

PD-ABT-770



# **BANKERS TRAINING PROGRAM IN GEORGIA**

**DELIVERY ORDER NO. EPE-I-06-95-00070-00**

**FINAL REPORT  
BOOK 1 OF 2  
MAY 2001**

**PROJECT UNDER THE AUSPICES OF THE  
UNITES STATES AGENCY FOR INTERNATIONAL DEVELOPMENT**

**BARENTS GROUP OF KPMG CONSULTING, INC.  
DIANA M. OSINSKI  
KAREN R. WESTERGAARD**

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## Table of Contents

I.	Executive Summary	1
II.	Statement of Work and Deliverables	3
III.	Other Activities	18
IV.	Sustainability Issues	21
V.	Lessons Learned	23
VI.	Conclusion	25
VII.	Appendix	
	A Statement of Work (September 1, 1998 – August 31, 1999)	
	B Memorandum of Understanding/USAID & Consortium of Banks (April 14, 1998)	
	C Banking-Finance Academy of Georgia Charter (November 10, 1998)	
	D Statement of Work (September 1, 1999 – December 31, 2000)	
	E Banking-Finance Academy Summary Report	
	F Instructor Identification and Selection Process Forms	
	G Instructor Notification Process Forms	
	H Instructor Skills Inventory	
	I Test Development Instructions	
	J Course Development Templates	
	K Summary of Instructor Capabilities and Expertise (December 11, 2000)	
	L Training Plan, Budget and Workplan (Drafts)	
	M Program Checklists	
	N Marketing Package and Data Collection Forms	
	O Human Resources Policies Manual	
	P TACIS International Workshop Reports (Kiev and St. Petersburg Meetings)	
	Q Memorandum of Understanding Memorandum dated December 28, 2000	
	R Bankworld Inc. Agreement (Booz - Allen & Hamilton)	
	S Strategic Options	
	T Diagnostic Report	
	U Industry Assessment Report	
	V Project Closeout Paperwork	
	W International Accounting Standards Training Session Reports	
	X Banking-Finance Academy Course Outlines	
	Y Course Evaluation Form	
	Z Banking-Finance Academy Evaluation Form	

## I. Executive Summary

The Barents bankers training activities in Georgia span a period from June 1996 to December 2000. The initial phase of the training, June 1996 to August 1998, established a core level of banking knowledge and skills through the delivery of 31 courses with 748 participants, reaching almost all Georgian banks. This initial phase was followed by the delivery of specialized training programs that included follow-up on-the-job consulting to verify knowledge and skill retention as well as foster knowledge and skill transfer back on the job. The final phase concentrated on the institutionalization of the program along with a focus on self-sustainability. Therefore, this report will cover the activities of the final contracts from September 1, 1998 to August 31, 1999 and September 1, 1999 to December 31, 2000.

During a majority of the contracts, Mr. Michael Gegen was the KPMG Barents Resident Advisor. He began his affiliation with Georgia's Banking-Finance Academy while he was establishing Armenia's Bank Training Center. Mr. Gegen officially became the guiding force for Georgia's Banking-Finance Academy in September 1998 and remained the Resident Advisor through January 2000. Under his leadership, the Academy went from renting classroom space to conduct courses to establishing a training facility with three classrooms, a large office and a production area. He was also instrumental in establishing the Memorandum of Understanding between the Banking-Finance Academy Founders and USAID. He also installed a computer laboratory and built an extensive banking and business library. Most importantly, he selected and trained a Georgian Director to lead and manage the Academy.

In July 2000, a decision was reached by USAID in conjunction with KPMG Barents to retain another Resident Advisor and extend the contract through December 31, 2000. This decision was driven by the unexpected resignation notice of the Academy's Director in May 2000. The Academy Director ultimately left the Academy in August 2000. Prior to their departure, Ms. Diana Osinski became the Resident Advisor. Ms. Osinski had worked in Georgia for 21 months as a Training Consultant on USAID's Capital Markets Development Project for KPMG Barents. Ms. Osinski's mandate was to establish a cooperation agreement between the banking and capital market communities in exchange for USAID support (fixed training expenses for banking and variable training expenses for capital markets). In addition, Ms. Osinski was tasked with identifying and training a new Director as well as transitioning the Academy to self-sustainability. This included all the required activities to close down the project.

This report will cite the required deliverables in accordance to the Statement of Work (SOW) and detail the activities expended in fulfillment of them. Other project activities will also be presented (International Accounting Standards training). A majority of the project benchmarks were met. However, some were not possible given the long standing rivalry between the banking and capital markets communities. Extensive effort was expended by several parties throughout the fall of 2000 to establish a cooperation agreement between the banking and capital market communities. In spite of the time dedicated by all parties along with the verbal agreement to sign a cooperation agreement, the agreement was not signed. Regardless, some of the project benchmarks were exceeded despite the time dedicated to this activity and the project close out issues. Most importantly, the Georgian banking community is well equipped to utilize western style performance based training techniques to design, implement, market and evaluate training.

This report will also discuss the issue of program self-sustainability and the lessons learned from this project. It will also include concluding remarks on the future training activities in Georgia.

Finally, all supporting documents cited in the report can be found in the Appendix.



## **II. Statement of Work and Deliverables**

A copy of the Statement of Work details the objectives from the original contract for the period September 1, 1998 to August 31, 1999 (Appendix A).

### **Statement of Work**

The specific deliverables were as follows:

1. There will be a total of 400 Georgian bankers trained in western banking practices and standards.
2. During the period 20 courses will be conducted including follow-on weeks of in-bank consulting as appropriate. This will include advanced courses of previous topics, and the presentation to new participants of several courses previously offered.
3. Four to six future trainers will be identified and given two full weeks of "" ("Training of Trainers" courses and additional "on the job" teaching experience during the 1998-99 academic year.
4. The Resident Advisor will advise and train his/her local counterpart in completing institutional arrangements and the establishment of a permanent premises for Bankers Training Institute including the provision of assistance in the strategic planning process for the future of the self-sustaining training center.
5. The contractor will provide assistance in the self-training use of Computer Based Training (CBT) software.

## Deliverables

The project began with Mr. Michael Gegen returning as the Resident Advisor and Ms. Tamrico Pavlenishvili continuing as the Academy Director. Deliverables were accomplished in the following manner:

1. During the period of the contract from September 1, 1998, until August 31, 1999, the Banking Finance Academy delivered 19 courses to 515 participants. Therefore, 115 more participants were trained than the 400 requested by the SOW. However, 20 courses were not conducted. The slight reduction in the number of courses can be attributed to difficulty scheduling expatriates to conduct training.
2. During the period of a prior contract, the Newly Independent States (NIS) Bankers Training Contract that funded institutional development and course delivery activities in the Republic of Georgia, from January 1997 through September 1998, 16 instructors conducted 97 meetings with Georgian bankers in which they provided consulting advice. Although this benchmark was carried forward under the new Caucasus Bank Training Contract and subsequent contract modifications, the practice of providing in-bank consulting services was curtailed during the later half of 1998 and subsequently, due to cost considerations and the progressive lack of interest on the part of Georgian bankers. Therefore, a total of 107 consulting visits were conducted by 24 instructors. As stated previously, there were 19 courses delivered during the academic year September 1998 to June 1999.
3. In May 1999, the Banking Academy conducted a two-week "Training of Trainers" (TOT) course, taught by Janey Trowbridge, in which there were 15 participants from 9 Georgian banks. Four of these participants teamed up later that year (during the period of the subsequent contract modification) to team-teach with international instructors and one taught a course alone. Therefore, a total of five taught courses. These were the following:

<i>Course</i>	<i>Date</i>	<i>International Instructor</i>	<i>Local Instructor</i>
Risk Management	27 September 1999	A. Hsu	G. Keshelashvili
Asset Liability Management	4 October 1999	A. Hsu	P. Toliashvili
Strategic Planning	1 November 1999	C. Silverstein	A. Tsereteli
Bank Cards	9 November 1999	T. Grier	N. Chikovani
Letters of Credit/Trade Finance	3 December 1999	N/A	G. Davitashvili

Note: G. Davitashvili, a Georgian instructor, taught alone.

4. The KPMG Barents Resident Advisor, Mr. Michael Gegen, who had been overseeing the activities of the Banking-Finance Academy from Armenia under the prior contract, became the Resident Advisor of the project in Georgia at the start of this contract in September 1998. It was during this time that the final premises for the Banking-Finance Academy were settled at 123 Agmashenebeli Street, consisting of two relatively large classrooms and a small office. The Bank Founders, who had signed a Memorandum of Understanding with USAID dated 14 April 1998 (Appendix B), to establish the Academy, contributed US \$16,000 to the renovation of the premises in order to make it acceptable as a training facility. These premises were later expanded to include an additional classroom and larger office in the same location. Later in 1998, on November 10, the Banking-Finance Academy registered its charter with the Republic of Georgia as a not-for-profit organization (Appendix C). The Resident Advisor also provided direction to the Academy Director, Ms. Tamrico Pavlenishvili, to establish a strategic plan for the Academy's self-sustainability, which she continued to pursue following the departure of the Resident Advisor in January 2000. This involved utilizing local trainers trained in the aforementioned TOT course to deliver courses (in tandem with international instructors during the spring and fall of 2000) as well as seeking additional contracts with other training organizations to provide facilities, course services, manual preparation and other training logistics to more fully utilize the Academy's fixed-cost classroom space. Ms. Pavlenishvili also pursued the teaching of business English as another "product line" for the Academy's future sustainability and investigated the possibility of a merger with a start-up institute for providing English education. This merger strategy, however, was rejected by the Academy Founders as not be strategically aligned with its vision for the Academy to continue to focus on providing training in finance and banking. Ms. Pavelenishvili also experimented with conducting computer courses (Access, Excel and Word, beginning and advanced courses) and preparation courses for the GMAT. Neither of these products lines were considered profitable and were not continued. However, the Academy clients had asked during the Industry Assessment conducted in the fall 2000 that the Business English courses be reinstated.

5. Prior to the close of the project, the Academy staff were introduced to a Computer Based Training (CBT) product that was produced by the National Center for the Training of Bank Personnel. Specifically, the staff were given a demonstration of the CD-ROM entitled: "Ukrainian Business: Roads to Success". The product is a bilingual (English and Ukrainian), training and reference guide for enterprises. The staff were given an extensive tutorial on the program which included various modules and other features such as a search function, business glossary, training and a list of useful Internet links.

The Academy was also presented copies of the Risk Management (English) and International Accounting Standards (English and Russian) CBT programs. These CBT programs were built using USAID funding and are easy to load and use. The Risk Management CBT consisted of two programs of approximately five instructional hours each. "Introduction to Supervision by Risk Approach for Commercial Banking" was designed for training bank examiners and related central bank personnel in commercial banking risk management from a regulatory perspective using the CAMEL approach and supervision by risk. "Introduction to Commercial Banking Risk Management" was designed to be used by commercial banks in training management and staff in the basic tenets of risk management. IAS version 1 is approximately three hours in length and provides an overview of IAS. The program is available in both English and Russian. Multiple versions are available with user limits of 5, 10, 15, 20 and 25. The content is two years old. Therefore, it does not reflect changes in IAS which have occurred during the past two years. All programs are intended to be used in multiple manners. Primarily they are designed to be used for self instruction in a distance learning mode, the programs may also be used as an instructor-led teaching curriculum and for Training-of-Trainers programs. The programs may also be used to supplement instructor-led training as course prerequisites to create more uniform and homogenous classroom participants for advanced courses.

The Academy staff were also actively working with the International Banking Institute in St. Petersburg to explore using their CBT programs. Specifically, the Institute had a website that included CBT programming and the Academy was investigating ways to provide the CBT courses in Georgia. Strategically, it was agreed that it was in the best interest of the Academy to secure existing CBT programs in Russian or English versus investing in the development of new programs. Unquestionably, the new Academy Director was very interested in exploring distance learning options and will be adding this delivery option for Academy programming when it is permissible.

## **Statement of Work**

The project was extended and contract modifications detailing the deliverables for the period September 1, 1999 to December 31, 2000 were detailed in Contract Modifications 2-4 (Appendix D). The specific deliverables are the following:

1. At least 200 Georgian and regional bankers will be trained in western banking practices and standards.
2. At least 10 courses will be conducted including follow-on, in-bank consulting as appropriate. This will include advanced courses of previous topics, and the presentation to new participants of several courses previously offered.
3. All of the training courses offered will be done on a co-teach basis with American and Georgian instructors participating fully.
4. At least six banking course will be delivered by Georgian bankers.
5. At least 12 additional Georgian trainees will be identified and trained as trainers for the Center, increasing the credible "stable" of the Center to at least 20 by the end of the task order to enable the center to commit to a rigorous schedule of courses.
6. A Center Deputy Director will be identified and his/her training commenced in order to provide the Center with depth and continuity and to enhance its administrative and marketing capability.
7. The Center will do its best effort to hold at least two regional meetings to help advance the institutional development agenda for the center. These formal meetings and others would be expected to include local and international stakeholders in the center, regional and international peers and potential partners.
8. Partnering agreements with at least four peer, related and/or funding organizations will be entered into.
9. There will be a detailed strategic plan prepared for the Center covering in detail such topics as: an analysis of the market for the services of the Center with a recommended marketing strategy to include appendices of institutional names, contract information, key people, etc.; a management plan for the center; a training plan for center staff; a detailing of actual and likely products and services for the Center; an operational plan and package for the Center; and implementation schedule for the strategy; and a financial plan to include fundraising for the Center.

10. There will be prepared a detailed plan for the next school year to include a schedule of contracted courses, budgets, cash flows, marketing plan, etc. The plan will include alternate appropriate uses of the Center and its resources.

11. There will be in place for the Center an Operational manual, a Financial Control manual and a Personnel manual.

12. The contractor will assist the Center to be well-positioned for its first free-standing year. The Contractor shall provide records indicating advanced stocking of the training and teaching materials and equipment to substantiate that these tasks have been performed. The contractor will also make a best effort with any remaining funds to prepay the trainer contracts and the maintenance contracts for the computer equipment.

13. A detailed equipment and financial audit of the Center will be done so that the independent management has a clear and complete starting point for its activities.

14. The appropriate USAID documentation for equipment and training materials turnover will be completed before the Contractor departs.

15. All materials, reports and courses prepared by the contractor will be made available to the Center in both written and electronic form.

16. It is expected that the Center's management will make a detailed presentation to its Board of its Strategic Plan and Annual Plan and Budget. USAID at its option will receive a similar presentation by Center management.

In addition, the following deliverables were added in modification 4, Additional Tasks:

17. By the end of this task order, the Center will have a formal agreement with the Bank Supervision Department of the National Bank of Georgia (NBG) to deliver a certification program for bank supervision.

18. By the end of this task order, there will be concrete evidence that the Banking Finance Academy will have begun developing courses with other financial service providers and is taking concrete steps to affect a formal merger with other financial service providers with the view towards creating a self-sustaining financial services training facility.

## Deliverables

Deliverables were accomplished in the following manner:

1. During the period of the contract and subsequent modifications, the Banking Finance Academy delivered the following:

<i>Courses and Participants</i>	<i>September – August 1998 – 1999</i>	<i>September – August 1999 - 2000</i>	<i>September - December 2000</i>
Number of Courses	19	14	14
Number of Participants	515	371	207

This resulted in a total number of courses offered during the contract and modification periods of 47 courses with a total number of participants of 1,093. These courses ranged in subject matter and instructor, as listed in Appendix E of this final report. The increasing decline in course delivery and attendance reflected the size of the banking market in Georgia. Repeated interviews and focus group discussions conducted with Georgian bankers indicated that the Academy had reached a saturation point with the delivery of its core curriculum (consisting of approximately 30 courses), and significant bank participation in the program during the first two to three years of the project had exhausted the number of bankers who had not significantly participated in training programs. While bank managers interviewed indicated that this did not mean that all Georgian bankers were fully trained, they had participated in training to the degree that the banks could afford both the course fees and the time allotted to participant training. KPMG Barents subsequently provided several new courses in the fall of 2000 in an attempt to provide greater training penetration in the final months of the project, which were supported by USAID. This proved successful primarily in the delivery of a range of courses addressing issues during the transition to International Accounting Standards. The IAS courses are discussed in section III. Other Activities.

2. As mentioned previously, the follow-on consulting previously implemented in Georgia was curtailed due to lack of funding and interest on the part of Georgian bankers.

3. There were eight courses delivered on a co-teach basis during the period of this contract. Five were delivered in the fall of 1999 (as listed above). In 2000, there were three courses taught on a co-teach basis:

<i>Course</i>	<i>Date</i>	<i>International Instructor</i>	<i>Local Instructor</i>
Foreign Exchange	6 March 2000	K. Krmkovich	A. Zakhshvili
Training of Trainers	7 October 2000	D. Osinski	N. Nikuradze
Strategic Planning*	11 December 2000	R. McDonough	G. Keshelashvili

\* International instructor provided by Financial Service Volunteer Corp (FSVC).

4. During 2000, four banking courses were delivered at the Academy, which were taught solely by Georgian instructors. These were the following:

<i>Course</i>	<i>Date</i>	<i>Local Instructor</i>
Problem Loan Management	31 January 2000	M. Mindorashvili
Customer Service	24 April 2000	L. Sanikidze
Conflict Resolution and Team Building	3 July 2000	L. Sanikidze
Foreign Exchange	25 September 2000	A. Zakhshvili

In addition, George Davitashvili was prepared to teach Letters of Credit and Trade Finance. However, the Academy had established an agreement with Bankworld (Booz - Allen & Hamilton) to conduct courses for the National Bank of Georgia and they had indicated that they wanted to have this taught exclusively for them. Unfortunately, the Academy and the Central Bank were unable to find a date that would jointly work for both of them prior to the close of the project. Subsequently, the course was taught for the Central Bank in early 2001.

Furthermore, four courses and four workshops were conducted for the capital market community and were taught exclusively by resident instructors at the Academy at the request of USAID. At USAID's request, the banking and capital market communities were exploring ways to cooperate and use the existing training facilities. Bankers were among the capital market course and workshop participants. Listed below is a summary of the training:



<i>Course or Workshop</i>	<i>Start Date</i>	<i>Local Instructor</i>
Securities Market Law and Amendments to the Law on Entrepreneurs Overview (Law Workshop)	September 11, 2000	R. Ormotsadze
Securities Market Law and Amendments to the Law on Entrepreneurs Overview (Law Workshop)	September 14, 2000	R. Ormotsadze
Corporate Governance Principles and Shareholder Rights Overview (Issuers Workshop)	September 14, 2000	B. Abuladze
Corporate Governance Principles and Shareholder Rights Overview (Issuers Workshop)	September 19, 2000	B. Abuladze
Basics of Accounting	September 25, 2000	H. Kharabadze
International Accounting Standards	October 19, 2000	L. Tsagareishvili
Overview of the Capital Market Industry	November 13, 2000	Various (Different instructor per module, eight modules)
Operations of the Investment Industry	December 1, 2000	Various (Different instructor per module, ten modules)

Therefore, a total of twelve programs were taught by resident instructors at the Academy in 2000. Most importantly, the courses were managed by the Academy staff.

5. During the fall of 2000, KPMG Barents also implemented a second "Training of Trainers" course to better position the Banking-Finance Academy for independence following the conclusion of USAID support under this Contract. This course was taught by Diana Osinski, the Resident Advisor for the project for the final five months of the Contract. Ms. Osinski's prior experience in developing and delivering training programs and her two years' work managing training development and delivery for the Capital Markets Development Project in Georgia enabled her to better fine-tune both the teaching and course development skills of participants. Further, her residency in Tbilisi enabled the course to be taught in the evenings and weekends, over a period of three weeks which better suited the needs of Georgian bank participants. Most importantly, the TOT courses were co-taught with Natasha Nikuradze, a resident instructor.

The second TOT course included four new features. Ms. Osinski established an Instructor Identification and Selection Process to formalize and standardized the process to identify, select and evaluate potential trainers (Appendix F). This process included a Instructor Notification Process to notify potential trainers of their obligations and responsibilities (Appendix G). In addition, she added Instructor Skills Inventory which established the instruction standards required of Academy instructors (Appendix H). Furthermore, she gave all participants a handout on Test Development to encourage them to include exercises in the course materials to test knowledge and skill application (Appendix I). She also added Course Development Templates in English, Georgian and Russian in Word and PowerPoint (Appendix J). This allowed the instructors to prepare standardized participant and instructor guides, overheads and evaluation forms with a consistent and professional appearance.

A total of 28 participants started the TOT course, delivered during October 2000. However, only twenty individuals completed the course. Listed below is a summary of instructor capabilities:

<i>Participant</i>	<i>Curriculum Development Skills</i>	<i>Presentation and Facilitation Skills</i>	<i>Computer Skills</i>
Asanidze, Dato*	3	4	4
Begadze, George**	5	5	3
Beridze, Jemal **	5	5	3
Burjanadze, Nino*	5	5	5
Enukidze, Alexander**	2	2	1
Gabisonia, Irakli**	4	3	4
Jgamadze, Nino	5	5	5
Kamladze, Vasil	3	3	3
Kejerashvili, Maya	4	4	5
Kheladze, Maya	4	4	5
Khomizurashvili, Vakhtang	2	3	4
Kokhraidze, Dimitri**	4	2	3
Mampopria, David**	4	4	3
Masurashvili, Nino	5	4	5
Michilashvili, David	2	2	4
Mikadze, Tamuna*	5	4	5
Mindorashvili, Maya	4	5	4
Papuashvili, Jilda**	3	3	3
Pichkhaia, Irina	4	4	5
Zautashvili, Iase**	5	5	4

**Legend:**

6 = Excellent  
 5 = Better than average  
 4 = Slight better than average  
 3 = Slightly below average  
 2 = Below average  
 1 = Poor

\* = Banking Finance Academy Staff  
 \*\* = Fiscal Instructors

Seven of the TOT participants were employees of the Government of Georgia engaged in fiscal reform activities with KPMG Barents Fiscal Reform Project. The Expatriate Training Manager for this project was on extended leave placing them at a critical juncture where it was mission critical to train future instructors. With the blessing of USAID's Geoff Minott, the instructor candidates were included in the TOT program. In exchange, the Fiscal Reform Project provided a resident instructor to co-teach the TOT courses and translators.

