability Tool (MOST) as a process to use in conducting management assessments of organizations.

III. RCT

1. Development of Four-year RCT Business and Marketing Plans (*Millstones 8.4 and 11.3*)

In a similar way we have helped RCT develop their first business and marketing plans and their annual updated plans.

To develop the plans, we conducted a detailed analysis of RCT's costs and revenues, client profiles and marketing capacity. We facilitated the implementation of a market survey of current and potential clients and helped RCT use the survey findings to develop a revised marketing plan to address the important issues raised. We have facilitated a debate with Dr. Safa and her staff about the creative business options open to RCT. In addition, we have helped RCT start to build their marketing infrastructure through the compilation of a client data base, marketing materials, proposal writing capacity, and developing a more businesslike approach to securing new clients. As a result, RCT has secured an unprecedented level of income from non-Pop program clients since the beginning of 2000. RCT successfully responded to an RFP from the DT2 project and secured a contract for over LE 1 million to develop a new cadre of Student Health Insurance Program (SHIP) adolescent health educators. RCT is now negotiating for follow-on work for another health campaign, again outside the reproductive health field.

The business plans of CSI and RCT provide a detailed analysis of this work and the future challenges that both organizations have set.