In addition, six instructors who went through the first TOT program are actively engaged in conducting training for the Academy. Listed below is a summary of their capabilities:

<i>Instructor</i>	<i>Curriculum Development Skills</i>	<i>Presentation and Facilitation Skills</i>	<i>Computer Skills</i>
Chikovani, Nino	4	4	4
Davitshvili, David	5	6	5
Dolidze, Vakhtang	3	3	4
Sanikidze, Lia	6	6	5
Toliashvili, Papuna	5	5	4
Tsereteli, Avtandil	5	5	4

In total, 26 Georgians are trained to update the existing Academy courses and workshops and begin to develop and deliver new programs (Appendix K). Specifically, they have the knowledge, skills and tools necessary to design and deliver high quality performance based training materials. Most importantly, several of the Academy staff participated in the TOT course. Therefore, they are better equipped to manage the development and delivery of high quality performance based training.

6. Subsequent to the departure of Mr. Michael Gegen, Resident Advisor, in January 2000, Ms. Pavlenishvili promoted Mr. David (Dato) Asanidze to the position of Deputy Director. Following the departure of Ms. Pavlenishvili in August 2000, Mr. Asanidze had desired the position of Academy Director. While Mr. Asanidze displayed loyalty and commitment to the Academy in his position as Deputy Director, both USAID and KPMG Barents believed he lacked the leadership skills required of the Director position. Nevertheless, throughout the fall of 2000, it was unclear what the mission of the Academy was to be following the completion of the Contract, which resulted in the delay of naming an Academy Director and the uncertainty in determining whether a Deputy Director was necessary under alternative options. But, with Ms. Osinski's arrival as Resident Advisor, Ms. Osinski was able to provide guidance and support in helping Mr. Asanidze develop some of the required attitudes and skills of a leader, and he had demonstrated a significant improvement in discipline and leadership style by the end of the Contract period. While it was subsequently determined that the Academy would retain a new Director (Ms. Nino Jgamadze), the Academy would retain Mr. Asanidze as Deputy Director during the transition period from support under this Contract to greater autonomy under partial support from the Sibley International contract funded by USAID.

Ms. Nino Jgamadze was one of the original founders of the Academy. Specifically, Ms. Jgamadze worked for TbiliComBank as an Operations Director and was an active and committed Founder. Over the years, Ms. Jgamadze had expressed interest in potentially managing the Academy should the opportunity arise. With the resignation of Ms. Pavlensishvili the opportunity did arise. In addition, the project was rapidly coming to a close and it became evident in December that the banking and capital market communities would not sign a cooperation agreement and move to the next step of establishing a management structure along with selecting a Director. Therefore, Ms. Jgamadze agreed to take a leave of absence to manage the Academy for three months. USAID's Geoff Minott secured a Leave of Absence for Ms. Jgamadze. Given Ms. Jgamadze's previous role as a Founder, she was the most appropriate candidate to manage the Academy. Ms. Osinski worked closely with her to prepare a Training Plan, Budget and Workplan (Appendix L) for presentation to Sibley International. All documents were finalized in early 2001 with Sibley's Will Cain. Most importantly, Ms. Jgamadze worked closely with Ms. Osinski to execute the various Project Closeout Documents. Therefore, Ms. Jgamadze was well prepared to take the first steps towards self-sustainability.

Ms. Osinski also worked on improving the Academy's administrative and marketing capability. Specifically, Ms. Osinski developed a Program Checklist that the Deputy Director used each week to conduct staff meetings (Appendix M). This allowed the staff to move to a proactive mode in planning for the following week's and month's academic activities. In addition, Ms. Osinski added a Local Area Network (LAN) in the office along with establishing a consistent electronic filing system for all administrative paperwork. Most importantly, the LAN permitted the staff to more efficiently share files and significantly reduce the number of incomplete versions. Ms. Osinski also purchased six filing cabinets which permitted the course materials to be filed vertically in one location making them easier to find and quickly retrieve. Prior to obtaining the file cabinets, courses were filed horizontally in stacks with no filing mechanism in several different areas of the Academy. Ms. Osinski also introduced an expanded marketing package which stressed course content, instructor capabilities and participant knowledge and skills as a result of attending an Academy program (Appendix N). Ms. Osinski also prepared and presented a Human Resource Policies Manual to the Founders to provide them with guidance on managing their human assets (Appendix O).

7. *The Academy did not conduct two regional meetings with other bank training centers in Tbilisi. However, both Ms. Jgamadze and Mr. Asanidze participated in an EU-TACIS-supported regional meeting with other bank training centers at the International Banking Institute in St. Petersburg (Attachment P). Ms. Jgamadze also participated in a similar meeting held in Kiev, Ukraine. Through these meetings, the Banking-Finance Academy staff were able to make contact with peers in other countries of the NIS and were attempting to determine the ways they could share resources and, possibly, instructors in the delivery of courses in Tbilisi. This included sharing course materials in various mediums (print and CBT).*

8. A strategic option evaluated by Banking-Finance Academy Founders, USAID and KPMG Barents was to partner with other organizations in which the Academy could help: defray costs, obtain additional and valuable resources or expand its market and product offering. For instance, Ms. Pavlenishvili had sought a possible merger with a start-up English language training institution in Tbilisi that was supported by the British Council. In this way, she perceived that the Academy could share fixed costs with the institute and expand its market and product offering, similar to the forays she had made in offering English courses for bankers through the Academy. Nevertheless, the Founders rejected this option as this institute's mandate was unrelated to the task of delivering courses in banking and finance.

Another merger that was discussed in detail was that of merging with the training unit managed by the Georgian Stock Exchange and supported by USAID. While KPMG Barents spent considerable time in attempting to implement this merger or cooperative agreement throughout the fall of 2000, it was determined in the final two weeks of the project that this deliverable would not be accomplished. Specifically, long standing rivalries combined with a requirement from the capital market community that USAID's support be equal for both parties (operations and training) made it impossible to achieve this deliverable (Attachment Q).

Nevertheless, the Banking Finance Academy did develop partnering agreements with other peer-related organizations. One was with Bankworld Inc. a Booz - Allen & Hamilton supported program in Banking Supervision at the National Bank of Georgia (Attachment R). In this agreement, the Academy provided services in the delivery of training courses targeted to NBG bank supervisors. This included providing classroom space, photocopying and materials, logistics management and other services for the delivery of two courses in 2000. In one case, the Academy arranged an international instructor through KPMG Barents to provide instruction in Credit to supervisors. The Academy earned a reasonable margin for providing these services. The Academy also provided similar services for the KPMG Barents Fiscal Reform Project supported by USAID in the delivery of a Training of Trainers course.

The Academy was also successful in soliciting support from two US NGOs – Financial Services Volunteer Corp (FSVC) and Academy for Educational Development (AED) – in agreeing to provide international instructors for course delivery during 2001. FSVC even provided an instructor in Strategic Planning in December 2000.

9. Throughout 2000, a variety of strategic options were thoroughly investigated and considered for the future sustainability of the Academy. While these strategic options were discussed previously, an analysis of these options is located in Exhibit S of this report. In addition, to evaluate the readiness of the capital market and banking communities to design, implement, market and evaluate training, a Diagnostic Report on the Banking-Finance Academy and Capital Market Training Unit was prepared (Appendix T). The most significant finding was a citation that each training entity had opposite strengths and weaknesses. Listed below is a summary of the strengths (+) and weaknesses (-) by training competency:

<i>Training Competencies</i>	<i>Banking-Finance Academy</i>	<i>Capital Market Training Unit</i>
Design	-	+
Implementation	+	-
Marketing	+	-
Evaluation	-	+

Furthermore, KPMG Barents conducted an Industry Assessment Report (Appendix T). The purpose of this report was to collect data on the Academy's client and non-client perceptions and expectations. This report along with the Diagnostic Report (Appendix S) would serve as the basis for developing a strategic plan, once a strategic option had been selected.

10. Under Ms. Osinski's direction, Ms. Jgamadze developed a training plan for the remainder of the 2000-2001 academic year (Appendix L). A sensitivity analysis of use of Academy resources and projected cash flows was conducted with the analysis of strategic options. Once it became clearer which option would be selected, Ms. Jgamadze prepared a formal budget for the 2001, which was submitted and was initially accepted by Sibley International in December 2000. The final budget for the first quarter was accepted by Sibley International in early 2001.

11. Prior to the close of the Contract, KPMG Barents drafted a Human Resources Policy Manual for the Academy (Appendix O).

12. KPMG Barents prepaid the following Academy expenses prior to the close of the Contract: (a) one month salaries for staff that were not continuing with the Academy; (b) paper, supplies and materials for course delivery; and (c) telecommunications expenses for one month. Unfortunately, remaining budget funds were unavailable to provide greater assistance to the Academy. However, the Academy had substantial equity (\$30,996) and program revenue (\$46,336) they could use to manage the Academy. Most significantly, the Academy had access to technical assistance and funding from USAID through Sibley International in 2001.

13. KPMG Barents contracted an independent auditor to conduct an equipment and financial audit of the Academy prior to the end of the Contract. A copy of this audit report is located in Exhibit V.

14. USAID-required turnover documentation is provided in Exhibit V.

15. All materials, reports and course materials were made available to the Academy in both electronic and hard copy. As previously noted in this report, all files of course materials, overheads, instructor manuals and other important course delivery resources were refiled and organized prior to Contract end by Ms. Osinski.

16. USAID and Bank Founders participated in many meetings throughout the fall of 2000 regarding the analysis of strategic options, the implementation of selection option(s) and the financial implications of these options. Both Ms. Pavlenishvili and Ms. Jgamadze participated extensively in the preparation and presentation of these discussion items. As a member of the Bank Founder group, Ms. Jgamadze was an active participant in discussions of the Academy prior to her acceptance of the position of Academy Director.

17. A copy of the agreement with Bankworld Inc. (Booz - Allen & Hamilton) to provide support in the delivery of courses is provided in Exhibit R of this report.

18. The discussion and outcome of the proposed merger/cooperation between the Academy and the Capital Markets Training Unit was previously discussed in this report. Concrete evidence of this attempted merger/cooperation are located in Exhibit Q. Extensive time was invested by KPMG Barents, USAID, the Founders and the Capital Market Cooperation Committee to reach agreement on sharing resources in exchange for funding (fixed expenses for the Academy and variable expenses for the capital markets training). The Capital Markets Cooperation Committee steadfastly agreed that they would not sign any document that would not give banking and capital markets equal support for their training operations and course design and delivery. This requirement was first raised in July 2000 and remained the core stumbling block through December 2000. Therefore, USAID and KPMG Barents (banking and capital markets) were unable to facilitate an agreement for the two parties to collectively work together. However, it is believed that the parties will informally find a way to work together in 2001 given the limited resources available through USAID via Sibley International.

### **III. Other Activities**

In an effort to assist the banks in adhering with International Accounting Standards (IAS), KPMG Barents was asked to conduct IAS training in July 2000 by USAID's Laurie Landy. Listed below is a summary of the IAS training activity conducted in October and December 2000:

#### **PLANNING**

The original plan called for one week of roundtable training meetings with a single group of Georgian bankers. The objective of the program was to address specific IAS questions and implementation issues faced by the banks during their IAS transition period. Anticipated attendees were Georgian bank Chief and Deputy Chief Accountants, as well as Information Technology (IT) staff and others directly involved in the conversion process. Ms. Karen Kalishek was selected to conduct the training. Ms. Kalishek had taught IAS in Georgia and was familiar with the laws and key contacts. Prior to Ms. Kalishek's arrival, founding members of the training academy requested an additional training session in order to address branch accounting staff needs. Analysis following the consultant's arrival indicated a high level of anticipated demand for the program. In response, the sessions were extended one additional week and scheduled for three separate sections. Planned maximum attendance per section of 25 to allow for maximum group interaction.

#### **IMPLEMENTATION**

The majority of registrants selected the first group and including walk-ins, first day registration was 29 participants. Attendees were adamant that they wished to remain together, so all were accepted into the group. Many of the banks had apparently selected participants without regard to the prerequisite of previous IAS training. Only 7 of the attendees had received prior background training in IAS and matched the anticipated participant profile. In response to the obvious need for basic IAS/accrual basis accounting training, the consultant arranged to move the small number of group two registrants into the third group and use the freed-up time to offer an additional program. This additional session was a basic IAS/accrual concept introductory class offered at no additional charge to group participants. Registration for the third group totaled 27, with only 4 of the participants meeting the prerequisite and program profile.

Daily attendance as a percentage of registrants was high. Overall, fifteen Georgian banks were represented, many sending multiple participants. The weakest component of the program evaluation indicated that attendees did not perceive how program components were related to their positions. This result is likely due to inappropriate selection of attendees by the banks, since most of the participants were not in the necessary decision-making role envisioned by the program objectives.



The consultant cooperated closely with the TACIS implementation project and USAID's accounting methodology and banking supervision projects. The roundtable program included presentations by Tom Gordon of the accounting methodology project and Gloria Grimditch of the banking supervision project. Local staff members of the projects were also invited to attend all sessions.

## RESULTS

A total of 98 participants attended the six different IAS programs in October and December 2000. Specifically, Ms. Kalishek presented a total of 16 days of various levels of IAS training. Listed below is a summary of the programs:

<i>Programs</i>	<i>Term/Days</i>	<i>Participants</i>	<i>Banks</i>
IAS Roundtable/Session 1	5	23	12
IAS Roundtable/Session 2	3	22	8
IAS Roundtable/Session 3	2	20	9
IAS Concepts and Financial Statement Overview	1	10	6
IAS Course	4	15	3
IAS Concepts and Accrual Accounting	1	8	4

The IAS training was a success on many levels. Most importantly, the primary success of the program was the identification of issues that required attention by the National Bank of Georgia. With this knowledge, the NBG was able to determine policy and disseminate direction before the January 2001 onslaught of calls by individual banks. This proactive means of addressing potential problems should have eased the transition process for all banks in the country.

Although evaluations indicated participant satisfaction with the program, the originally envisioned objective of implementation problem identification/mutual problem solving was not met in the manner anticipated. This can be attributed to a number of reasons:

- ◆ Participant banks had not progressed with the transition process sufficiently to identify and think through all implementation issues or consider how they might be resolved.
- ◆ The majority of program participants did not have the necessary background training in IAS to participate in IAS related discussions.
- ◆ The majority of program participants did not hold decision-making positions relating directly to the IAS conversion process.
- ◆ Participants were not familiar with mutual problem-solving methods and had anticipated that the program would be a classroom-style training forum.

Responding to the above, the consultant with KPMG Barents approval modified the planned instructional method and used a modified roundtable approach which incorporated both classroom presentation and group participation. This approach appeared to be effective as shown by the high attendance figures and more importantly, that attendees stayed through the end of program each day and were active participants. Overall, the program was a success and provided much needed guidance to the banks given the pending transition to IAS. Additional information can be reviewed on this topic in Appendix W.

## IV. Sustainability Issues

There are several elements of sustainability that will help facilitate and ensure the Banking-Finance Academy's long term self-sustainability. Listed below are the elements:

- ◆ Reports – A Diagnostic Report was done on the strengths and weaknesses of the Academy to design, implement, market and evaluate programs. In addition, an Industry Assessment report was prepared on client and non-client perceptions and expectations of the Academy. Therefore, the Founders know the areas that they need to work on to improve their chances of self-sustainability. Please see (Appendix S and T).
- ◆ Training Facilities – Plentiful and renovated training facilities exist. The facilities consist of three classrooms, one office and a production center. A long-term lease has been established between the Academy Founders for the original training space (two classrooms and one small office) and the landlord ensuring that the space will continue to be available to conduct courses.
- ◆ Equipment, Furnishings and Supplies – Excellent and abundant equipment, furnishings and supplies turned over to the Academy by USAID/Barents. The Academy is well supplied with equipment, furnishing and supplies to continue to conduct training. Please see (Appendix V).
- ◆ Training Materials – The Academy has numerous and professionally prepared performance based training materials in various media. KPMG Barents has provided the Academy with numerous western style training courses that consist of participant and leader's guides, overheads and handouts. Please see (Appendix X).
- ◆ Instructors – A group of local instructors is in place and tested in previous Barents courses. The instructors have been trained in western style Curriculum Development and Presentation and Facilitation Skills. In addition, the Academy now has a standardized process to identify, select, notify, train and evaluate instructors (Instructor Identification and Selection Process, Instructor Notification Process and Instructor Skills Inventory). Please see (Appendix F, G, and H).
- ◆ Library – An extensive library of finance and banking related titles. Please see (Appendix V).
- ◆ Money – Financial cushion of \$77,332 to cover any short falls in operational cash flows. The financial cushion is composed of Founders Equity of \$30,996 and Academy Revenues of \$46,336. However, it should be noted that the Academy Founders did not fully contribute the amount of money specified in the Memorandum of Understanding with USAID.

- ◆ Marketing Package – An expanded marketing approach is now in place at the Academy. The approach stresses course content, instructor capabilities and participant knowledge and skills as a result of attending the program. In addition, the Academy is collecting data on their participants so that they can define their target audit and design courses to meet their needs. Please see (Appendix N).
- ◆ Program, Instructor and Academy Evaluation – The Academy now has an expanded and more targeted approach to measuring and reporting participant reaction module topics, instructor abilities and program materials. The evaluation form also collects the importance of the topic along with their valuation of the topic addressing their learning needs. They also have a more comprehensive method of evaluating instructors. In addition, they have a form to evaluate the Academy staff. Please see (Appendix H, Y and Z).
- ◆ Internal Support – The Academy Founders will continue oversight and support (Bank of Georgia, Intellectbank, TbilCreditBank, TBC Bank, TbilComBank and United Georgian Bank). The Founders are the prime provider of participants (52%) and have a vested interest in the continuation of the Academy.
- ◆ External Support – The Academy has established a support network with the International Banking Institute including other banking institutes in the NIS. In addition, they have established a relationship with Academy for Educational Development and Financial Services Volunteer Corp to provide instructors in 2001. Furthermore, Sibley International will provide technical assistance and an agreed upon level of financial support in 2001.
- ◆ Academy Staff – The Academy staff has received training on how to more efficiently and effectively manage the Academy. Two members of the staff and the future Director of the Academy attended the TOT Program. This permitted them to have a more complete understanding of training activities (design, delivery and evaluation). If time had permitted, they would have co-managed the revision of a course. In addition, the staff developed a Program Checklists that they used for weekly staff meetings to prepare for the following week's training activities. Using these forms, the staff moved from being reactive to proactive. Please see (Appendix M).

## V. Lessons Learned

As with all projects, KPMG Barents learned some lessons retrospectively. As with a majority of banking institutes established by KPMG Barents, the Banking-Finance Academy was established and managed by a banker. During the last five months of the project, a Training Consultant that specialized in banking and capital markets training was brought on to the project. The Training Consultant's core activity was to move the Banking-Finance Academy training infrastructure (design, implementation, marketing and evaluation) from informal to formal. Listed below are some thoughts on training and this project:

- ◆ Training Advisory Board – A Training Advisory Board should be established during the first three months of the project. The Board's role would be to ensure that all project-generated deliverables are appropriate for the Georgian banking community. Specifically, they would review and approve all project generated deliverables. Both the Academy Founders staff were unable to perform this function. The Founders didn't have time and the Academy staff lacked banking expertise. Therefore, a dedicated Training Advisory Board should be established to perform the review and approval function.
- ◆ Training Needs Analysis (TNA) – A formal TNA should be conducted during the first three months of the project to determine the current versus future level of competencies (knowledge, skills and attitudes) needed for the various key positions within a bank. The TNA should be conducted with the support of the Training Advisory Board.
- ◆ Training Plan – Using the results of the TNA, a formal Training Plan should be created to establish the knowledge and skill levels for bank personnel for core banking positions. In addition, the Training Plan should include a delineation of courses needed to move from a generalist to a specialist in a given field.
- ◆ Training of Trainers (TOT) – The TOT program should be conducted during the first six months of the project and include Academy staff. This will allow the staff to have a deeper understanding of the training process as well as provide them with the essential mechanisms to manage the design, delivery and evaluation of Academy training programs.
- ◆ Staffing – A minimum number of staff should be hired and cross trained to run the day to day operations of the Academy. Where possible, a cost benefit analysis should be conducted to determine if tasks should be outsourced rather than done in-house.
- ◆ Instructors – A standardized process to identify, select, notify, train and coach potential instructors should be established early in the project. In addition, formal performance standards for instructors should be established and communicated in writing frequently to maintain quality.

- ◆ Marketing – Academy marketing should stress content, instructor qualifications and the knowledge and skills the participants will have as a result of attending the program.
- ◆ Facilities – To keep overhead to a minimum, little to no investment should be made in permanent training facilities. Instead, the Academy should rent space as needed to conduct courses until they are in a surplus position and can afford permanent facilities. However, this approach would be difficult to implement given the brick and mortar mentality in developing markets.
- ◆ Course Fee – Training should be minimally subsidized from the beginning and the actual costs should be communicated to the banks and course participants. The banks, participants, Academy staff and Founders were unaware of the true cost training. Sharing this information may have fostered stronger commitment that would have manifested itself in many forms and help move the Academy more quickly to self-sustainability.
- ◆ Return on Investment (ROI) – Although difficult to execute, it is essential that the Academy be able to prove ROI to their clients and potential clients. Therefore, the Academy needs to collect reaction, learning, behavior and results data for all programs. The Academy currently collects reaction data. However, the Academy doesn't conduct testing and the Founders were reluctant to include testing. Nevertheless, the clients requested testing along with providing certificates based on performance during the Industry Assessment. Therefore, Academy programs should include written tests. Testing is the best mechanism to verify and ensure that learning (knowledge and skill) has occurred. In addition, random follow up testing (oral testation) should be conducted three to six months after the course to ensure that retention has remained high along with collecting data on changed behavior and results. In this way, the Academy staff can truly communicate ROI to current and potential clients.

## VI. Conclusion

The four and a half year KPMG Barents Bankers Training engagement in Georgia was concluded with the Banking-Finance Academy in control of the Academy Founders and still eligible to obtain some level of support through USAID via Sibley International. However, the future of the Academy rests firmly on the shoulders of the Founders, Director and staff. They alone will make and execute the decisions that will move the Academy to a fully self-sustaining Georgian enterprise. To assist them with their efforts, USAID and KPMG Barents have given the Academy intellectual capital in the form of courses, equipment, furniture and a library. Most importantly, they have a financial cushion of \$77,332 to sustain them as they find ways to increase their revenues and reduce their expenses. In addition, they can apply for donor funding to cover their fixed expenses from Sibley International. They can also seek USAID funded expatriate instructors from Financial Service Volunteer Corp and the Academy for Educational Development. Therefore, they are well positioned to create a self-sustaining enterprise.

The next and most important step will be for the Academy to expand their curriculum and offer training to the broader financial services community. This might include courses on insurance, accounting, real estate and capital markets. Some progress was made to establish a relationship between the banking and capital market community prior to the close of the project. Although a formal agreement was not established, the key players respect each other and over time will find an informal way to work with each other for the betterment of the financial services community.

Clearly, USAID and Barents have made meaningful and profound contributions in the transitional phase of reform of the financial sector in Georgia. As a result of this project, 79 courses were delivered and 1,685 Georgians received training on a wide variety of banking topics. Most importantly, a cadre of Georgian trainers have the knowledge and skills to design, implement, market and evaluate performance based training. At some point, Georgia will require additional technical support as laws and technology change and consumers create a demand for new financial services and instruments. KPMG Barents is well positioned to assist in this undertaking given their long and varied project experience in Georgia (banking, capital markets and fiscal reform). KPMG Barents would welcome the opportunity to work again with USAID and the Banking-Finance Academy Founders should the opportunity arise.

In closing, we wish the Banking-Finance Academy Founders, Director and staff well in their future ventures.

## **VII. Appendix**

- A Statement of Work (September 1, 1998 – August 31, 1999)
- B Memorandum of Understanding/USAID & Consortium of Banks (April 14, 1998)
- C Banking-Finance Academy of Georgia Charter (November 10, 1998)
- D Statement of Work (September 1, 1999 – December 31, 2000)
- E Banking-Finance Academy Summary Report
- F Instructor Identification and Selection Process Forms
- G Instructor Notification Process Forms
- H Instructor Skills Inventory
- I Test Development Instructions
- J Course Development Templates
- K Summary of Instructor Capabilities and Expertise (December 11, 2000)
- L Training Plan, Budget and Workplan (Drafts)
- M Program Checklists
- N Marketing Package and Data Collection Forms
- O Human Resources Policies Manual
- P TACIS International Workshop Reports (Kiev and St. Petersburg Meetings)
- Q Memorandum of Understanding Memorandum dated December 28, 2000
- R Bankworld Inc. Agreement (Booz - Allen & Hamilton)
- S Strategic Options
- T Diagnostic Report
- U Industry Assessment Report
- V Project Closeout Paperwork
- W International Accounting Standards Training Session Reports
- X Banking-Finance Academy Course Outlines
- Y Course Evaluation Form
- Z Banking-Finance Academy Evaluation Form



**Appendix A**

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT

1. Country of Performance: Armenia, Georgia and Azerbaijan Page 1 of 11  
Advisory & Assistance Services Yes [X] No [ ]  
2. Contract No: EPE-I-00-95-00070-00 Delivery Order No. EPE-I-06-95-00070  
(Incorporating FAR and AIDAR Clauses)

NEGOTIATED PURSUANT TO THE FOREIGN ASSISTANCE ACT  
OF 1961, AS AMENDED, AND EXECUTIVE ORDER 11223

3. CONTRACTOR:  
Barents Group  
2001 M Street N.W.  
Washington, D.C. 20036

4a. ISSUING OFFICE:  
M/OP/ENI/PER  
RRB Room 7.09-034  
Washington, D.C. 20523-7900

4b. ADMINISTRATION OFFICE:

5. TECHNICAL OFFICE:  
Catherine Toth  
ENI/PER/CMB  
AID/Washington, D.C.

6. PAYING OFFICE: Submit Invoice to:  
USAID  
FM/CMP/DC, RRB Room 7.07-133  
Washington, D.C. 20523-7900

7. EFFECTIVE DATE:  
September 1, 1998

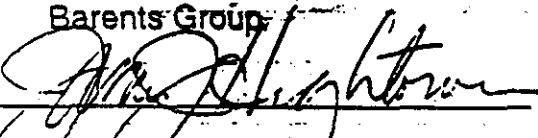
8. COMPLETION DATE:  
August 31, 1999

9. ACCOUNTING AND APPROPRIATION DATA:  
Request ID: 10203/00001070 Amount Obligated: US \$2,253,599.00  
Activity Title: Caucasus Bankers Training Ceiling Price: US \$2,701,160.00

Fund/Fund Account/Allot Symbol: NI97/98WNI798 - \$ 388,000.00  
NI98/99/WNI898 - \$1,865,599.00

10. The United States of America, represented by the Contracting Officer signing this Order, and the Contractor agree that: (a) this Order is issued pursuant to the Contract specified in Block 2 above and (b) the entire Contract between the parties hereto consist of this Delivery Order and the Contract specified in Block 2 above.

11a. CONTRACTOR:  
Barents Group

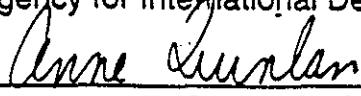
  
By: James J. Hightower  
Chief Operating Officer

Typed or printed name

Title September 23, 1998

Date

11b. United States of America  
Agency for International Development

  
By: Anne T. Quinlan (DG)  
Contracting Officer

9/24/98  
Date

## STATEMENT OF WORK

### ARTICLE I - TITLE

CAUCASUS BANKER TRAINING PROGRAM (ARMENIA, GEORGIA and AZERBAIJAN)

### ARTICLE II - PROGRAM SUMMARY/BACKGROUND

USAID has been active in assisting the Republics in the NIS to move to a free economy since 1992. The consensus among international donors and economic experts is that financial system constraints are the most serious factors deterring adoption of capitalism and the free market system in the NIS. The banking systems and institutions in existence prior to 1993 were inadequate to support the needs of modern market economies in the region. Consequently, the public and private financial infrastructure of the NIS needed to be restructured. An important element of such restructuring is the education and retraining of staff to change the manner and method of their institutions' operations so that they can be effective under a "new" and poorly understood economic system.

To provide assistance to the NIS, USAID created the NIS Task Force (NIS/TF) in 1992 which subsequently merged with the Eastern European Task Force to form the ENI Bureau in 1994. In pursuit of its financial sector objectives, the NIS/TF executed initiatives to help restructure financial, fiscal and other economic institutions throughout the NIS. Inherited state socialist entities must be modified to make them compatible with, and hospitable to, the new system. The specific technical focus of these activities vary, but their long term success will depend on the availability of host country nationals who understand the respective basic financial, fiscal and economic principles on which free market capitalism is based.

The specific plans to achieve these broad objectives has been defined and tailored in terms of NIS host country, timing, and NIS counterparts. However, even before these plans were fully developed, the identification and delivery of essential training services to NIS counterparts was launched to help speed and enhance the effectiveness of the financial sector programs. This training continues to allow NIS counterparts to obtain the maximum benefit from the specialized technical assistance provided through related privatization and economic restructuring programs, and provides greater assurance of institutional development than could otherwise be expected. Thus it remains critical to continue training activities under this contract to support banking and related post-privatization activities still at an early stage of development in Armenia, Georgia and Azerbaijan.

### ARTICLE III - TERM OF PERFORMANCE

The period of performance for this task order will be for approximately twelve months starting on the effective date of the Task Order through August 31, 1999, to permit the delivery of a full 1998-99 academic year in Armenia, Georgia and Azerbaijan. The contractor will be expected to mobilize rapidly in order to begin the new academic year in early September 1998.

### ARTICLE IV - STATEMENT OF OBJECTIVES

A. This task order is consistent with and directly supportive of ENI Bureau Strategic Objective 1.4: to develop a competitive, market-responsive private financial sector. It also supports ENI Strategic Objective 1.3: accelerated development and growth of private enterprises (which are the primary beneficiaries of improved financial services and credit availability).

#### **B. Banking and Private Finance Sector Education and Retraining Services**

The contractor shall provide a range of basic, more advanced, and technical training activities for commercial bankers, central bankers, and private financial sector professionals.

(1) Training Clientele and General Approach - Professional financial sector training is required for three general types of host country nationals: (a) entity owners and top level executives, (b) managers and supervisors, and (c) operating level technicians and staff. Each type of trainee requires somewhat different knowledge about the theory and operation of free market banking and financial systems. The delivery of specific training services will be effected after the contractor has provided a detailed plan which will identify proposed participants and the training program structure.

At the executive level, the emphasis will be on conveying a strategic sense of the market opportunities, methods for managing financial risk, and an understanding of the range of courses available for their staffs. Managers and supervisors will receive a mix of academic training, professional and technical skills up-grading, and on-the-job follow-up consultation. Training for technicians and operational staff shall concentrate on professional skills upgrading. The academic portion of this training program will cover only the basics of the free market system and its relationship to the trainee's specific skill area. This training shall be done in the host country. The contractor's instructors will be primarily experienced banking practitioners.

(2) Training Program Content - The contractor will be required to design, prepare, and implement several types of training activities for NIS banking and private finance sector professionals as

appropriate:

- Banking, finance, management, and special professional level courses for executive, managerial/supervisory, and technical/operational personnel;
- On-the-job follow-up consultation in the host country;
- Work attachment training programs in U.S.-owned banks and other financial sector institutions; and/or
- Professional, technical and operational skills training.

(3) Illustrative Core Curriculum - Actual training courses will be determined by the events which generate their need, i.e., by conditions in host institutions where USAID-financed technical assistance is being provided. The contractor will coordinate with other donors and other USAID grantee/contractors on course designs as appropriate. Needs in the institutions where programs have been operational to date reflect following illustrative list:

#### **ACCOUNTING**

Accounting for Bankers  
International Accounting Standards (IAS)  
Internal Audit  
NIS Enterprise Accounting  
NIS Bank Accounting

#### **CREDIT**

Credit I  
Credit II  
Credit III  
Credit Management System  
Mortgage/Real Estate Finance  
Interbank Credit Analysis  
Letters of Credit and Trade Finance  
Financial Institutions Analysis  
Bank Supervision  
SME Finance  
Problem Loan Management  
Construction Lending  
Consumer Lending/Finance

#### **RISK MANAGEMENT**

Advanced Payment Systems  
Anti-Money Laundering  
Asset/Liability Management I  
Asset/Liability Management II  
Bank Fraud  
Capital Markets I  
Capital Markets II  
Capital Markets Equity/Stock Market

Commercial Bank Risk Management  
Corporate Finance  
Foreign Exchange  
International Trade Finance  
International Payment Systems  
Investment Banking  
Project Finance  
Risk management  
Treasury Risk Management

#### MARKET COMPETITION

Branch Management  
Bank Marketing  
Bank Card  
Bank Executive International  
Banking Terminology  
Customer Service  
Executive Roundtable  
Finance Management  
Human Resources Management  
International Banking  
Legal and Regulatory Environment  
Privatization  
Strategic Planning  
Strategic Competitive Advantage  
Training of Trainers

#### C. Institutional Development

To the extent possible, training activities will be implemented cooperatively through host country training entities, as distinct from the trainee's participating institution. Thus, the contractor will be effecting institutional development during the process of providing professional training. An important measure of the contractor's success will be the extent to which host country training entities are strengthened as a result of the USAID-financed training program toward a long term objective of self-sustainability. The training should be of such value that both private and public sector participants will be willing (and required) to pay in local currency to cover at least the local costs of available courses.

Development of such institutions will provide host country bases from which to conduct training and carry out associated administrative requirements, including the provision of training programs to more remote host country field locations through traveling seminars, etc. There are also other benefits to be obtained from developing such institutions:

- It should prove to be cost effective by leveraging the expense of establishing a field operations center for the U.S. training program contractor compared to provision of the same training in the U.S.

- It should help commercialize the provision of training and other professional development services in country.

- It should help assure that a capability to provide financial sector training services will remain following the termination of USAID financing to meet what is likely to be an almost infinitely continuing market requirement.

- It can provide a forum through which to rally support for a range of private professional associations, e.g., accountants and auditors, economists, etc., who desire to establish professional and ethical standards for their profession.

#### ARTICLE V - TASKS/WORK REQUIREMENTS

This project focuses on supporting the continued institutional development of the two banker training centers established and financed primarily by USAID in Armenia and Georgia, and the continued provision of commercial banker training courses as listed in Section IV.B.3 above in both countries as well as in Azerbaijan. In addition to conducting courses in Baku, Azerbaijan, the contractor should also plan to assess the feasibility of establishing a local banker training center in Azerbaijan, while recognizing that USAID may decide during the contract period to delay, cancel or proceed with this additional institutional development component of the program in that country pending further review and subject to availability of funds.

Specific sub-activities and related benchmarks are listed in the following section by country since each training center is at a somewhat different stage of development as are the respective banking systems in which they are operating.

However, one key element that will serve all three countries is the development of six instructionally designed and contextualized courses, included related materials, to add to those already completed by the incumbent contractor since 1993, and the expansion of the multi-media reference libraries in each training center. This work may be developed and coordinated in the U.S. by the contractor and may require specialized expertise beyond normal administrative support in this country.

#### ARTICLE VI TANGIBLE RESULTS/BENCHMARKS

The contractor understands and agrees that achievement of the Tangible Results and Benchmarks are the essence of the task order and that USAID will judge the contractor's success (or lack thereof) in the task order based upon whether or not the Tangible Results and Benchmarks are achieved. In the event that any one or more of the Tangible Results or Benchmarks are not achieved or should the contractor at any time realize that they are not achievable, then the contractor shall immediately advise the CTO in writing and in the

next report required as part of the task order 'reporting requirements' (i.e. a monthly, quarterly or completion report) shall provide a complete explanation of the circumstances relating thereto. The following tangible results and benchmarks will be accomplished during the task order period.

#### A. ARMENIA

1. There will be a total of at least 100 Armenian bankers trained in western banking practices and standards during the September 1998 through January 1999 semester (an average of one course per month with a minimum of 20 participants each). For planning purposes, we expect that a decision will be made to accelerate the pace to two courses per month for the February through June 1999 semester for training an additional 200 Armenian bankers. However, USAID reserves the right, based on an overall evaluation of the first semester, to either terminate, maintain, or accelerate the level of banker training in Armenia.
2. Four to six future trainers will be identified and given two full weeks of "Train the Trainer" courses and additional "on the job" teaching experience during the first semester.
3. The Resident Advisor will advise and train his/her local counterpart in managing and administering the Bankers Training Institute including the provision of assistance in the strategic planning process for the future of the self-sustaining training center.
4. A process for developing a working agreement between the American University of Armenia and the Bank Training Institute will be initiated based on areas of mutual interest including the possible identification and training of future banker trainers.
5. The contractor will provide assistance in the self-training use of Computer Based Training (CBT) software.

#### B. GEORGIA

1. There will be a total of 400 Georgian bankers trained in western banking practices and standards.
2. During the period 20 courses will be conducted including follow-on weeks of in-bank consulting as appropriate. This will include advanced courses of previous topics, and the presentation to new participants of several courses previously offered.
3. Four to six future trainers will be identified and given two full weeks of "Train the Trainer" courses and additional "on the job" teaching experience during the 1998-99 academic year.
4. The Resident Advisor will advise and train his/her local



counterpart in completing institutional arrangements and the establishment of a permanent premises for Bankers Training Institute including the provision of assistance in the strategic planning process for the future of the self-sustaining training center.

5. The contractor will provide assistance in the self-training use of Computer Based Training (CBT) software.

**C. AZERBAIJAN**

During the task order period, the contractor will complete the following.

1. Deliver eight banker training courses taught by expatriate instructors to 200 Azerbaijan private sector commercial bankers in Baku. The contractor will only be able to work with private banks due to Section 907 of the Freedom Support Act.

2. Undertake an appropriate assessment of the feasibility of establishing a local banker training center in Baku including a review of the staffing, institutional development, equipment and library requirements and related cost estimates. Also assess the feasibility of continuing to conduct the training courses in rented classroom space supported by the resident advisor based in Tbilisi.

**ARTICLE VII TRAINING** (See previous sections.)

With respect to participant training, that is training of any foreign national outside of his or her country, using AID funds, the contractor shall follow the policies established in Chapter 253 of the AID Automated Directive System (ADS) - "Training for Development Impact". (See also AIDAR clauses 752.7018 and 752.7019 referenced in Section I.1 of the Contract)

**VIII. ESTIMATED LEVEL OF EFFORT**

Expatriate - The total U.S. expatriate level of effort to be provided hereunder is 1,409 days as shown below:

<u>Expected Level of Effort</u>	<u>Days</u>
Expatriates:	
Project Manager I .....	550
Financial Analyst IV .....	180
Commercial Banker I .....	679
Total Expatriates:.....	1,409

Local Staff: (TCN/CCN)

Total Local Staff..... 2,718  
Total Labor..... 4,127

The labor category and level for all advisors must be proposed to and approved by the Contracting Officer. Within the total number of person days, the CTO may adjust the number of days worked by any of approved advisors. Any increase in the total number of person days must be approved by the Contracting Officer.

Notwithstanding para. 3.b of provision F.3 of the contract, the CTO may approve an extension of not to exceed 60 days provided that the extension does not involve any new work or any increase in the ceiling price of the task order.

TCN/CCN

The total TCN/CCN level of effort to be provided hereunder is 2,718 person days. Subject to the approval of the CTO, the contractor may increase the level of effort by 25 percent provided that this does not cause an increase in the total estimated cost of this tasks order. Any increase in excess of 25 percent must be approved by the Contracting Officer.

**IX. SPECIAL INSTRUCTIONS**

**A. Duty Post:** This work will be performed primarily in Armenia, Georgia and Azerbaijan supported by the contractor in the Washington, D.C. area with respect to special curriculum development and multi-media library projects.

**B. Language requirements and other required qualifications:** Proficiency in a language other than English is not required for expatriate consultants. Proficiency in English is highly desirable for local hires who must have proficiency in the respective local languages.

**C. Access to classified information:** The contractor will not have access to any U.S. Government classified material.

**D. Logistical support:** The contractor is responsible for providing all logistical support.

**E. Workweek:** [Resident advisors = 5 days/week; STTA/instructors up to 26 days/month when overseas.]

**F. Travel:** All contractor travel to Armenia, Georgia and Azerbaijan requires prior country clearance from the respective USAID Missions.

G. Management Relationships: The contractor's contact people responsible for performance under this Task Order are:

1. CTO: Catherine Toth, ENI/PER/CMB  
USAID/Washington  
RRB 2.06-048  
(202) 712-5351
2. Activity Managers - Alonzo Fulgham, USAID/Tbilisi  
Michael Greene, USAID/Yerevan

#### X. REPORTING REQUIREMENTS

Copies of each report should be sent to the respective USAID Mission contacts listed above, and to the CTO, Catherine Toth in ENI/PER/CMB, RRB, Room 2.06-048, Washington, D.C. 20523.

The following reports are required under this Task Order:

1. All resident advisor staff will submit brief monthly reports assessing progress made on each of the tasks and benchmarks (contained in sections V and VI above) to the Project Director within five business days after the end of the month.
2. The Project Director will submit quarterly performance reports which can be a summary of the monthly status reports focusing in progress measured against tasks, benchmarks and tangible results. The Project Director's summary quarterly report, due with 30 days of the end of the quarter, will also discuss interaction with counterparts and any necessary adjustments to the current workplans and timelines.
3. A detailed completion report is required within 30 days of the end of the task order from the Project Director. This report will include an estimate of the impact of this NIS Banker Training Program in Armenia, Georgia and Azerbaijan.

#### XI. COUNTRY/COUNTERPART CONCURRENCE/CLEARANCES

The counterparts for this program are respectively the Central Bank of Armenia, the National Bank of Georgia, and the Bankers Association of Azerbaijan. Resumes of all expatriate staff are sent to the respective USAID Missions through the Technical Coordinator in USAID ENI/PER for concurrence and Mission approval as are all country clearance requests.

#### XII. CEILING PRICE

A. The ceiling price of this task order is \$2,701,160 which is comprised of the following cost elements:

Labor - U.S. Expatriates	\$1,590,821
Labor - TCNs/CCNs	<u>\$ 133,988</u>
Subtotal Labor	\$1,724,809
Total Other Direct Costs	<u>\$ 976,351</u>
TOTAL TASK ORDER AMOUNT	\$2,701,160

The Contractor shall be held accountable to the summary budget above. The Contractor may adjust summary line items by up to 15% (without formal notification and written approval by the CTO) provided that neither the ceiling amount of the task order nor the US expatriate Level of Effort, (as defined on the task order's face sheet), are exceeded. Formal approval and modification by the USAID Contracting Officer are required to effect these changes.

The amount of funds obligated is \$2,253,599. Subject to their availability and allocation to this task order, USAID intends to obligate additional funds to complete the funding of this task order as set forth in FAR Clause 52.232-22 "Limitation of Funds (APR 1984)" which is incorporated herein by reference. In the event that full funding of this task order is not completed, the responsibilities of the parties hereto with respect to performance and reimbursement are explained in that clause.

Final approval/execution of this task order serves as authorization for initial travel of all expatriates named in the task order budget. It does not, however, provide approval for positions where individuals are yet to be determined (TBD). These individuals will require CTO and USAID Contracting Officer approval prior to deployment.

All other terms and conditions remain unchanged.

**Appendix B**



**ARTICLE 2. UNDERTAKINGS OF THE PARTIES**

2.1 The founders of the Academy are the members of Consortium:  
The Joint Stock Commercial Bank "Intellectbank",  
The Joint Stock Commercial Bank "TBC-bank",  
The Joint Stock Commercial Bank "Tbilcreditbank", and  
The Joint Stock Commercial Bank "Tbilcombank".

2.2 In order to facilitate the development of the Academy, USAID, subject to the availability of funds authorized by the United States Congress and subject to satisfactory progress according to this Memorandum of Understanding (MOU), plans to make available the following assistance: the Bankers' Training Program staff and the Resident Bank Advisor, bank lecturers, and equipment for the Academy, including computers, furniture, reference materials, lecture materials and supplies. Pending USAID's approval consistent with the goal of the Academy's continuity, the USAID-funded Resident Bank Advisor will also provide "Train the Trainer" courses for the Bankers' Training Program, focusing on the training of Georgian bankers who would continue the specialized training and education of Georgian bankers. All furniture and equipment will be available for donation to the Academy, upon USAID decision. (See Attachment II).

2.3 In the event USAID furnishes the assistance described above, the Consortium shall provide satisfactory contiguous space for two classrooms, a reference library and offices, with heat and electricity, for the staff of the Bankers' Training Program.

2.4 In the event USAID furnishes the assistance described above, the Consortium agrees to contribute \$36,000 in equity capital for five years. The total equity capital contribution at the end of 5 years will be \$180,000.

2.5 The Consortium and USAID agree that the National Bank of Georgia may become a founder of the Academy. The National bank of Georgia may contribute an advance lump sum payment of \$120,000. This amount contributed will not exceed 40% of the equity capital of the Association fund. This offer expires on 31 August 1998. The offer may be extended or amended by the Consortium.

**ARTICLE 3. MANAGEMENT OF THE ACADEMY**

3.1 A Board of Directors will be established that will have overall responsibility for the administration of the Academy and ensure that the long-term strategic planning goals of the Academy are achieved. USAID's implementing contractor's representative will attend the Board meetings as non-voting observer. (Refer to

Attachment III for details on representation of the role of commercial banks).

3.2 The Academy will be managed and operated by USAID's implementing contractor's staff, which includes the current Director, along with existing translators and other office support staff. During the period of USAID's funding, the Director of the Academy will make the decision to hire additional staff as needed in order to carry out the work of the Bankers' Training Program. The Director of the Academy will be supported by the implementing contractor's Resident Advisor and receive needed guidance on management issues. The current Academy staff will be responsible for implementing the Bankers' Training Program described herein. After USAID's funding ends, the Board of Directors will decide and vote on continuation of existing staff to manage the Center in the future.

3.3 During the period of USAID funding, the Academy will be a non-entrepreneurial, non-profit, tax-exempt if allowable by Georgian law, educational organization that will provide bankers training. The Academy will be registered as a Georgian organization. The Academy will be obligated to submit a letter to the Registration Department of the Court, outlining the goals and activities of the Academy in order to be registered in compliance with the newly-enacted civil and tax codes. The future status of the Academy, when USAID funding ceases, will be determined by the Academy's Board of Directors.

3.4 The Resident Advisor of USAID's implementing contractor and the Director will be responsible for the management of the USAID assistance in support of the Academy's activities. The contractor's Resident Advisor will be responsible for the management of USAID's funds, as contracted, in support of the Academy's activities. The Director will be responsible for the management of local funds derived from course fees and other income generating activities of the Academy to cover local training-related expenses.

#### ARTICLE 4.

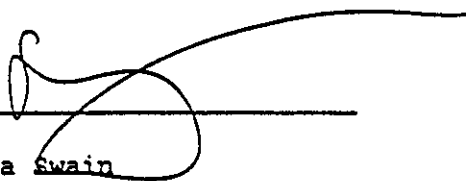
#### FINAL STATEMENT

4.1 During the life of this Agreement, the Academy will begin to implement plans to facilitate the continuation of its operations as a self-sustaining independent entity (after the termination of USAID's funding on August 31, 1998). If USAID funding will be available for continuation of the Academy's operations after August 31, 1998, and USAID is satisfied with progress under the terms of the MOU, then this agreement will remain in effect until such funding ceases. Pending satisfaction of the provisions under this



MOU by all parties, it is USAID's intention to transfer the Title on USAID-procured property, provided under this MOU, to the Academy.

In witness whereof, the Parties, each acting through their duly authorized representatives, have caused this MOU to be signed in their names and delivered on this 14th day of April, 1998.



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Diana Swain  
Deputy Regional Director  
United States Agency for  
International Development  
Caucasus/Tbilisi

(see following page)

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Consortium of Commercial Banks

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Date

  
\_\_\_\_\_

Mamuka Machavariani  
Chairman, Board of Directors  
Tbilcombank

14.04.98

Date

  
\_\_\_\_\_

Vakhtang Butskhrikidze  
Chairman, Board of Directors  
TBC-Bank

14.04.98

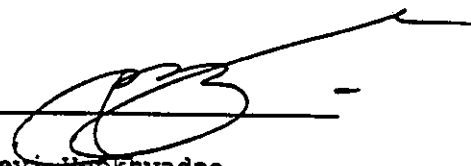
Date

  
\_\_\_\_\_

Tedo Jorjoliani  
Chairman, Board of Directors  
Tbilcreditbank

14.04.98.

Date

  
\_\_\_\_\_

Devi Vepkhvadze  
General Director  
Intellectbank

14.04.98

Date

ATTACHMENT I. STANDARD PROVISIONS

Section 1. Relation to the framework Agreement Between the Government of the United States of America and the Government of Georgia Regarding cooperation to Facilitate Humanitarian and Technical Economic Assistance dated July 31, 1992.

All assistance furnished by USAID, pursuant to this MOU, is considered United States assistance within the scope of the Agreement between the United States of America and the Government of Georgia and is subject to the terms and conditions of that agreement, including provisions relating to exemptions from taxes and customs duties exemptions for USAID and its contractors.

Section 2. Third Party Instruments and Availability of Funds

In order to provide the assistance described above, USAID may enter into such contracts and other instruments with public and private parties as USAID deems appropriate. All undertakings of the U.S. Government pursuant to this MOU are subject to the availability of funds and to further agreement between USAID and such public and private parties, regarding the provision of in-kind assistance. This MOU is not intended to effect an obligation of funds by USAID.

Section 3. Compliance with U.S. and Georgian Law and Regulations

USAID shall obligate, commit and expend funds and carry out operations pursuant to this MOU only in accordance with the applicable laws and regulations of the United States. The Consortium shall fulfill its obligations and carry out operations under this MOU only in accordance with the applicable laws and regulations of Georgia.

Section 4. Title to and Use of Property

Unless otherwise directed by USAID, title to all property furnished by USAID shall be in the Academy. Any property furnished by USAID and titled to the Academy shall be used effectively for the assistance purpose described above and, upon completion of the assistance, shall be used so as to further the objectives of the assistance. If property furnished by USAID and titled to the Academy is used for purposes other than those agreed upon by the Parties, under circumstances which could reasonably have been prevented by appropriated action of the Academy, the Center shall upon USAID's request return such property or refund the amount disbursed for such property in US dollars.

Section 5. Records, Audit and Inspection

The Center shall maintain or cause to be maintained, as appropriate records relating to the assistance adequate to show use and receipt of assistance furnished pursuant to this MOU.

Section 6. Exchange Rate

If funds are introduced into Georgia by USAID or any private or public agency for the purpose of carrying out commitments of USAID hereunder, the NBG shall make such arrangements as may be necessary so that such funds shall be convertible into the currency of Georgia at the market rate which, at the time the conversion is made, is not unlawful in Georgia.

Section 7. Publicity

The Academy will give appropriate publicity to the assistance, in consultation with USAID, as a program to which the U.S. Government has contributed.

Section 8. Information and Implementation Letters

USAID, the Consortium shall provide each other with such information as may be needed to facilitate provision of the assistance and to evaluate the effectiveness of this assistance. In addition, USAID may from time to time issue implementation letters to provide additional information on matters discussed in this MOU. The Parties may also use jointly agreed letters to confirm their mutual understandings with respect to implementation of this MOU. Implementation letters shall not be used to amend the text of the MOU.

Section 9. Authorized Representatives

The Parties shall be represented by those holding or acting in the offices held by the signatories to this MOU. Each Party may, by written notice, to the other, identify additional representatives authorized to represent that Party for all purposes other than executing formal amendments to this MOU. Each Party shall notify the other, in writing, of changes in its authorized representatives.

Section 10. Amendment and Modification

This MOU may be amended or modified by written agreement of the Parties.

Section 11. Suspension and Termination:

Suspension. In the event:

The Consortium fails to comply with any provision of this MOU; USAID determines that an extraordinary situation has occurred which makes it improbable either that the purpose of the MOU will be attained or that the Consortium will be able to comply with the provisions of the MOU; or, USAID determines that continuation of assistance would result in a violation of U.S. laws or regulations, USAID may, at its option, take steps to suspend, in whole or in part, provision of assistance under this MOU and provide written notice of its actions to the Consortium. In the event of partial suspension, such notice shall specify affected activities. If, after sixty (60) days from the date of such notice, USAID determines that the cause or causes for suspension have not been corrected, USAID may terminate assistance and provide written notice of its actions to the consortium.

Termination.

Either Party may terminate this MOU, in whole or in part, by giving the other Party thirty (30) days written notice. In the event of partial termination, such notice shall specify affected activities. Termination of this MOU will terminate any responsibilities of parties to provide financial or other resources for this activity, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to termination of this MOU. Obligations of the Academy set forth in Section 2.2 above relating to use of property furnished under this MOU shall remain in force after termination.

Section 12. Assignment

The Consortium agrees, upon request, to execute as assignment to USAID of any cause of action which may accrue to the Commercial Banks in connection with or arising out of the contractual performance by a party to a direct U.S. dollar contract with USAID financed by USAID in connection with this MOU.

Section 13. Nonwaiver of Remedies

No delay in exercising any right or remedy accruing to a party in connection with this MOU will be construed as a waiver of such right or remedy.

Section 14. Language

This MOU is prepared in both English and Georgian. In the event of ambiguity or conflict between the two versions, the English language version will control.

Effective Date: This MOU shall be effective on the date of signing by all Parties.

## ATTACHMENT II. ROLE OF USAID'S IMPLEMENTING CONTRACTOR

Based on the principles of this MOU:

USAID's implementing contractor will provide bank lecturers to deliver the banking and finance courses, inclusive of all expenses, within the Bankers' Training Program.

The USAID's implementing contractor's Resident Advisor will provide "Train the Trainer" courses for the Bankers' Training program, focusing on the training of Georgian bankers who will continue specialized training and education of Georgian bankers.

The Resident Bank Advisor and Academy staff will ensure that the USAID's implementing contractor's lecturers are sufficiently knowledgeable about the current Georgian banking environment, (i.e. recent NBG regulations and guidelines, adoption of new prudential ratios and policies, etc.,) and incorporate these aspects into the lecture materials.

Lecture materials for the Bankers' Training Program will be printed in English, the language of international banking and finance, and Russian, to facilitate comprehension. Within the framework of the USAID Bankers Training Program, the lectures will be in English with consecutive Georgian translation.

At the conclusion of each course, the participants will evaluate the quality of the course, including factors such as: quality of course materials, effectiveness of the instructor, quality of materials, practical application of materials, etc. The Academy staff and Resident Bank Advisor will ensure that improvements will be made to the curriculum and methodology.

Those Georgian bankers who successfully meet a course's requirements will receive certificates, attesting to their completion of the course.

Following the completion of each course, the USAID's implementing contractor's bank lecturers will provide in-bank advisory assistance for an additional week, on an ad hoc basis, to those banks requesting such assistance.

The USAID's implementing contractor will establish a reference library which will be located within the Academy. The implementing contractor's staff in coordination with the NBG and the Commercial Banks will determine the needs of this reference library and the implementing contractor will purchase books, periodicals and other library supplies.

ATTACHMENT III.     ROLE OF THE COMMERCIAL BANKS

The Consortium of Commercial Banks is defined as those commercial banks who have signed this Memorandum of Understanding, and thereby agree to its terms and conditions. The Consortium is not an association, foundation, organization, group or any type of financial or banking body, formal or informal, that purports to represent the interests of any and all commercial banks in Georgia.

The Consortium of Commercial banks will obtain satisfactory space for use by the Georgian Banking-Finance Academy.

The Consortium of Commercial Banks will donate as equity capital \$36,000 per year for five years.

The Consortium of Commercial Banks will establish, an association that is independent, non-government, non-profit, tax exempt if allowable by law, educational organization.



ურთიერთგაგების მემორანდუმი  
ამერიკის შეერთებული შტატების  
საერთაშორისო განვითარების სააგენტოსა  
და  
კომერციული ბანკების კონსორციუმს შორის

მუხლი 1.

მიზანი

1.1. ამერიკის შეერთებული შტატების საერთაშორისო განვითარების სააგენტოსა (USAID) და კომერციული ბანკების კონსორციუმს (კონსორციუმს) სურთ ითანამშრომლონ, რათა ერთობლივი ძალისხმევით შექმნან სტრუქტურულად გამართული და სტაბილური საბანკო სისტემა, რომელიც საქართველოს დაეხმარება თავისუფალი საბაზრო ეკონომიკის განვითარებაში.

1.2. კონსორციუმი თანახმაა და USAID მზადაა დახმარება გასწიოს საქართველოს საბანკო-საფინანსო აკადემიის (შემდგომ - "აკადემია") ჩამოყალიბებაში. აკადემიის საქმიანობის უმთავრესი მიზანი იქნება საბანკო ინსტრუმენტებისა და მეთოდების, ასევე საბანკო ეთიკისა და საქმის პროფესიონალური ცოდნის გაერცელება და შემდგომ მისი გამოყენება. აკადემიის ჩამოყალიბებისათვის აშშ საერთაშორისო განვითარების სააგენტო და კონსორციუმი შეთანხმდნენ შემდეგზე:

1.3. აკადემიის დაარსების და მისი ამოქმედების ძირითადი მიზანია საქართველოს ბანკების თანამშრომელთათვის სასწავლო პროგრამის ჩამოყალიბება. ბანკირთა მომზადების პროგრამა შედგენილი იქნება საქართველოს ბანკების მოთხოვნილებათა გათვალისწინებით. საბანკო კადრების მომზადება დასავლური კომერციული საბანკო პრინციპების მიხედვით დაეხმარება მათ დასავლეთის საბანკო სისტემის შესწავლასა და ათვისებაში. აკადემიის სასწავლო პროგრამის საშუალებით ქართული ბანკები იმუშავენ საერთაშორისო საბანკო სტანდარტების დანერგვის მიმართულებით, რაც ხელს შეუწყობს მათ საერთაშორისო საბანკო სისტემის კონკურენტუნარიან წევრებად გახდომას.

1.4. მემორანდუმში მონაწილე მხარეები შეთანხმდნენ, რომ აკადემიის ჩამოყალიბების პროცესი უნდა წარიმართოს კოორდინირებულად და მასთან დაკავშირებული მთელი ინფორმაცია გაერცელდეს მხარეთა შორის, ანუ მოხდეს ინფორმაციის ურთიერთგაცვლა.

მუხლი 2.

მხარეთა ვალდებულებანი

2.1. აკადემიის დამფუძნებლები არიან კომერციული ბანკების კონსორციუმის წევრები:

სააქციო-კომერციული ბანკი "ინტელექტბანკი".

სააქციო-კომერციული ბანკი "TBC-ბანკი",

სააქციო-კომერციული ბანკი "თბილკრედიტბანკი", და

სააქციო-კომერციული ბანკი "თბილკომბანკი".

2.2. დახმარება, რომელსაც USAID გაუწევს აკადემიას, დამოკიდებულია აშშ კონგრესის მიერ გამოყოფილ სახსრებზე და ურთიერთგაგების მემორანდუმის წარმატებით მიმდინარეობაზე. ეს დახმარება ითვალისწინებს აკადემიის პერსონალითა და რეზიდენტი მრჩეველით უზრუნველყოფას, ბანკირ-ლექტორთა ჩამოყვანას და აკადემიის სრულ აღჭურვას ტექნიკით, ავეჯით, სპეციალური და სალექციო ლიტერატურით, ასევე სხვა საჭირო მასალებით. USAID-ის თანხმობის შემთხვევაში, რაც დაკავშირებული იქნება აკადემიის უწყვეტი საქმიანობის მიზანთან, USAID-ის მიერ დაფინანსებული რეზიდენტ-მრჩეველი უზრუნველყოფს "ინსტრუქტორთა მომზადების" კურსების ჩატარებას ქართველი ბანკირებისათვის, რათა მათ შემდგომ შეძლონ დამოუკიდებლად სპეციალიზირებული, მოსამზადებელი, საგანმანათლებლო კურსების ჩატარება ქართველი ბანკირებისათვის. აკადემიის სრული მატერიალურ-ტექნიკური აღჭურვილობა და ავეჯი უსასყიდლოდ გადაეცემა აკადემიას. (იხილეთ დანართი II).

2.3. USAID-ის მიერ ზემოაღნიშნული დახმარების გაწევის შემთხვევაში, კონსორციუმი უზრუნველყოფს ორი საკლასო ოთახის, სასწავლო ბიბლიოთეკისა და სამუშაო ოფისიათვის საჭირო ფართის გამოყოფას ბანკირთა სასწავლო პროგრამის თანამშრომლებისათვის გათბობისა და განათების მწყობრი სისტემით.

2.4. USAID-ის მიერ ზემოაღნიშნული დახმარების გაწევის შემთხვევაში, კონსორციუმი თანახმაა გაიღოს 36,000 აშშ დოლარი აკადემიის საწესდებო ფონდში 5 წლის მანძილზე. შენატანის მთლიანი ოდენობა ხუთი წლის ბოლოს უნდა შეადგენდეს 180,000 აშშ დოლარს.

2.5. კონსორციუმი და USAID თანახმა არიან, რომ საქართველოს ეროვნული ბანკი შეიძლება გახდეს აკადემიის დამფუძნებელი. საქართველოს ეროვნულმა ბანკმა შეიძლება გაიღოს ერთიანი შენატანი 120,000 აშშ დოლარის ოდენობით. ეს შენატანი არ აღემატება ასოციაციის საწესდებო ფონდის 40%-ს (ორმოცი პროცენტი). წინადადება ძალაში რჩება 1998 წლის 31 აგვისტომდე. ეს წინადადება შეიძლება გაგრძელდეს ან შეიცვალოს კონსორციუმის მიერ.

3.1. შეიქმნება დირექტორთა საბჭო, რომელიც პასუხისმგებელი იქნება აკადემიის მართვაზე და უზრუნველყოფს დასახული გრძელვადიანი სტრატეგიული მიზნების განხორციელებას. პროგრამის განმხორციელებელი USAID-ის კონტრაქტორი საბჭოში წარმოდგენილი იქნება დამკვირვებლად ხმის უფლების გარეშე (იხილეთ დანართი III კომერციული ბანკების წარმომადგენლობისა და როლის თაობაზე).

3.2. აკადემიის მართვა და მუშაობა განხორციელდება USAID-ის კონტრაქტორის პერსონალის მიერ, რომელიც შედგება დირექტორის, თარჯიმნებისა და სხვა დამხმარე თანამშრომლებისაგან. საჭიროებისამებრ, აკადემიის დირექტორი დაიქირავებს დამატებით პერსონალს, რათა ბანკირთა სასწავლო პროგრამის მუშაობა წარიმართოს შეუფერხებლად. პროგრამის დირექტორი იმუშავებს რეზიდენტ-მრჩეველთან ერთად და მიიღებს რჩევებს აკადემიის მართვისა და სხვა საჭირო საკითხებზე. აღნიშნული პროგრამის განხორციელებაზე პასუხისმგებლობა ეკისრება აკადემიაში არსებულ თანამშრომლებს. USAID-ის მიერ დაფინანსების შეწყვეტის შემდეგ დირექტორთა საბჭო გადაწყვეტს და კენჭს უყრის გააგრძელოს თუ არა აკადემიის არსებულმა თანამშრომლების შტატმა აკადემიის მართვა.

3.3. აშშ საერთაშორისო განვითარების სააგენტოს მიერ პროგრამის დაფინანსების პერიოდში აკადემია იქნება არასამეწარმეო, არამომგებიანი, გადასახადებისაგან განთავისუფლებული ( საქართველოს კანონმდებლობის ჩარჩოებში), საგანმანათლებლო ორგანიზაცია, რომელიც უზრუნველყოფს ბანკირთა მომზადებას. აკადემია იქნება რეგისტრირებული როგორც ქართული ორგანიზაცია. ახლად ძალაში შესული სამოქალაქო და საგადასახადო კოდექსის პირობების შესასრულებლად, აკადემია ვალდებულია წარუდგინოს წერილი სასამართლოს სარეგისტრაციო დეპარტამენტს, სადაც აღნიშნული იქნება აკადემიის მიზნები და საქმიანობა და მოახდინოს აკადემიის რეგისტრაცია. შემდგომ, როდესაც USAID-ის მიერ ამ პროგრამის დაფინანსება ამოწურება, აკადემიის მომავალი სტატუსი განსაზღვრულ იქნება აკადემიის დირექტორთა საბჭოს მიერ.

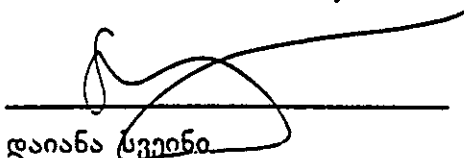
3.4. აკადემიის საქმიანობის მხარდამჭერი USAID-ის დახმარების მართვაზე პასუხისმგებლობა ეკისრება USAID-ის კონტრაქტორის რეზიდენტ-მრჩეველსა და აკადემიის დირექტორს. USAID-ის კონტრაქტორის რეზიდენტ-მრჩეველს ევალება ზედამხედველობა გაუწიოს USAID-ის მიერ გამოყოფილ ფონდს, რომელიც შეთანხმების თანახმად მოხმარდება აკადემიას. აკადემიის დირექტორი პასუხისმგებელია სასწავლო კურსების გადასახადებისაგან შემოსულ თანხებსა და აკადემიის მიერ მიღებულ სხვა შემოსავალზე. ამგვარად მიღებულის თანხები მოხმარდება აკადემიის სასწავლო პროგრამასთან დაკავშირებული ხარჯების დაფარვას.

მუხლი 4.

დასკვნა

4.1. წინამდებარე ხელშეკრულების მოქმედების ვადაში აკადემია დაიწყებს იმ გეგმების განხორციელებას, რომლებიც ხელს შეუწყობს მის დამოუკიდებელ ორგანიზაციად ჩამოყალიბებას (აშშ საერთაშორისო განვითარების სააგენტოს მიერ დაფინანსების შეწყვეტის შემდეგ ანუ 1998 წლის 31 აგვისტომდე). თუ USAID-ის დაფინანსება გაგრძელდება 1998 წლის 31 აგვისტოს შემდეგაც, და USAID დაკმაყოფილებული იქნება ურთიერთგაგების მემორანდუმის პირობების შესრულებით, წინამდებარე ხელშეკრულება ძალაში დარჩება დაფინანსების შეწყვეტამდე. იმ შემთხვევაში, თუ ყველა მხარის მიერ მემორანდუმის პირობები დაკმაყოფილებულ იქნება, ხელშეკრულების საბოლოო ვადის გასვლის შემდეგ USAID აპირებს ამ მემორანდუმით გათვალისწინებული, USAID-ის მიერ შეძენილ ქონების საკუთრების უფლების განკარგვას აკადემიისათვის.

ურთიერთგაგების მემორანდუმი მოწმდება მემორანდუმის მონაწილე მხარეების უფლებამოსილი წარმომადგენლების ხელმოწერებით, 1998 წლის 14 აპრილს.



დაიანა სკუინი  
 რეგიონალური დირექტორის  
 მოადგილე  
 აშშ საერთაშორისო  
 განვითარების სააგენტო  
 კავკასია/თბილისი

თარიღი

(იხილეთ მომდევნო გვერდი)

კომერციული ბანკების  
 კონსორციუმი



მამუკა მაჭავარიანი  
თბილკომბანკის გამგეობის თავმჯდომარე

14.04.98

თარიღი



ვახტანგ ბუცხრიკიძე  
TBC-ბანკის გამგეობის თავმჯდომარე

14.04.98

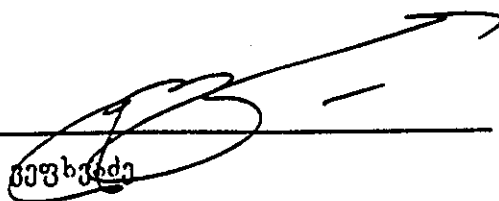
თარიღი



თედო უორჟოლიანი  
თბილკრედიტბანკის გამგეობის თავმჯდომარე

14.04.98.

თარიღი



დემო ნეუხუცეძე  
ინტელექტბანკის გენერალური დირექტორი

14.04.98

თარიღი

დანართი 1.  
ძირითადი პირობები

პარაგრაფი 1.

საქართველოს და აშშ მთავრობებს შორის დადებული 1992 წლის 31 ივლისის ორმხრივი ხელშეკრულების თანახმად, აშშ და საქართველოს მთავრობები ითანამშრომლებენ საქართველოსათვის ჰუმანიტარული, ტექნიკური და ეკონომიკური დახმარების გასაწევად.

ამერიკის შეერთებული შტატებისა და საქართველოს მთავრობებს შორის დადებული ხელშეკრულება ვრცელდება USAID-ის დახმარების პროგრამაზე იმ პუნქტების ჩათვლით, რომლებიც ათავისუფლებს USAID-ის და მის კონტრაქტორს საბაჟო და სხვა გადასახადებისაგან.

მესამე მხარის გამოყენება და ფინანსური შესაძლებლობები

პარაგრაფი 2.

იმისათვის, რომ განხორციელდეს ზემოაღნიშნული დახმარება, USAID-ის შეუძლია გააფორმოს კონტრაქტები ისეთ სასოგადოებრივ და კერძო ორგანიზაციებთან, რომელთაც მისაღებად მიიჩნევს. ამ ურთიერთგაგების მემორანდუმის მიხედვით ასეთი კონტრაქტების განხორციელება დამოკიდებულია ფინანსურ შესაძლებლობებზე და შემდგომ ურთიერთშეთანხმებაზე USAID-ისა და ასეთ სასოგადოებრივ თუ კერძო ორგანიზაციებს შორის. ეს მემორანდუმი გაელენას არ იქონიებს USAID-ის მიერ ფონდების გამოყოფაზე.

მხარეთა სამართლებრივი მდგომარეობა

პარაგრაფი 3.

USAID გამოყოფს და ქართულ მხარეს გადასცემს პროგრამისათვის საჭირო ფონდებს და შეასრულებს ურთიერთგაგების მემორანდუმის თანახმად დაკისრებულ მოვალეობას ამერიკის შეერთებული შტატების შესაბამისი კანონმდებლობის გათვალისწინებით. კონსორციუმი ვალდებულია შეასრულოს ურთიერთგაგების მემორანდუმის თანახმად დაკისრებული მოვალეობა საქართველოს შესაბამისი კანონმდებლობის გათვალისწინებით.

მფლობელობისა და საკუთრების მოხმარების უფლება

პარაგრაფი 4.

USAID-ის მიერ აკადემიისათვის გაღებული ქონება წარმოადგენს აკადემიის საკუთრებას, გამონაკლისი შეიძლება დაიშვას მხოლოდ USAID-

ის გადაწყვეტილებით. USAID-ის მიერ აკადემიისათვის გადაცემული ნებისმიერი ქონება ეფექტურად უნდა იქნეს გამოყენებული ზემოაღნიშნული მიზნების შესასრულებლად და გამოსადეგი იყოს დახმარების პროგრამის დასრულების შემდეგაც. თუ USAID-ის მიერ აკადემიისათვის გადაცემული ქონება არ იქნა გამოყენებული მხარეების შეთანხმების შესაბამისად და აკადემიის მიერ შესაძლებელი იყო ამის თავიდან აცილება, USAID-ის შეუძლია მოსთხოვოს აკადემიას ქონების დაბრუნება ან ფულადი ანაზღაურება ამერიკულ ეროვნულ ვალუტაში.

#### აღრიცხვა, აუდიტი და ინსპექცია

##### პარაგრაფი 5.

აკადემიამ უნდა აწარმოოს სათანადო აღრიცხვა, რათა მოახდინოს ურთიერთგაგების მემორანდუმით გათვალისწინებული პროგრამისათვის გამოყოფილი დახმარების ათვისებისა და გამოყენების სრული დოკუმენტური ასახვა.

#### ფულის გადაცვლის კურსი

##### პარაგრაფი 6.

თუ USAID ან სხვა კერძო თუ საზოგადოებრივი ორგანიზაცია გაიღებს თანხებს საქართველოში ზემოაღნიშნული პროგრამის განსახორციელებლად, საქართველოს ეროვნულმა ბანკმა უნდა მოაგვაროს ამ თანხების ეროვნულ ვალუტაში გადაცვლის ოპერაციები იმ დროისათვის არსებული საბაზრო კურსის მიხედვით, მოქმედი კანონმდებლობის ფარგლებში.

#### საჯაროდ გამოცხადება

##### პარაგრაფი 7.

აკადემია, როგორც აშშ მთავრობის მიერ დაფინანსებული დახმარების მიმღები, USAID-ისთან კონსულტაციის შედეგად, საჯაროდ განაცხადებს და ფართო მასებს გააცნობს მიღებული დახმარების შესახებ.

#### ინფორმაციის გაცვლა და მოხსენებითი წერილები

##### პარაგრაფი 8.

იმისათვის, რომ შეფასდეს დახმარების პროგრამის ეფექტურობა, USAID-იმ და კონსორციუმმა, საჭიროებისამებრ, ერთმანეთს უნდა მიაწოდონ ინფორმაცია. ამას გარდა, USAID პერიოდულად შეადგენს მოხსენებით წერილებს დამატებითი ინფორმაციის მიზნით ურთიერთგაგების

მემორანდუმში განხილულ საკითხებთან დაკავშირებით. შესაძლოა, მხარეებმა წერილობით დაადასტურონ ორმხრივი შეთანხმება ურთიერთგაგების მემორანდუმის მიხედვით გათვალისწინებული მიზნების განხორციელების თაობაზე. მოხსენებით წერილებში შესული შენიშვნები არ შეიძლება გამოყენებულ იქნას ურთიერთგაგების მემორანდუმში ცვლილებების შესატანად.

უფლებამოსილი წარმომადგენლები

პარაგრაფი 9.

მხარეთა წარმომადგენლები იქნებიან ურთიერთგაგების მემორანდუმზე ხელისმომწერთა უფლებამოსილი პირები. ყოველ მხარეს წერილობით შეუძლია წარმოადგინოს თავისი დამატებითი წარმომადგენელი, მაგრამ ამ პირს არ ექნება უფლება ცვლილებები შეიტანოს ურთიერთგაგების მემორანდუმში. ყოველმა მხარემ წერილობით უნდა შეატყობინოს სხვა მხარეებს მისი უფლებამოსილი წარმომადგენლის შეცვლის შესახებ.

ცვლილებების შეტანა და მოდიფიკაცია

პარაგრაფი 10.

ურთიერთგაგების მემორანდუმში ცვლილებების შეტანის ან მისი მოდიფიკაციის შესახებ საჭიროა მხარეების წერილობითი შეთანხმება.

პროგრამის დროებითი ან სრული გაუქმება

პარაგრაფი 11.

დროებითი გაუქმება შეიძლება მოხდეს შემდეგ შემთხვევაში:

1. თუ კონსორციუმი ვერ შეასრულებს ურთიერთგაგების მემორანდუმის პირობებს;
2. თუ USAID გადაწყვეტს, რომ საგანგებო სიტუაციის შექმნასთან დაკავშირებით, შეუძლებელი იქნება ურთიერთგაგების მემორანდუმით დასახული ამოცანების შესრულება ან კონსორციუმი ვერ შესძლებს ურთიერთგაგების მემორანდუმის პირობების შესრულებას;
3. თუ USAID გადაწყვეტს, რომ დახმარების პროგრამის გაგრძელება იქნება აშშ კანონმდებლობის დარღვევა;
4. USAID-ის შეუძლია რომ განახორციელოს ღონისძიებები პროგრამის შესაწყვეტად, მთლიანად ან ნაწილობრივ, თუ ურთიერთგაგების მემორანდუმის პირობების მიხედვით, იგი წერილობით შეატყობინებს კონსორციუმს მოსალოდნელი გაუქმების შესახებ. ნაწილობრივ გაუქმების შემთხვევაში, შეტყობინებაში უნდა აღინიშნოს, პროგრამის რომელ ნაწილს შეეხება გაუქმება. თუ USAID გადაწყვეტს, რომ აღნიშნული წერილობითი მიმართვიდან სამოცი (60) დღის გასვლის შემდეგ არ გამოსწორდა ის მიზეზები, რომელთა გამოც მოხდა დროებითი გაუქმება,



მას შეუძლია მთლიანად გააუქმოს დახმარების პროგრამა და ამის შესახებ წერილობით აცნობოს კონსორციუმს.

### სრული გაუქმება

პროგრამის სრული ან ნაწილობრივი გაუქმება შეუძლია მასში მონაწილე ყველა მხარეს. ამის შესახებ წერილობითი განაცხადი უნდა გაკეთდეს ოცდაათი (30) დღით ადრე და მიეწოდოს მონაწილე მხარეებს. თუ გაუქმება მხოლოდ პროგრამის ნაწილს შეეხება, აუცილებელია მითითება, თუ კონკრეტულად რომელი ნაწილი იგულისხმება. ურთიერთგაგების მემორანდუმის სრული გაუქმების შემთხვევაში, ყოველ მხარეს ეხსნება ფინანსური და სხვა ვალდებულებები. გამონაკლისს წარმოადგენს მესამე მხარესთან შეთანხმებული გადასახადები, რომელიც პროგრამის სრულ გაუქმებამდე გაფორმდა. აკადემიის ვალდებულებანი ამ მემორანდუმით განსაზღვრულ საკუთრებასთან მიმართებაში, რაც მოცემულია მუხლში 2.2., ძალაში რჩება სრულ გაუქმებამდე.

### შესასრულებელი ვალდებულებები

#### პარაგრაფი 12.

კონსორციუმში თანახმაა, რომ USAID-ის მოთხოვნის საფუძველზე შეასრულოს დაკისრებული ვალდებულება იმ შემთხვევაში, თუ USAID-ის კონტრაქტორს მუშაობის დროს შეექმნება სირთულე, ან ადგილი ექნება რაიმე დარღვევას USAID-ის მიერ კონტრაქტორისათვის გადაცემული თანხების გამოყენების დროს.

### სამართლდამცავი მოთხოვნები

#### პარაგრაფი 13.

მემორანდუმში მონაწილე მხარეთა მემორანდუმით მინიჭებული უფლებების გამოყენება არ არის შეზღუდული დროით და მხარეებს საჭიროებისამებრ შეუძლიათ მათი გამოყენება.

### ტექსტი

#### პარაგრაფი 14.

მემორანდუმში მომზადებულია ორ ეგზემპლარად - ინგლისურ და ქართულ ენებზე. ამ ორ ვარიანტს შორის გაურკვევლობის ან სადაო საკითხის წამოჭრის შემთხვევაში, მისაღებად ჩაითვლება ინგლისური ვარიანტი.

ურთიერთგაგების მემორანდუმში ძალაში შედის ყველა მხარის მერ ხელმოწერის დღიდან.

დანართი 2. აშშ საერთაშორისო განვითარების სააგენტოს  
(USAID) კონტრაქტორის როლი

ურთიერთგაგების მემორანდუმის მიხედვით:

აშშ საერთაშორისო განვითარების სააგენტოს კონტრაქტორი უზრუნველყოფს ლექტორების ჩამოყვანას, რომლებიც ჩაატარებენ კურსებს საბანკო და საფინანსო თემებზე. ამ ხარჯს ითვალისწინებს ბანკირთა მომზადების პროგრამა.

აშშ საერთაშორისო განვითარების სააგენტოს კონტრაქტორის რეზიდენტ-მრჩეველი უზრუნველყოფს მოსამზადებელი კურსების ჩატარებას იმ ქართველი ბანკირებისათვის, რომლებიც შემდგომში განაგრძობენ სპეციალიზირებული და საგანმანათლებლო კურსების ჩატარებას ქართველი კოლეგებისათვის.

აშშ საერთაშორისო განვითარების სააგენტოს კონტრაქტორის რეზიდენტ-მრჩეველი და აკადემიის თანამშრომლები უზრუნველყოფენ ჩამოყვანილი ლექტორებისათვის არსებული საბანკო გარემოს, ასევე საქართველოს ეროვნული ბანკის მიერ ბოლო პერიოდში მიღებული ნორმატივებისა და ახალი მიმართულებების გაცნობასა და ამ ცვლილებების გათვალისწინებას საკურსო მასალებში.

ბანკირთა მომზადების სასწავლო პროგრამის საკურსო მასალები დაიბეჭდება ინგლისურად, საბანკო-ფინანსურ საერთაშორისო ენაზე. USAID-ის ბანკირთა მომზადების პროგრამის მიხედვით, კურსები წარიმართება ინგლისურ ენაზე და სინქრონულად ითარგმნება ქართულ ენაზე.

ყოველი კურსის დასრულების შემდეგ მონაწილეები თავის აზრს გამოთქვამენ კურსების ჩატარების ხარისხზე, მასალების აკადემიის თანამშრომლები და ბანკის რეზიდენტ-მრჩეველი შესაბამის ცვლილებებს შეიტანენ სწავლების მეთოდოლოგიასა და სასწავლო კურიკულუმში.

კურსის ბოლოს, აკადემია სერტიფიკატებს გადასცემს მონაწილეებს, რომლებმაც წარმატებით დაამთავრეს კურსი.

ყოველი კურსის დასრულების შემდეგ USAID-ის კონტრაქტორის მიერ მოწვეული ლექტორები ერთკვირიან კონსულტაციებს ჩაატარებენ მსურველი ბანკებისათვის.

USAID-ის კონტრაქტორის მიერ აკადემიის ტერიტორიაზე დაარსდება ბიბლიოთეკა. აკადემიის პერსონალი საქართველოს ეროვნულ ბანკსა და კომერციულ ბანკებთან ერთად განსაზღვრავენ ბიბლიოთეკისათვის

საჭირო ლიტერატურას, რის შემდეგაც USAID-ის კონტრაქტორი  
შეისყიდის წიგნებს, პერიოდულ გამოცემებსა და სხვა საჭირო მასალებს.

კომერციული ბანკების კონსორციუმში გაერთიანებული არიან კომერციული ბანკები, რომელთაც ხელი მოაწერს ამ მემორანდუმს და ამით დაეთანხმნენ მის პირობებს. კონსორციუმში არ არის ასოციაცია, საზოგადოება, ორგანიზაცია, ჯგუფი ან სხვა ნებისმიერი სახის ფინანსური თუ საბანკო ორგანო, ოფიციალური ან არაოფიციალური, რომელსაც განზრახული აქვს წარმადგინოს საქართველოში არსებული რიგი ან ყველა კომერციული ბანკების ინტერესები.

კომერციული ბანკების კონსორციუმში უზრუნველყოფს ფართს, სადაც განლაგდება ასოციაცია "საქართველოს საბანკო-საფინანსო აკადემია".

კომერციული ბანკების კონსორციუმში გაიღებს საქართველოს საბანკო-საფინანსო აკადემიის საწესდებო ფონდში ყოველწლიურად 36,000 აშშ დოლარს ხუთი (5) წლის მანძილზე.

კომერციული ბანკების კონსორციუმში შექმნის ასოციაციას "საქართველოს საბანკო-საფინანსო აკადემია", რომელიც იქნება დამოუკიდებელი, არასამთავრობო, არამომგებიანი, გადასახადებისაგან თავისუფალი (საქართველოს კანონმდებლობის ფარგლებში), საგანმანათლებლო ორგანიზაცია.

**Appendix C**

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REGISTERED:

NOVEMBER 10, 1998

**“Banking-Finance Academy of Georgia”  
Association Charter**

Georgia  
Tbilisi

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## **“Banking-Finance Academy of Georgia” Association Charter**

### **1. General Statement**

- 1.1. “Banking-Finance Academy of Georgia” (herein “the Association”) is created within the scope of the Georgian Civil Code and conducts its activities according to the current Georgian law, the Civil Code and the Association Charter.
- 1.2. The name of the Association is: “Banking-Finance Academy of Georgia”.
- 1.3. Entrepreneurial activities that serve the main purpose do not modify the status of the Association as of a non-entrepreneurial legal entity. Income generated from these activities is not distributed among the Association members.
- 1.4. The Association becomes a legal entity immediately after a legal registration procedure. It has separate balance account, assets and bank accounts in Georgian and in foreign banking institutions.
- 1.5. The association is authorized to make agreements, acquire assets, take on responsibilities, and appear in Court.
- 1.6. The Association has a round stamp, emblem, letterhead and all necessary attributes.
- 1.7. The address of the Association is: D. Agmashenebeli Ave.123, Tbilisi.

### **2. Purpose and Objectives of the Association**

- 2.1. The purpose of the Association is to create through a joint effort an effective training institution for Georgian bankers that will contribute to establishment of a structurally stable banking system to assist Georgia in developing free economic market environment.
- 2.2. Objectives of the Association:
  - to disseminate state-of-the-art banking tools and techniques, professional banking knowledge and ethics, and ultimately, to apply these banking principles to the Georgian banking sector;
  - to design a training program for the employees of the National Bank of Georgia and Commercial Banks. The training program will be designed based on the needs of the National Bank and the Commercial Banks;
  - to develop a cadre of bankers trained in the principles of western commercial banking, which will give them the tools and techniques to facilitate the adoption of western banking standards and practices;
  - to implement international banking standards into Georgian banking sector to help them become competitive participants in the international banking community;
  - to coordinate the activities of the Association and distribute information among the Georgian banks;
  - The Association conducts other activities related to training bankers.

### **3. Founders and Members of the Association**

- 3.1. The founders of the Association are:
1. The Joint Stock Commercial Bank "Intellectbank"; registered in August 7, 1995, at Tbilisi Didube District Court Regulation N 2/5-5. Represented by Devi Vefkhvadze - General Director.
  2. The Joint Stock Commercial Bank "TBC-bank"; registered in April 11, 1997, at Tbilisi Vake District Court Regulation N 5/5-20. Represented by Vakhtang Butskhrikidze - General Director.
  3. The Joint Stock Commercial bank "Tbilcreditbank"; registered in September 21, 1995, at Tbilisi Chugureti District Court Regulation N 03/5-9. Represented by Svetlana Gueorbelidze - Deputy Manager.
  4. The Joint Stock Commercial Bank "Tbilcombank"; registered in December 20, 1995, at Tbilisi Krtsanisi District Court Regulation N 06/5-11. Represented by Nino Jgamadze - Deputy Manager.
  5. The joint Stock Commercial Bank "Bank of Georgia"; registered in November 29, 1995, at Tbilisi Krtsanisi District Court Regulation N 06/5-07. Represented by Vladimer Pateishvili - General Director.
  6. The Joint Stock Commercial Bank "United Georgian Bank"; registered in May 19, 1995, at Tbilisi Chugureti District Court Regulation N 03/5-1. Represented by Irakli Kovzanadze - General Director.

#### 4. The Association Member Rights

- 4.1. Any commercial bank can become the member of the Association.
- 4.2. The Board of Directors determines the membership procedures on the bases of a written application.
- 4.3. The Association member has the right to terminate the Association membership on the bases of a written explanation proving the reason of membership termination.
- 4.4. The Association member has the right to:
  - elect and be elected member of the Board and committees;
  - ask for defending his/her rights and legal interests;
  - use the Association information facilities and equipment;
  - participate in the Association activities and in the resolution of all relevant issues;
  - receive information concerning the Association activities;
  - raise the issue to alter the membership fee.
- 4.5. The Association member is obligated to:
  - take an active part in the achievement of the Association objectives;
  - make timely membership fee payment. In the event of the fee payment default during 1 (one) year the membership terminates automatically.
  - propagandize the Association goals and objectives;
  - maintain confidentiality on the Association activities;
- 4.6. The Commercial Banks agree:
  - to provide the training space for two classrooms, a reference library and an office;
  - to donate at least 60% of funds for the Association needs;
  - each bank agrees to make payment of 9,000 US dollars annually for 5 (five) years;



### 5. The Structure of the Association

- 5.1. The supreme body of the Association is the General Meeting of all members which is held annually by the Board. Extraordinary meeting is initiated in writing by 1/3 (one third) of the members.
- 5.2. Members of the Association are notified about the meeting in writing two weeks in advance or through the Association publication.
- 5.3. The General Meeting is plenipotentiary if majority of the members is present. The mere majority of votes pass the decisions.  
If the members cannot attend the General Meeting, they can vote in writing. In this case they have the same right as those present at the meeting.
- 5.4. The overall responsibilities of the General Meeting are:
  - amendments and provisional statements to the Charter;
  - election of the Board;
  - approval of the Board annual report;
  - liquidation or reorganization decision of the Association;
- 5.5. The executive and management body of the Association between the annual meeting period is the Board of Directors. It is responsible for the Association activities and provides implementation of the long-term strategic objectives set by the National Bank of Georgia and the Commercial Banks. The Board of Directors is elected by the General Meeting for the term of 5 (five) years. The office term of the Board is extended after its expiry date before the election of the new Board.
- 5.6. Sessions of the Board are conducted at least once every 3 (three) months. Extraordinary sessions can be conducted at the Chairman's initiative or at the written notice of 1/3 of the Board members.
- 5.7. The Board manages the Association and consults the National Bank of Georgia and the Commercial Banks for the implementation of the long-term strategic objectives.
- 5.8. The Session of the Board is plenipotentiary if not less than 2/3 of the Board members is present. The mere majority of votes pass the decisions.
- 5.9. Disputes about interpreting and fulfilling the terms of the Charter, which cannot be resolved through mutual negotiation, will be settled in Court.
- 5.10. The Association Board member is obliged to compensate for lack of integrity when performing duty that results in damage to the Association or a third party.
- 5.11. The Association Board members' rejection of responsibilities is considered to be ineffective.
- 5.12. The Association Board member cannot be a member of a board of a similar association. If the Board member wants to be a member of a board of a similar association he/she needs the consent of the Association Board; such consent is not necessary if this person already was the member of another Board.
- 5.13. The Board appoints Chairman, Executive Director and Chief Audit Officer
- 5.14. The scope of the Board responsibilities:
  - coordinate strategic activities of the Association;
  - provide General Meeting resolutions;
  - determine membership fees and payment schedule;
  - determine legal status and financial contribution of those banks that are willing to become the Association members;

- resolve all current issues during the period between the meetings which are not within the special responsibility area of the General Meeting;
- 5.15. The Chairman coordinates the Board activities and provides execution of its resolutions;
- 5.16. The Board of the Association consists of seven members elected for four years.
- 5.17. The Board members are:
1. Devi Vepkhvadze
  2. Nino Jgamadze
  3. Tamar Pavlenishvili
  4. Svetlana Georbelidze
  5. Vakhtang Butskhrikidze
  6. Vladimer Pateishvili
  7. Irakli Kovzanadze
- 5.18. Current activities of the association are coordinated and communicated by the Executive Director who represents the Association both countrywide and abroad.
- 5.19. The Executive Director
- signs agreements;
  - assigns power of attorney;
  - conducts negotiations;
  - opens or withdraws accounts with banking institutions;
  - together with the Board supervises the Association assets and funds;
  - signs financial and other documentation;
- 5.20. In the event of the Executive Director's absence the Board members will specify a person who will temporarily take over the responsibilities of a director.
- 5.21. The Audit Committee conducts annual audit of the Association and is accountable to the General Meeting.

## **6. Funds and Assets of the Association**

- 6.1. The Association can have in assets premises, equipment, cash and other property except for inactive assets.
- 6.2. To meet its goals the Association agrees to receive assistance from donor organizations in the form of technical equipment, furniture, reference and lecture materials and other supplies.
- 6.3. To meet its goals the Association agrees to receive assistance from donor organizations in the form of technical cooperation.
- 6.4. The funds of the Association are derived from the financial contribution of the founders, the training course fees and other legal income generating activities.
- 6.5. The generated income of the Association should be utilized for the Association objectives outlined in the Charter.

## **7. The Entrepreneurial Activities**

- 7.1. The Association can become involved in additional legal entrepreneurial activities.
- 7.2. The Association can found enterprises within the active Legislation of Entrepreneurs

in Georgia and release publications.

7.3. The Association fiscal year starts on January 1<sup>st</sup> and ends on December 31<sup>st</sup> except for the first year which starts immediately after registration and ends on December 31<sup>st</sup>.

### **8. Reorganization and Termination of the Association**

8.1. The Association is terminated through liquidation or reorganization.

8.2. The Association is liquidated:

- in case of bankruptcy, or registration annulment;
- if the Association undertakes entrepreneurial activities;
- by the decision of the General Meeting of the members.

8.3. The Association is liquidated by the Board, but:

in case of disputes among the Board members liquidation is conducted by liquidation supervisors designated by the Court according to the active Legislation.

8.4. In case of the Association's liquidation all current activities should be finished and creditors paid. The Court can transfer the title to the Association property after liquidation in the name of the:

- Association having similar goals and objectives;
- Charitable organizations;
- Government.

8.5. The liquidation process is complete and the activities of the association are terminated after the Association is officially removed from the state register book list.

#### Founders:

The Joint Stock Commercial Bank "Intellectbank"  
 The Joint Stock Commercial Bank "TBC-Bank"  
 The Joint Stock Commercial Bank "TbilCreditBank"  
 The Joint Stock Commercial Bank "TbilComBank"  
 The Joint Stock Commercial Bank "Bank of Georgia"  
 The Joint Stock Commercial Bank "United Georgian Bank"

D. Vepkhvadze  
 V. Butskhrikidze  
 S. Gueorbelidze  
 N. Jgamadze  
 V. Pateishvili  
 I. KOvzanadze

#### Board Members:

Devi Vepkhvadze

Nino Jgamadze

Tamar Pavlenishvili

Svetlana Georbelidze

Vakhtang Butskhrikidze

Vladimer Pateishvili

Irakli Kovzanadze

**Appendix D**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 2
2. AMENDMENT/MODIFICATION NO. 01	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. 10203/1443	5. PROJECT NO. (If applicable)
6. ISSUED BY U.S. Agency for Int'l Development M/OP/ENI/PER Room 7.09, RRB Washington, DC 20523-7900	CODE	7. ADMINISTERED BY (If other than Item 6)	CODE
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code) Barents Group 2001 M Street, NW Washington, DC 20036		9A. AMENDMENT OF SOLICITATION NO.	
		9B. DATED (SEE ITEM 11)	
		10A. MODIFICATION OF CONTRACT/ORDER NO. X EPE-1-06-95-00070-00	
		10B. DATED (SEE ITEM 13) 09/01/98	
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers  is extended,  is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
See Page Two

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

X	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

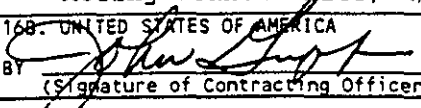
The purposes of this modification are to (1) provide incremental funding in the amount of \$447,561 and (2) provide extension from September 1, 1999 to August 31, 2000.

Accordingly, specific changes are as follows:

- Cover Page, 8. COMPLETION DATE, delete "August 31, 1999" and insert "August 31, 2000" in lieu thereof.

< See Continuation Sheet(s) >

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) John Griffin Acting Branch Chief, M/OP/ENI/PER
15B. CONTRACTOR/OFFEROR	16B. UNITED STATES OF AMERICA
(Signature of person authorized to sign)	BY  (Signature of Contracting Officer)
15C. DATE SIGNED	16C. DATE SIGNED 8/18/99

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE NO. 2
2. AMENDMENT/MODIFICATION NO.  01	3. EFFECTIVE DATE  See Block 16C	4. REQUISITION/PURCHASE REQ. NO.  10203/1443	5. PROJECT NO. (If applicable)	

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) - CONTINUATION

2. Cover Page, 9. ACCOUNTING AND APPROPRIATION DATA, add the following:

Organization ID: 10203  
 Request No.: 00001443  
 Resource Code: 251456  
 Activity: Financial Sector TA & Training  
 Account: NI99/00WNI999  
 Amount: \$447,561

3. STATEMENT OF WORK, ARTICLE III - TERM OF PERFORMANCE, delete "August 31, 1999" and insert "August 31, 2000" in lieu thereof.

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 10
2. AMENDMENT/MODIFICATION NO. 02	3. EFFECTIVE DATE September 1, 1999	4. REQUISITION/PURCHASE REQ. NO. 10703/1453	5. PROJECT NO. (If applicable)	
6. ISSUED BY Office of Procurement (OP/EN/PER) U.S.A.I.D. Washington, D.C. 20523		7. ADMINISTERED BY (If other than Item 6)		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code) Barents Group LLC 1676 International Drive McLean, VA. 22102-4828			9A. AMENDMENT OF SOLICITATION NO.	
			9B. DATED (SEE ITEM 11)	
			10A. MODIFICATION OF CONTRACT/ORDER NO. EPE-I-06-95-00070-00	
			10B. DATED (SEE ITEM 13) September 1, 1998	
CODE	FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers  is extended,  is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)  
N/A

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.	
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14. PURSUANT TO THE AUTHORITY OF FAR 43.103(b).	
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAA of 1961, as amended, and EO 11223.	X
D. OTHER (Specify type of modification and authority)	

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 3 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The purposes of this modification are (i) to incorporate the scope of work for the period from 9/1/99 to 8/31/00, (ii) to increase the ceiling price by \$102,054, from \$2,701,160 to \$2,803,214, and (iii) to revise the budget and level of effort sections of the task order. The amount of funds obligated remains at \$2,701,160. Accordingly, the task order is hereby modified as follows:

(Continued on next page)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Harvey Galper Managing Director	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) JOHN GRIFFIN (SDH)
15B. CONTRACTOR/OFFEROR <i>[Signature]</i> (Signature of person authorized to sign)	15C. DATE SIGNED 12/22/99
16B. UNITED STATES OF AMERICA <i>[Signature]</i> (Signature of Contracting Officer)	16C. DATE SIGNED 12/16/99

NSN 7540-01-152-8070  
PREVIOUS EDITION UNUSABLE

30-105

STANDARD FORM 30 (REV. 10-83)  
Prescribed by GSA  
FAR (48 CFR) 53.243

MODIFICATION NO. 2  
TASK ORDER EPE-I-06-95-00070-00

ARTICLE I TITLE

GEORGIA BANKER TRAINING CENTER

ARTICLE II - PROGRAM SUMMARY/BACKGROUND

Since 1992 USAID has been active in assisting the Republics in the NIS to move to a free market economy. The consensus among international donors and economic experts is that financial system constraints are among the most serious factors hampering the establishment of a free market system in the region. The banking systems and institutions in existence prior to 1993 were inadequate to support the needs of modern market economies. Consequently, the public and private financial infrastructure of the NIS needed to be restructured. An important element of such a restructuring is the education and retraining of staff to change the manner and methods of operations of their institutions so that they can be more effective in the newly emerging market economic system.

To provide assistance to the NIS, USAID created the NIS Task Force (NIS/TF) in 1992 that subsequently merged in 1994 with the Eastern European Task Force to form the ENI Bureau. In pursuit of its financial sector objectives, the NIS/TF executed initiatives to help restructure financial, fiscal and other economic institutions throughout the NIS. Inherited state socialist entities had to be modified or replaced to make them function in support of the new economic system. The specific technical focus of these activities has varied but their long term success depends on the development of host country nationals who understand the basic financial, fiscal and economic principles and mechanism upon which a free market economy is based.

The specific plans to achieve these broad objectives have been defined and tailored in terms of NIS host country needs to include timing and the availability of suitable counterparts. Even before these plans were fully developed, the identification and delivery of essential training services to NIS counterparts was launched to help speed and enhance the effectiveness of the financial sector programs. This training continues in order to allow NIS counterparts to obtain the maximum benefit from the specialized technical assistance provided through related privatization and economic restructuring programs, and provides greater assurance of institutional development than could otherwise be expected. The bank training program component of this effort has been particularly successful in Armenia and Georgia and they are well on their way to self-sufficient institutionalization.

It remains most important to complete institution consolidation, training, and support activities under this contract to complete the evolution toward self sufficiency of the Georgia Banker Training Center (the Center).



ARTICLE III - TERM OF PERFORMANCE

The period of performance under this modification will be from September 1, 1999 through August 31, 2000. This will permit the full delivery of the 1999-2000 academic year at the Center and allow it to be fully positioned for its first self-sufficient academic year 2000-2001.

ARTICLE IV STATEMENT OF OBJECTIVES

A. ENI Strategic Objectives 1.4 and 1.3

This task order is consistent with and directly supportive of ENI Bureau Strategic Objective 1.4: to develop a competitive, market responsive private financial sector. It also supports ENI Strategic Objective 1.3: accelerated development and growth of private enterprises (which are the primary beneficiaries of improved financial services and credit availability).

B. Institutional Development

The principal objective of this year's Georgia Banking Center support activities will be to position the Center for self-sustainability.

This year's program will build upon the success of the two previous years' banker training program's efforts in Georgia. The previous years' programs established a banker training institution, created and delivered banker training programs and began the development of a local cadre of Georgian trainers (considerably exceeding the targeted goals in all categories). The training delivery and staff development objectives of the program will continue and expand as detailed in the following Objective C.

During this year the Center will consolidate its institutional role as the training catalyst for the development and improvement of bank and financial sector professionalism in Georgia. It is anticipated that this vision, refined for the Georgian circumstances, will be the basis for the institutional self-sufficiency and continuity of the Center.

Several institution building threads will have to be woven together this year to make this happen:

1. Stakeholder commitment and involvement: Every effort will be undertaken to involve the Center's full range of stakeholders in the process of developing banking and financial sector professionalism in Georgia. These include the Center's Bank trustee/clients, key government players, IFIs and bilateral agencies, regional counterparts and players and world-wide counterparts and players. This group together defines the client base, standard setters, and support apparatus for the Center.
2. Peer group pairings and working relationships: The Center must continue to establish, expand and deepen the ties that make it credible with its regional and international peers. Working linkages with regional banking and financial professionals and sister institutions in transitioning economies are a rich source of ideas, and resources. Particularly close ties with Armenian, and Azerbaijani peers seem

appropriate. Looking West to Turkey and East to Central Asia - Kazakhstan, Kyrgyzstan, Mongolia, and North to Russia makes sense. Linkages to USAID and Barents linked bank training centers in the Ukraine, Hungary, and elsewhere are most reasonable. Strong linkages to IAS conversion and accounting profession development organizations is important as are linkages to analysts, and management finance professional bodies. Similarly important are other business professional development efforts, MBA and business profession core training efforts.

3. Partners and Formal linkages: Every effort will be made during the year to formalize partnering with long term players committed to the same objectives as the Center. Appropriate institutions would include the ABA, European, Turkish, and Russian equivalents, the EBRD, Asian Development Bank, the Know How Fund, and training institutions such as universities in the UK and the US that support banking and financial sector activity.

4. The formalization of a written and fully internalized strategic plan: The engineering of an institution is a process that is mostly about creating a common focus for a group of people. A major objective of the planning process is to help create that focus. A written strategic plan should be prepared for the Center that reflects the analysis, thinking and commitments of the players in the Center's dynamics. It should be principally a systematic description of what has been done and why, with guideposts for the next practical steps, where when how and with whom. If at its completion it is viewed as a de novo document and a surprise to anyone seriously involved with the Center it will signal significant weakness in the building of the Center as an institution.

5. The business plan, administrative apparatus, instructors, and core contracts in place for school year 2000-2001: The Center is a business. A major part of the contractor's task during this year is to be sure the business details of the Center are well in hand. This includes not only the smooth operating of the center during the course of 1999-2000 but more importantly the positioning of the center for its first independent year 2000-2001. Insofar as possible by the end August 2000 the Center Director and the contractor should be able to make a presentation to its Board and USAID about the details of the school year 2000-2001 naming courses, instructors, and participants. The Center should have its administrative services - computer maintenance etc. - pre-paid and pre-contracted, its training materials and administrative stocks in excess inventory positions, it should be fully capitalized in terms of training aids and equipment, and have a sufficient positive cash balance in the bank. The Center should have a business development plan with tasks outlined requiring board member participation and support among other things. In short the Center should have its next operating year well underway and be on the way to accomplishing it.

6. Trained and committed leadership and staff in place at the Center: The center is not computers and space. The Center is professional committed management, trained and experienced teachers, a client base, and a reputation. Plans, fixed assets, and a sign on the door are the easy parts of the process albeit important to have in place. The critical part of this year is to deepen the leadership cadre and support team of the Center both at the Center and Board levels. Equally important is a very deep Georgian trainer base and access to a broad range of expertise from other sources - US, UK, Turkish, etc. etc. A

conscious focus on this and attendant progress reporting to all concerned is most important.

It is anticipated that this illustrative list of focal points for institutional development will be given substance through individual initiatives throughout the year.

C. Banking and Private Finance Sector Education and Retraining Services

The contractor shall provide a range of basic, more advanced, and technical training activities for commercial bankers, central bankers, and private financial sector professionals.

(1) Training Clientele and General Approach Professional financial sector training is required for three general types of host country nationals: (a) entity owners and top level executives, (b) managers and supervisors, and (c) operating level technicians and staff. Each type of trainee requires somewhat different knowledge about the theory and operation of free market banking and financial systems. The delivery of specific training services will be effected after the contractor has provided a detailed plan which will identify proposed participants and the training program structure.

At the executive level, the emphasis will be on conveying a strategic sense of the market opportunities, methods for managing financial risk, and an understanding of the range of courses available for their staffs. Managers and supervisors will receive a mix of academic training, professional and technical skills up-grading, and on-the-job follow up consultation. Training for technicians and operational staff shall concentrate on professional skills upgrading. The academic portion of this training program will cover only the basics of the free market system and its relationship to the trainee's specific skill area. This training shall be done in the host country. The contractor's instructors will be primarily experienced banking practitioners.

(2) Training Program Content - The contractor will be required to design, prepare, and implement several types of training activities for Georgian and other regional banking and private finance sector professionals as appropriate:

- On-the-job follow-up consultation in the host country
- Work attachment training programs in U.S. owned banks and other financial sector institutions; and/or
- Professional, technical and operational skills training.

(3) Illustrative Core Curriculum - Actual training courses will be determined by the events which generate their need, i.e., by conditions in the Georgian, regional or international environments which impact on the group being trained. The contractor will coordinate with other donors and other USAID grantee/contractors on course designs as appropriate. Typical needs in the Georgian Banking Center to date and in other similar programs elsewhere have included:

ACCOUNTING

Accounting for Bankers  
International Accounting Standards (IAS)  
Internal Audit  
NIS Enterprise Accounting  
NIS Bank Accounting

CREDIT

Credit I  
Credit II  
Credit III  
Credit Management System  
Mortgage/Real Estate Finance  
Interbank Credit Analysis  
Letters of Credit and Trade Finance  
Financial Institutions analysis  
Bank Supervision  
SME Finance  
Problem Loan Management  
Construction Lending  
Consumer Lending/Finance

RISK MANAGEMENT

Advanced Payment Systems  
Anti-Money Laundering  
Asset/Liability Management I  
Asset/Liability Management II  
Bank Fraud  
Capital Markets I  
Capital Markets II  
Capital Markets Equity/Stock Market  
Commercial Bank Risk Management  
Corporate Finance  
Foreign Exchange  
International Trade Finance  
International Payment Systems  
Investment Banking  
Project Finance  
Risk management  
Treasury Risk Management

MARKET COMPETITION

Branch Management  
Bank Marketing  
Bank Card  
Bank Executive International  
Banking Terminology  
Customer Service  
Executive Roundtable  
Finance Management  
Human Resources Management  
International Banking  
Legal and Regulatory Environment  
Privatization

Strategic Planning  
Strategic Competitive Advantage  
Training of Trainers

ARTICLE V TASKS/WORK REQUIREMENTS

This project is focused on supporting the continued institutional development of the Banker Training Center in Georgia and the continued provision of commercial banker training courses as listed in Section IV.C.3.

The contractor will continue to develop and update the Georgia Center's courses and related materials with the objective of having a fully updated set of courses in place for the 2000-2001 course year and beyond. The contractor will similarly assure that the multi-media reference library is fully updated and in order for the 2000-2001 year.

ARTICLE VI TANGIBLE RESULTS/BENCHMARKS

The contractor understands and agrees that achievement of the Tangible Results and Benchmarks are the essence of the task order and that USAID will judge the contractor's success (or lack thereof) in the task order based upon whether or not the Tangible Results and Benchmarks are achieved. In the event that any one or more of the Tangible Results or Benchmarks are not achieved or should the contractor at any time realize that they are not achievable, then the contractor shall immediately advise the CTO in writing and in the next report required as part of the task order "reporting requirements" (i.e. a monthly, quarterly or completion report) and provide a complete explanation of the circumstances relating thereto. The following tangible results and benchmarks will be accomplished during the task order period.

1. At least 200 Georgian and regional bankers will be trained in western banking practices and standards.
2. At least 10 courses will be conducted including follow on in bank consulting as appropriate. This will include advanced courses of previous topics, and the presentation to new participants of several courses previously offered.
3. All of the training courses offered will be done on a co-teach basis with American and Georgian instructors participating fully.
4. At least 6 banking courses will be delivered by Georgian bankers.
5. At least 12 additional Georgian trainees will be identified and trained as trainers for the Center increasing the credible "stable" of the Center to at least 20 by the end of the task order to enable the center to commit to a rigorous schedule of courses.
6. A Center Deputy Director will be identified and his/her training commenced in order to provide the Center with depth and continuity and to enhance its administrative and marketing capability.
7. The Center will do its best effort to hold at least two regional meetings to help advance the institutional development agenda for the Center. These formal meetings and others would be expected to include local and international stakeholders in the center, regional and international peers, and potential partners.
8. Partnering agreements with at least 4 peer, related, and or funding organizations will be entered into.

9. There will be a detailed strategic plan prepared for the Center covering in detail such topics as: an analysis of the market for the services of the Center with a recommended marketing strategy to include appendices with institutional names, contact information, key people etc.; a management plan for the center; a training plan for center staff; a detailing of actual and likely products and services for the Center; an operational plan and package for the Center; an implementation schedule for the strategy; and a financial plan - to include fundraising for the Center.
10. There will be prepared a detailed plan for the next school year to include a schedule of contracted courses, budgets, cash flows, marketing plan, etc. The plan will include alternate appropriate uses of the Center and its resources.
11. There will be in place for the Center an Operational manual, a Financial Control manual, and a Personnel manual.
12. The contractor will assist the Center to be well positioned for its first free-standing year. The contractor shall provide records indicating advanced stocking of the training and teaching materials and equipment to substantiate that these tasks have been performed. The contractor will also make a best effort with any remaining funds to prepay the trainer contracts and the maintenance contracts for the computer equipment.
13. A detailed equipment and financial audit of the Center will be done so that the independent management has a clear and complete starting point for its activities.
14. The appropriate USAID documentation for equipment and training materials turnover will be completed before the Contractor departs.
15. All materials, reports, and courses prepared by the contractor will be made available to the Center in both written and electronic form.
16. It is expected that the Center's management will make a detailed presentation to its Board of its Strategic Plan and Annual Plan and Budget. USAID at its option will receive a similar presentation by Center management.

#### ARTICLE VII TRAINING (See previous sections.)

With respect to participant training, that is training of any foreign national outside of his or her country, using AID funds, the contractor shall follow the policies established in Chapter 253 of the AID Automated Directive System (ADS) - "Training for Development Impact" (See also AIDAR clauses 752.7018 and 752.7019 referenced in Section I.1 of the Contract)

#### VIII. ESTIMATED LEVEL OF EFFORT

U.S. Expatriate ~~§~~ The maximum U.S. expatriate level of effort to be delivered hereunder is 1,558 person days (up from 1,409). During the period from 9/1/99 through 8/31/00, the authorized level of effort is 388 person days as follows:

Labor Category	Person Days
Project Manager I	243
Financial analyst IV	40
Commercial Banker I	<u>105</u>
Total Expatriates	388

Within the total number of U.S. expatriate person days, the contractor may adjust days between categories as necessary to implement the project. Any new labor category or increase in the number of person days must be approved by the Contracting Officer. In addition, any new U.S. expatriate personnel must be approved by the Contracting officer and CTO.

TCN/CCN \* The total number of TCN/CCN person days authorized to be provided hereunder is 3,460 person days (up from 2,710). Subject to the approval of the CTO, the contractor may increase the total TCN/CCN person days by up to 25%. Any increase over 25% must be approved by the Contracting Officer.

#### IX. SPECIAL INSTRUCTIONS

A. Duty Post: This work will be performed primarily in Georgia supported by the contractor in the Washington D.C. area with respect to special curriculum development and multi media library projects.

B. Language requirements and other required qualifications: Proficiency in a language other than English is not required for expatriate consultants. Proficiency in English is highly desirable for local hires who must have proficiency in the local language.

C. Access to classified information: The Contractor will not have access to any U.S. Government classified material.

D. Logistical support: The contractor is responsible for providing all logistical support.

E. Workweek: Resident advisors - 5 days/week; STTA/instructors up to 26 days/month when overseas.

F. Travel: All contractor travel to Georgia requires prior country clearance from the USAID mission.

G. Management relationships: The contractor's contact people responsible for performance under this Task Order are:

1. CTO: Laurie Landy, E&E/PER  
USAID/Washington

2. Field Manager - Alonzo Fulgham, USAID/Tbilisi

H. Rights to Data: All material, products and services therefrom funded by USAID are considered in the "public domain". They are to be considered deliverables of this task order. The point of delivery for these purposes is CDIA in Washington, D.C.

X. REPORTING REQUIREMENTS

Copies of each report should be sent to the respective USAID Mission contacts listed above, and to the CTO, Laurie Landy in E&E/PER, USAID/Washington.

The following reports are required under this Task Order:

1. All resident advisors will submit brief monthly reports assessing progress made on each of the tasks and benchmarks (contained in sections V and VI above) to the Project Director within five business days after the end of the month.
2. The Project Director will submit quarterly performance reports which can be a summary of the monthly status reports focusing on progress measured against tasks, benchmarks and tangible results. The Project Director's summary quarterly report, due within 30 days of the end of the quarter, will also discuss interaction with counterparts and any necessary adjustments to the current workplans and timelines.
3. A detailed completion report is required within 30 days of the end of the task order from the Project Director. This report will include an estimate of the impact of this training program to specifically include an analysis of the level of readiness of the Georgia Banker Training Center for self-sustaining operation.

XI. COUNTRY/COUNTERPART CONCURRENCE/CLEARANCES

The counterpart for this program is the National Bank of Georgia. Resumes of all expatriate staff are sent to the respective USAID Missions through the CTO in USAID/E&E/PER for concurrence and Mission approval as are all country clearance requests. Contracting Officer approval must be obtained for the classification of all U.S. expatriate advisors.

XII. Ceiling Price and Obligated Funds

A. Ceiling Price. The ceiling price of this task order is \$2,803,214, and the task order budget is shown below.

Cost Element	8/31/98- 8/31/99	9/1/99- 8/31/00	8/31/98- 8/31/00
US Expatriate Labor	\$1,404,996	\$485,891	\$1,890,887
TCN/CCN Labor	<u>115,456</u>	<u>78,815</u>	<u>194,271</u>
Total Labor	\$1,520,452	\$564,706	\$2,085,158
Other Direct Costs	<u>560,931</u>	<u>157,125</u>	<u>718,056</u>
TOTAL	\$2,081,383	\$721,831	\$2,803,214

Within the ceiling price, the contractor may adjust line items as necessary in carrying out the work. Any increase in the ceiling price must be approved by the Contracting Officer.

B. Obligated Funds. The amount of funds obligated is \$2,701,160. Subject to their availability and allocation to this task order, USAID intends to obligate additional funds to complete the funding of this

82



task order as set forth in FAR Clause 52.232-22 'Limitation of Funds  
APR 1984)' which is incorporated herein by reference. In the event  
that full funding of this task order is not completed, the  
responsibilities of the parties hereto with respect to performance  
and reimbursement are explained in that clause.

(End of Modification)

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. 03	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. 10203/1552	5. PROJECT NO. (if applicable)
6. ISSUED BY U.S. Agency for Int'l Development Office of Procurement M/OP/ENI/PER, Rm. 7.09 The Ronald Reagan Building Washington, DC 20523-7900		7. ADMINISTERED BY (if other than Item 6)	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code) Barents Group LLC KPMG Tower 1676 International Drive McLean, VA 22102-4828		9A. AMENDMENT OF SOLICITATION NO.	
		9B. DATED (SEE ITEM 11)	
		10A. MODIFICATION OF CONTRACT/ORDER NO. EPE-1-06-95-00070-00	
		10B. DATED (SEE ITEM 13) 09/01/98	
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers  is extended,  is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)  
See Page Two

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

- A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
- B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
- C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
- D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The purpose of this modification is to provide incremental funding in the amount of \$102,054, thereby increasing total obligated amount from \$2,701,160 to \$2,803,214.

Accordingly, specific changes are as follows:

1. Cover Page, 9. ACCOUNTING AND APPROPRIATION DATA, add the following:

< See Continuation Sheet(s) >

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) John Griffin Acting Branch Chief, M/OP/E&E/PER	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY <i>John Griffin</i> (Signature of Contracting Officer)	16C. DATE SIGNED 1/6/2000
(Signature of person authorized to sign)			

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE NO. 2
2. AMENDMENT/MODIFICATION NO.  03	3. EFFECTIVE DATE  See Block 16C	4. REQUISITION/PURCHASE REQ. NO.  10203/1552	5. PROJECT NO. (if applicable)	

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) - CONTINUATION

Organization: 10203  
Request ID: 00001552  
Resource Code: 251456  
Activity: Financial Sector T.A. Training  
Account: NI99/00WNI900  
Amount: \$102,054

85

FILE COPY

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. 04	3. EFFECTIVE DATE SEE BLOCK 16C	4. REQUISITION/PURCHASE REQ. NO. NMS REQUEST NO. 10203/1655	5. PROJECT NO. (if applicable)
6. ISSUED BY CODE	7. ADMINISTERED BY (if other than Item 6)		CODE
USAID - M/OP/EE/PER OFFICE OF PROCUREMENT RRB, ROOM 7.09-044 1300 PENNSYLVANIA AVE., N.W. WASHINGTON, DC 20523-7900			
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code) BARENTS GROUP LLC KPMG TOWER 1676 INTERNATIONAL DRIVE MCLEAN, VA 22102-4828		9A. AMENDMENT OF SOLICITATION NO.	
		9B. DATED (SEE ITEM 11)	
		10A. MODIFICATION OF CONTRACT/ORDER NO. EPE-1-06-95-00070-00	
		10B. DATED (SEE ITEM 13) 09/01/98	
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)  
N/A

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

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X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAA OF 1961, AS AMENDED, AND EO 11223
D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 3 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

THE PURPOSES OF THIS NON-FUNDED MODIFICATION ARE (1) TO INCORPORATE THE SUPPLEMENTAL SCOPE OF WORK, ATTACHED HERETO (ATTACHMENT 1) AND (2) TO EXTEND THE COMPLETION DATE OF THE TASK ORDER TO DECEMBER 31, 2000.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Carol L. Swan Director of Contracting	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) JOHN GRIFFIN (JG)
15B. CONTRACTOR/OFFICER <i>Carol L. Swan</i>	15C. DATE SIGNED <i>7/26/00</i>
15D. UNITED STATES OF AMERICA BY <i>John Griffin</i>	16C. DATE SIGNED <i>7/26/2000</i>
(Signature of person authorized to sign)	

# ATTACHMENT 1

SOW

## Under "Institutional Development"

Add the following:

7. "Linkages with other financial sector partners: Every effort will be made to broaden the Center's linkages with other parts of the Georgian financial community as well as with the National Bank of Georgia. One problem faced in these nascent banking sectors is fragmentation and lack of interaction with other financial sector actors and the central bank. The Center's initiatives in developing linkages with the accounting programs, with small-business funding and with capital markets, for example, will be a positive first step in helping to integrate the banking community with the other financial sector players."

## Under "Benchmarks"

Add the following:

17. "By the end of this task order, the Center will have a formal agreement with the Bank Supervision Department of the National Bank of Georgia (NBG) to deliver a certification program for bank supervision."
18. "By the end of this task order there will be evidence that the Bank Finance Academy has begun to develop courses in collaboration with other financial service providers and that the Bank Finance Academy is taking concrete steps to affect a formal merger with other financial services providers, with the view towards creating a self-sustaining financial services training facility once US AID assistance ends in December 2000."

**KPMG Consulting  
Barents Group**

1878 International Drive  
McLean, VA 22102-4828

Telephone 703 747 5700

Fax 703 747 8580

August 1, 2000

Dr. John Griffin  
Contract Officer  
M/OP/EE/PER, RRB, Rm. 7.09-044  
US Agency for International Development  
1300 Pennsylvania Ave., NW  
Washington, DC 20523-7900

Subject: Modification of Contract No. EPE-I-06-95-00070-00

Dear Dr. Griffin:

Enclosed please find two fully executed copies of the subject modification. We have also retained a copy to be kept on file at our McLean, VA location.

If you have any questions, please do not hesitate to contact me by telephone at (703) 747-3222, via fax at (703) 747-3849, or by electronic mail at [cswan@kpmg.com](mailto:cswan@kpmg.com).

Very truly yours,

Barents Group of KPMG Consulting LLC



Carol L. Swan  
Director of Contracts



CONTRACTS DEPARTMENT DOCUMENT REVIEW FORM

DATE: 8/2/00
SUBMITTED BY NAME: Marjorie Richards 77688

TYPE OF DOCUMENT

- US GOV'T, DONOR, COMMERCIAL, Barents LLC, SUBSIDIARY

- Independent Contractor Agreement (ICA), ICA Mod, Assignment letter, Personnel Approval, Purchase Order, Contract/DO/TO, Contract/DO/TO Mod, Teaming Agreement, Subcontract, Subcontract Task Order, Subcontract TO Mod, Cost Proposal/Cover letter, Proposal Certs/Reps, Proposal SF1411 forms/Subcontract Plan/Certificate of Current Cost and Pricing, Other

DOCUMENT INFORMATION

Barents Division Number 28
Proj. Manager Patrick Beytki
Project Georgia Bankstering
Contract No. EPE-I-06-95-00070-00
Preparer M Richards
Date Needed 8/3/00
Description Contract Extension - NO COST

DOCUMENT DISPOSITION

- Copy and return to project for transmittal, Copy and transmit to client by Contracts, Copy and forward to Project Management, Copy and forward to Project Accounting, Copy and forward to Accounts Payable, Copy and file (copies for: Contracts file)

PRACTICE /PROJECT REVIEW/APPROVAL

Please review from technical perspective; return to Contracts for review and signature processing.

Pract./Project Dir. Date
Proj. Manager 8/2/00 Date
Project Admin. 8/2/00 Date

CONTRACTS REVIEW

Subcontractor: KPMG Audit client? Yes No
Debarred List? Yes No Date

Procurement Date
Contract Admin Date
Contract Mgr Date
Dir Contracts Date

OTHER DEPARTMENTAL REVIEWS (if needed)

Tax Director Date
HR Director Date
CFO/GenCounsel Date

ISSUES REQUIRING FURTHER REVIEW

APPROVED FOR SIGNATURE
Johnson Galper Hightower
SIGNED TO REVIEW ISSUES PRIOR TO SIGNATURE

**Appendix E**



Banking-Finance Academy  
Summary Report  
Tbilisi, Georgia

N	Name of the course	Date	Instructor's Name	Number of Particip.	Number of Banks	Consulting	Instructor's score	Course score
1	Bank Exec	27 January, 1997	Bill Campbell	34	20	10	5.80	5.17
2	International Banking	3 February, 1997	Tony Grier	27	16	8	5.90	5.56
3	Credit Analysis	10 March, 1997	Norman Baxter	32	22	8	5.90	5.63
4	Credit Analysis	21 April, 1997	Norman Baxter	35	15	7	5.90	5.71
5	IAS Accounting	5 May, 1997	Gary Fechtmeyer	36	16	NA	5.37	5.29
6	Strategic Planning	19 May, 1997	Roger Lindland	22	13	5	5.60	5.37
7	Strategic Planning	27 May, 1997	Roger Lindland	19	10	5	5.88	5.56
8	Risk Management	27 May, 1997	Geoffrey Webb	28	13	3	5.40	4.48
9	Capital Markets	7 July, 1997	Barry Hoffner	34	18	7	5.70	5.31
10	Credit management	8 Sept, 1997	Bill Campbell	33	16	7	5.60	5.45
11	Branch management	15 Sept, 1997	Stephen Farkas	19	11	6	5.75	5.11
12	Customer Service	22 Sept, 1997	Richard P. Currie	24	13	NA	5.87	5.12
13	International Payment System	20 Octob. 1997	Tony Grier	32	15	4	5.70	5.23
14	Foreign Exchange	27 Octob. 1997	Eugene Sarver	27	12	NA	5.70	5.02
15	Mortgage Finance	3 Nov. 1997	Marilyn Brody	25	14	4	5.89	5.51
16	Letter of Credit	17 Nov. 1997	Dennis Blum	29	17	7	5.83	5.42
17	Marketing	24 Nov. 1997	Richard P. Currie	15	8	NA	5.86	5.19
18	A/L Management	1 Dec. 1997	Roger Lindland	25	13	5	5.85	5.51
	<b>TOTAL (1997)</b>			<b>496</b>		<b>86</b>		

Banking-Finance Academy  
Summary Report  
Tbilisi, Georgia

N	Name of the course	Date	Instructor's Name	Number of Particip.	Number of Banks	Consulting	Instructor score	Course score
19	Bank Exec	26 January, 1998	Bill Campbell	14	11	NA	5.58	5.20
20	Problem Asset Management	2 February, 1998	Bill Campbell	20	12	5	5.62	5.44
21	Letters of Credit	9 March, 1998	Arun Hsu	32	16	6	5.66	5.19
22	TOT (Part I)	23 March, 1998	Dennis Blum	22	9	NA	5.83	5.54
23	A/L Management	30 March, 1998	Sarah Hargrove	11	6	NA	5.54	5.15
24	IAS	30 March, 1998	Patrick Mc Loughlin	32	15	NA	5.66	5.49
25	TOT (Part II)	6 April, 1998	Dennis Blum	22	9	NA		
26	Problem Loan Management	21 April, 1998	Bill Campbell	13	9	NA	5.83	5.28
27	Credit Analysis (Batumi)	27 April, 1998	Bill Campbell	27	5	NA	5.70	5.13
28	HR/Personnel Management	4 May, 1998	Claude Richards	13	10	NA	5.00	5.13
29	Project Finace	15 June, 1998	Tony Grier	16	8	NA	5.86	5.18
30	L/C & Tr.Finance (Batumi)	22 June, 1998	Tony Grier	19	6	NA	5.63	5.00
31	Customer Service	14 July, 1998	Lia Sanikidze	11	3	NA	6.00	5.32
32	Bank Cards	21 Septemb., 1998	Tony Grier	22	10	NA	5.81	5.40
33	FIA	28 Septemb., 1998	Tony Grier	16	10	NA	5.83	5.29
34	Bank Exec	26 October, 1998	Bill Campbell	9	6	NA	5.88	5.50
35	TOT	2 November, 1998	Dennis Blum	11	8	NA	6.00	5.43
36	PLM (Kutaisi)	3 November, 1998	Bill Campbell	18	9	4	5.89	5.45
37	Customer Service	7 December, 1998	E.Chitwood/L. Sanikidze	12	5	NA	5.91/6.00	5.48/5.39
	<b>SUBTOTAL (1998)</b>			<b>340</b>				
	<b>TOTAL (1997-1998)</b>			<b>836</b>		<b>101</b>		

92

Banking-Finance Academy  
Summary Report  
Tbilisi, Georgia

	Name of the course	Date	Instructor's Name	Number of Particip.	Number of Banks	Consulting	Instructor's score	Course score
38	Internal Audit	15 March, 1999	Geoff Lindemer	30	16	NA	4.80	4.76
39	IAS	22 March, 1999	Karen Kalishek	68	19	2		
40	IAS	5 April, 1999	Karen Kalishek	60	19	NA		
41	IAS	12 April, 1999	Karen Kalishek	52	19	1	5.50/4.69	5.29/5.48
42	Bank Exec (Kutaisi)	19 April, 1999	Bill Campbell	18	9	1	6.00	5.81
43	IAS	3 May, 1999	Karen Kalishek	42	16	NA		
44	TOT	10 May, 1999	Janey Trowbridge	15	9	NA	5.62	5.20
45	IAS	17 May, 1999	Karen Kalishek	43	17	1		
46	H/R/Personnel Management	24 May, 1999	Rod Davidson	12	10	NA	6.00	5.69
47	Branch Management	31 May, 1999	Rod Davidson	16	6	NA	5.80	5.28
48	IAS	7 June, 1999	Karen Kalishek	44	16	1	4.92	4.92
49	F/X	14 June, 1999	Carlene Krmkovich	21	12	NA	5.47	5.00
50	IT/Automation	21 June, 1999	Matt Macellaro	6	6	NA	5.75	5.52
51	Risk Management	27 Septemb., 1999	Arun Hsu/G. Keshelashvili	16	9	NA	5.80/5.13	5.61/5.15
52	ALM	4 October, 1999	Arun Hsu/P. Toliashvili	20	8	NA	5.46/5.33	5.33/5.24
53	Strategic Planning	1 November, 1999	C. Silverstein/A. Tsereteli	5	5	NA	5.50/3.33	5.18/3.84
54	Bank Cards	29 November, 1999	Tony Grier/N. Chikovani	17	12	NA	5.89/4.60	5.29/4.58
55	L/C & Trade Finance	13 December, 1999	George Davitashvili	9	6	NA	5.89	4.96
	<b>SUBTOTAL (1999)</b>			<b>494</b>				
	<b>TOTAL (1997-1999)</b>			<b>1330</b>		<b>107</b>		

Banking-Finance Academy  
Summary Report  
Tbilisi, Georgia

	Name of the course	Date	Instructor's Name	Number of Particip.	Number of Banks	Consulting	Instructor's score	Course score
56	PLM	31 January, 2000	Maya Mindorashvili	15	6	NA	5.46	5.15
57	TOT	7 February, 2000	Arun Hsu	8	6	NA		
58	IAS	21 February, 2000	Tony Grier	29	12	NA	5.89	5.31
59	F/X	6 March, 2000	.Kmkovich/A. Zakhshvili	7	7	NA	6.00/6.00	5.60/5.65
60	SME	20-March, 2000	Norman Baxter	20	11	NA	5.63	5.00
61	Internal Audit	10 April, 2000	Ralph Dale	11	6	NA	6.00	5.47
62	Customer Service	24 April, 2000	Lia Sanikidze	14	6	NA	5.92	5.54
63	IAS	29 May, 2000	Tony Grier	28	15	NA	5.77	5.33
64	Conflist Rsolution & Team Build.	3 July, 2000	Lia Sanikidze	6	4	NA	6.00	5.28
65	F/X	25 Septemb., 2000	Alexander Zakhshvili	7	6	NA	5.86	5.43
66	TOT (Curriculum Development)	7 October, 2000	Diana Osinski	22	7	NA	5.67	5.67
67	TOT (Presentation)	7 October, 2000	Diana Osinski	21	7	NA	5.83	5.42
68	IAS Roundtable (I)	16 October, 2000	Karen Kalishek	23	14	NA	5.10	4.95
69	IAS Concepts	October, 2000	Karen Kalishek	10	6			
70	IAS Roundtable (II)	23 October, 2000	Karen Kalishek	22	8	NA		
71	HR Management	30 October, 2000	Don Carlson	8	8	NA	5.57	5.29
72	Org. Dev. and Managing Change	6 November, 2000	Andrew Masiuk	5	2	NA	5.50	5.50
73	Using Case Studies	6 November, 2000	Andrew Masiuk	14	7	NA	6.00	5.80
74	Bank Marketing	13 November, 2000	Phillip Hudson	9	6	NA	5.50	5.00
75	Strategic Planning	11 December, 2000	Robert McDonough	11	7			
76	PLM	4 December, 2000	James Hambric III	22	9	NA	5.53	5.47
77	IAS Intensive	18 December, 2000	Karen Kalishek	15	3			
78	IAS Roundtable (III)	14 December, 2000	Karen Kalishek	20	9			
79	IAS Accurals	18 December, 2000	Karen Kalishek	8	4			
	<b>Subtotal (2000)</b>			<b>355</b>				
	<b>TOTAL (1997-2000)</b>			<b>1685</b>		<b>107</b>		

94

**Appendix F**

**BANKING-FINANCE ACADEMY**  
**PROPOSED INSTRUCTOR SELECTION CRITERIA**  
(As of August 30, 2000)

<i>Selection Criteria</i>	<i>Definition</i>
1. Work Experience or Expertise	Ability to utilize past and current work experience and expertise to develop and/or deliver seminars, workshops and courses.
2. Communication skills (Interpersonal, presentation and facilitation skills)	Ability to effectively and succinctly present information and maintain positive relationships with Banking-Finance Academy personnel and clientele.
3. Attitude (professional and service oriented)	Ability to conduct self in a professional manner; and consider and address Banking-Finance Academy personnel and clientele needs and requests.
4. Reputation	Display of character reflected in social standing in the Georgian banking community.
5. Education and Training	Master's degree preferably in a business discipline and/or specialized training certificates.
6. Teaching Experience or Willingness and Potential to Instruct	Ability to effectively deliver quality instruction or a desire to learn how to deliver it.
7. Computer knowledge and skills (Word processing, spreadsheet and presentation software)	Ability to utilize hardware and software to execute requested Banking-Finance Academy work in an efficient and timely manner.
8. Language knowledge and skills (English, Georgian and Russian)	Adequately read, write and speak English, Georgian and Russian to develop and/or deliver seminars, workshops and courses.
9. Methodology (Presentation and curriculum development skills)	Ability to apply adult learning principles to develop and/or deliver performance based training seminars, workshops and courses.
10. Employer Support and Endorsement	Ability to secure employer support and endorsement of Banking-Finance Academy related activities.



**BANKING-FINANCE ACADEMY  
INSTRUCTOR APPLICATION FORM**

*(Please print or type.)*

**NAME OF APPLICANT**

<i>Surname</i>	<i>First Name</i>

**CONTACT INFORMATION**

<i>Bank Name</i>	
<i>Address</i>	
<i>Telephone</i>	
<i>Fax</i>	
<i>E-mail</i>	

**EMPLOYMENT HISTORY**

*Please list the employers from a minimum of the last five years. Please use additional paper if necessary. Please also attach a copy of your current CV.*

<i>Employment (From/To)</i>	<i>Company Name</i>	<i>Title and Major Responsibilities</i>

**EDUCATION**

<i>Name of Institution</i>	<i>Degree Obtained/Field of Study</i>	<i>Year Received</i>

**LANGUAGE PROFICIENCY**

Please circle your current level of proficiency.

Language	Speaking		Reading		Writing		Technical Comprehension	
	Low	High	Low	High	Low	High	Low	High
English	1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6	
Georgian	1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6	
Russian	1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6		1 2 3 4 5 6	

**COMPUTER SKILLS**

Please indicate the software packages you can utilize and your level of proficiency (word processing, spreadsheets and presentation). Please circle your current level of proficiency.

Software Packages	Proficiency					
	Low					High
	1	2	3	4	5	6
	1	2	3	4	5	6
	1	2	3	4	5	6
	1	2	3	4	5	6

**TEACHING/LECTURING/RESEARCH/PUBLICATION EXPERIENCE**

Please list your teaching, lecturing, research or publication experience for the last five years. Please use additional paper if necessary.

Activity	Topic	Year

**EXPERIENCE ABROAD**

If you have lived or studied abroad, please complete this section. Please use additional paper if necessary.

Country	Purpose (training, conference, etc.)



**MOTIVATION**

Why are you interested in training?

<i>(If you need more space, please continue on an additional sheet.)</i>
--

**WORK EXPERIENCE**

**SEX**

**AGE**

<i>(General)</i>	<i>(Banking)</i>		
3 or less years	3 or less years	Male	25 or younger
4 to 6 years	4 to 6 years	Female	26 to 30
7 to 8 years	7 to 8 years		31 to 35
9 or 10 years	9 or 10 years		36 to 40
11 or 15 years	11 or 15 years		41 to 45
15 or more years	15 or more years		45 to 50
			51 or older

**REFERENCES**

Please include two references that we can contact to discuss your professional background.

<i>Name</i>	<i>Company</i>	<i>Day Contact Number</i>

**ADDITIONAL COMMENTS (IF ANY)**

--

*I certify that the statements made in this application are complete and correct. I acknowledge that if I am selected for this program that I will be required to participate fully and completely to the best of my ability and that I must obtain my company's full support.*

<i>Signature</i>	
<i>Date</i>	

*Application forms are due into the Barents Group, LLC. office no later than September 15, 2000. The office is located at 123 Agmashenebeli, 2<sup>nd</sup> floor, Tbilisi 380064, Georgia. Forms can also be faxed to (995 32) 99 98 50. Candidates will be notified of their acceptance into the program the week of October 2, 2000.*



**CAPITAL MARKET TRAINING PROGRAM  
INSTRUCTOR EVALUATION FORM**

Applicant Name: \_\_\_\_\_

Please review the qualifications of each candidate using the criteria listed below:

**SELECTION CRITERIA**

**Points Legend:**

- 0 = No criteria present
- 1 = Below Criteria
- 2 = Slightly Below Criteria
- 3 = Meets Criteria
- 4 = Slightly Exceeds Criteria
- 5 = Exceeds Criteria

<i>Criteria: Section 1</i>	<i>Definition</i>	<i>Points</i>	<i>Weight</i>	<i>Points x Weight = Total</i>
1. Work Experience or Expertise	Ability to utilize past and current work experience and expertise to develop and/or deliver seminars, workshops and courses.	0 1 2 3 4 5	3	
2. Communication Skills (interpersonal, presentation and facilitation skills)	Ability to effectively and succinctly present information and maintain positive relationships with training specialist and clientele.	0 1 2 3 4 5	3	
3. Attitude (professional and service oriented)	Ability to conduct self in a professional manner; and consider and address training personnel and clientele needs and requests.	0 1 2 3 4 5	3	
<b>SUB-TOTAL</b>			<b>Maximum Score = 45</b>	

<i>Criteria: Section 2</i>	<i>Definition</i>	<i>Points</i>	<i>Weight</i>	<i>Points x Weight = Total</i>
4. Reputation	Display of character reflected in social standing in the Georgian capital market community.	0 1 2 3 4 5	2	
5. Education and Training	Master's degree preferably in a business discipline and/or specialized training certificates.	0 1 2 3 4 5	2	
6. Teaching Experience or Willingness and Potential to Instruct	Ability to effectively deliver quality instruction or a desire to learn how to deliver it.	0 1 2 3 4 5	2	
7. Computer Knowledge	Ability to utilize hardware and software to execute requested training work in an efficient and timely manner.	0 1 2 3 4 5	2	
<b><i>SUB-TOTAL</i></b>			<b><i>Maximum Score = 40</i></b>	

<i>Criteria: Section 3</i>	<i>Definition</i>	<i>Points</i>	<i>Weight</i>	<i>Points x Weight = Total</i>
8. Language knowledge and skills (English, Georgian and Russian)	Adequately read, write and speak English, Georgian and Russian to develop and/or deliver seminars, workshops and courses.	0 1 2 3 4 5	1	
9. Methodology (Presentation and curriculum development skills)	Ability to apply adult learning principles to develop and/or deliver performance based training seminars, workshops and courses.	0 1 2 3 4 5	1	
10. Employer support and Endorsement	Ability to secure employer support and endorsement of training related activities.	0 1 2 3 4 5	1	
<b><i>SUB-TOTAL</i></b>			<b><i>Maximum Score = 15</i></b>	

<b><i>TOTAL SCORE</i></b>			<b><i>Maximum Score = 100</i></b>	
---------------------------	--	--	-----------------------------------	--

**COMMENTS:**

**Appendix G**



MEMORANDUM

To (New Trainers) Date September 29, 2000  
From Diana Osinski cc Natasha Nikuradze and Karen Westergaard  
Subject **Bank Instructor Development Program**

---

Thank you for expressing interest in the Bank Instructor Development Program. On behalf of USAID, Barents Group, LLC. and the Banking-Finance Academy, I have the honor to notify you of your acceptance into the Bank Instructor Development Program. As a member of this program, you will be required to:

- ◆ Attending a minimum of 10 days or 27 hours of for two courses on training:
  - Curriculum Development; and
  - Presentation and Facilitation Skills.
- ◆ Preparing homework prior to each class.
- ◆ Revising a minimum of one course for up to 15 days between November 1, 2000 and October 31, 2002; or
- ◆ Co-teaching a minimum of 10 days or 80 hours between November 1, 2000 and October 31, 2002; and
- ◆ Teaching a minimum of 5 days or 40 hours between November 1, 2000 and October 31, 2002\*.

*\*In order to meet strategic objectives, the Academy reserves the right to specify the best use of the instructor's training skills (curriculum development or presenting).*

Attached you will find the schedule\* and homework assignments. To keep class meetings times to a minimum, you will be required to complete homework between each class. Most importantly, you will be required to complete or series of curriculum development exercises along with two presentations to successfully complete the Bank Instructor Development Program.

*(\*Note: Dates are subject to the USAID contract with Barents and may be changed.)*

Finally, all participants must have employer support to participate in this program. Therefore, attached you will find an Employer Commitment Letter. Without the support of your employer, you will not be permitted to attend the courses. Please ask your supervisor to sign the attached Letter and return it to us by Thursday, October 5, 2000. In case you are director or officer of a company, please sign and return the document. If we do not receive the Commitment Letter by the deadline, you will not be able to participate in the program.

Thank you for your prompt response. I look forward to meeting you!



**BANKING-FINANCE ACADEMY  
BANK INSTRUCTOR DEVELOPMENT PROGRAM  
COMMITMENT LETTER**

I wish to acknowledge my support of \_\_\_\_\_ who  
(please print or type)

has been selected to attend the Bank Instructor Development Program. I understand that my employee will attend a minimum of 10 days or 27 hours of training and will need to do homework in between classes. Specifically, I understand and will support my employee in doing the following:

- ◆ Attending a minimum of 10 days or 27 hours of for two courses on training (see attached schedule):
  - Curriculum Development; and
  - Presentation and Facilitation Skills.
- ◆ Preparing homework prior to each class.
- ◆ Revising a minimum of one course for up to 15 days between November 1, 2000 and October 31, 2002;  
or
- ◆ Co-teaching a minimum of 10 days or 80 hours between November 1, 2000 and October 31, 2002; and
- ◆ Teaching a minimum of 5 days or 40 hours between November 1, 2000 and October 31, 2002\*.

*\*In order to meet strategic objectives, the Academy reserves the right to specify the best use of the instructor's training skills (curriculum development or presenting).*

**COMMENTS**

--

Organization Name	
Signature	
Title	
Date	

**Appendix H**



## ***Instructor Skills Inventory***

Instructor: \_\_\_\_\_

Evaluator: \_\_\_\_\_

Date Inventory Completed: \_\_\_\_\_

### ***DIRECTIONS:***

Review the ten instructor skill categories on the following pages. For each skill category, answer the question:

*How often did you observe this skill during the period of instruction?*

Mark the box on each page that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.



## INSTRUCTOR SKILLS INVENTORY #1

### USES ADULT LEARNING TECHNIQUES

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Encourages adults to determine their own learning experiences.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Asks learners to relate their past experiences to learn something new.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Helps learners identify the benefits and tangible rewards of training.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Avoids wasting time of learners.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Uses teaching techniques that include learner participation, at least 50% of class time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Helps adults identify they have a need to learn.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Recognizes that adults use their knowledge from years of experience as a filter for new information and don't change readily.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Gives practical answers for today's problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Uses practical problem solving techniques.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Provides for physical comfort with refreshments and breaks in a relaxed atmosphere.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #2

### GIVES FEEDBACK EVALUATION TO LEARNERS

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Describes what the learner is doing rather than places a value on it or makes a judgment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Sticks to immediate issues. Avoids "always" and "never".	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Selects a few issues for feedback. Does not overload (no more than three points).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Describes learner behavior in specific rather than in general terms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Focuses clearly on learner behavior rather than attitude.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Directs feedback toward behavior which the learner can do something about. Avoids comparative statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Gives information when usable (well timed), neither too early nor too late.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Gives feedback when it is asked for rather than imposes it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Identifies whether the learner is capable of the desired performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Uses paraphrasing to insure clear communication and understanding.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #3

### USES LECTURE

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Begins with climate setting activity to encourage learning.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Provides clear and correct information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Organizes ideas so they are easy to follow.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Uses handouts and visuals to enhance learning.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Provides a variety of examples so that all participants understand teaching point.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Handles questions well.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Uses a participation technique every 15 minutes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Manages instructional time efficiently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Uses appropriate platform techniques: gestures, eye contact, movement, avoids distracting words, varies speaking rate, pitch and volume.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Ends with an appropriate summary or call to action.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #4

### USES DISCUSSION TECHNIQUES

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Includes each member of the group (draws out if needed), calls them by name.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Remains impartial unless asked for an opinion.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Asks questions, does not make statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Questions generalizations and encourages specific examples. Probes for deeper meanings until a question is answered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Has members of the group relate specific examples to a general idea.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Directs the discussion by barring irrelevant details and redirects the discussion if necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Calls for a summary of one point before going to the next.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Has members of the group discuss with each other, not just with the trainer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Delegates members of the group to find more information if needed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Clarifies for better understanding, defines terms so all have a common understanding.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #5

### USES CASE STUDIES, EXERCISES, GAMES AND SIMULATIONS

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Identifies the objective of the activity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Describes the objective and the role of participants when setting up an activity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Gives clear directions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Efficiently and appropriately groups participants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Asks participants to complete the learning activity without over directing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Gets participants to share and interpret their reactions to the activity by asking appropriate open and closed questions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Continues to probe for reactions until all view points are expressed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Gets participants to identify the concepts learned from the activity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Helps the participants apply the concepts to their own setting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Handles unexpected learning appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #6

### CONDUCTS DEMONSTRATIONS

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Identifies the objective of the demonstration and shares it with the learner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Assesses the risk of the demonstration for the target population and takes steps to handle the risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Demonstrates the task by showing what to do and tells why it is done that way.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Conducts a second demonstration of the task while the learner tells what is done and why it is done that way.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Corrects the learner or reinstructs if necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Has the learner demonstrate the task.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Gives feedback to the learner during the demonstration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Has the learner summarize the demonstrated functions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Supervises continued learner practice until the skill is learned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Evaluates performance and assesses skill after sufficient practice.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #7

### USES ROLE PLAY

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Identifies a clear objective for the role play.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Sets up the role play by sharing the objective, selecting characters and preparing the characters.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Structures role plays to be done in groups of 3 to avoid embarrassing learners in front of the entire class.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Instructs observers and provides a checklist of points to observe.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Asks participants to play the scene without over directing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Gives directions to limit feedback to specific issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Asks participants to share and interpret reactions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Asks participants to reverse roles.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Gets participants to identify concepts developed through the role play.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Helps participants apply what was learned to their situation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## INSTRUCTOR SKILLS INVENTORY #8

### USES AUDIO-VISUALS AS A LEARNING TOOL

*Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.*

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Selects appropriate audio-visuals to fit the learning objective.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Limits copy to 8 lines so visuals and writing are easy to read.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Uses pictures/clip art in visuals to enhance retention.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Uses colored visuals to enhance retention.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Writes legibly on easel pad. Spells words correctly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Arranges the classroom so all can see the screen or hear the recording.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Avoids blocking participant's view of the visual.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Turns off the projector when the visual is not in use.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Operates mechanical equipment with ease.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Troubleshoots minor mechanical problems effectively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## INSTRUCTOR SKILLS INVENTORY #9

### ADMINISTERS TESTS

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Limits test content to material already taught.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Distributes materials efficiently and at the right time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Gives clear directions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Answers questions appropriately and clearly without providing unwarranted assistance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Monitors participants by moving throughout the room and gives time remaining warnings at appropriate intervals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Collects materials at the appropriate time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Establishes clear criteria for accuracy of test answers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Corrects tests in a timely manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Provides feedback to learners for incorrect answers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Gives feedback appropriately as steps are completed if test is on-the-job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

115

## INSTRUCTOR SKILLS INVENTORY #10

### HANDLES PROBLEM LEARNERS ASSERTIVELY

Mark the box below that accurately answers how often you observed each behavior as it is described. Don't think too long about any one item. Trust your first reaction.

	<i>always</i>	<i>often</i>	<i>sometimes</i>	<i>rarely</i>	<i>never</i>	<i>not observed</i>
1. Recognizes when problems are related to the content of training or the process of instruction.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Identifies correctly the probable cause of problem behavior that is not related to a training issue.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Selectively ignores minor problems which will end by themselves.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Anticipates possible problems by becoming familiar with the content, target population and classroom environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Takes steps to prevent possible problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Uses a small group activity to redirect the energy of a problem learner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Uses questions appropriately to involve a passive learner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Confronts the problem learner in class using a disciplinary technique only after other methods fail.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Confronts the problem learner in private using a feedback model: observe, describe, agree on a resolution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Assesses the results: the problem ends or continues (start over).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Foreign Exchange

Instructor: Alexander Zakhashvili

Instruction Dates: September 25 - 29, 2000

### Observed Training Performance

### Average

#### **USES DISCUSSION TECHNIQUES**

1. Includes each member of the group (draws out if needed), calls them by name.	4.44
2. Remains impartial unless asked for an opinion.	4.13
3. Asks questions, does not make statements.	3.89
4. Questions generalizations and encourages specific examples/probes for deeper meaning.	3.22
5. Has members of the group relate specific examples to a general idea.	4.56
6. Directs the discussion by barring irrelevant details and redirects the discussion if necessary.	4.00
7. Calls for a summary of one point before going to the next.	4.89
8. Has members of the group discuss with each other, not just with the trainer.	4.11
9. Delegates members of the group to find more information if needed.	3.13
10. Clarifies for better understanding, defines terms so all have a common understanding.	3.13

#### **USES CASE STUDIES, EXERCISES, GAMES AND SIMULATIONS**

1. Identifies the objective of the activity.	4.60
2. Describes the objective and the role of participants when setting up an activity.	4.86
3. Gives clear directions.	5.00
4. Efficiently and appropriately groups participants.	4.57
5. Asks participants to complete the learning activity without over directing.	3.75
6. Gets participants to share and interpret their reactions to the activity by asking open and closed questions.	4.25
7. Continues to probe for reactions until all view points are expressed.	4.14
8. Gets participants to identify the concepts learned from the activity.	4.88
9. Distracting words, varies speaking rate, pitch and volume.	4.75
10. Handles unexpected learning appropriately.	4.75

#### **CONDUCTS DEMONSTRATIONS**

1. Identifies the role objective of the demonstration and shares it with the learner.	4.63
2. Assesses the risk of the demonstration for the target population and takes steps to handle the risk.	1.88
3. Demonstrates the task by showing what to do and tells why it is done that way.	4.38
4. Conducts a second demonstration of the task while the learner tells what is done and why.	4.38
5. Corrects the learner or reinstructs if necessary.	4.75
6. Has the learner demonstrate the risk.	3.75
7. Gives feedback to the learner during the demonstration.	3.88
8. Has the learner summarize the demonstrated functions.	4.13
9. Supervises continued learner practice until the skill is learned.	4.57
10. Evaluates performance and assesses skill after sufficient practice.	4.57

## Foreign Exchange

Instructor: Alexander Zakhshvili

Instruction Dates: September 25 - 29, 2000

### Observed Training Performance

### Average

#### **USES ROLE PLAY**

- |  |    |
|--|----|
| 1. Identifies a clear objective for the role play.   | NA |
| 2. Sets up the role play by sharing the objective, selecting and preparing characters.                   | NA |
| 3. Structures the role plays to be done in groups of 3 to avoid embarrassing learners in front of class. | NA |
| 4. Instructs observers and provides a checklist of points to observe.                                    | NA |
| 5. Asks participants to play the scene without over directing.   | NA |
| 6. Gives the directions to limit feedback to specific issues.  | NA |
| 7. Ask participants to share and interpret reactions.  | NA |
| 8. Asks participants to reverse roles.   | NA |
| 9. Gets participants to identify concepts developed through the role play.                               | NA |
| 10. Helps participants apply what was learned to their situation.  | NA |

#### **USES AUDIO-VISUALS AS A LEARNING TOOL**

- |  |      |
|--|------|
| 1. Selects appropriate audio-visuals to fit the learning objective.        | 3.86 |
| 2. Limits copy to 8 lines so visuals and writing are easy to read.         | 3.25 |
| 3. Uses pictures/clip art in visuals to enhance retention.                 | 3.29 |
| 4. Uses colored visuals to enhance retention.                              | 0.20 |
| 5. Writes legibly on easel pad. Spells words correctly.                    | 5.00 |
| 6. Arranges the classroom so all can see the screen or hear the recording. | 4.29 |
| 7. Avoids blocking participant's view of the visual.                       | 2.57 |
| 8. Turns off projector when the visual is not in use.                      | 3.88 |
| 9. Operates mechanical equipment with ease.                                | 4.88 |
| 10. Trouble shoots minor mechanical problems effectively.                  | 4.29 |

#### **ADMINISTERS TESTS**

- |   |    |
|---|----|
| 1. Limits test content to material already taught.  | NA |
| 2. Distributes materials efficiently and at the right time.                               | NA |
| 3. Gives clear directions   | NA |
| 4. Answers questions appropriately and clearly without providing unwarranted assistance.  | NA |
| 5. Monitors participants by moving throughout the room and gives time remaining warnings. | NA |
| 6. Collects materials at the appropriate time.  | NA |
| 7. Establishes clear criteria for accuracy of test answers.                               | NA |
| 8. Corrects tests in a timely manner.   | NA |
| 9. Provides feedback to learners for incorrect answers.                                   | NA |
| 10. Gives feedback appropriately as steps are completed if test is on-the-job.            | NA |

Instructor: Alexander Zakhashvili  
Instruction Dates: September 25 - 29, 2000

Observed Training Performance

Average

**HANDLES PROBLEM LEARNERS ASSERTIVELY**

- |  |      |
|--|------|
| 1. Recognizes when problems are related to the content of training or the process of instruction.                    | 1.67 |
| 2. Identifies correctly the probable cause of problem behavior that is not related to training issue.                | 3.00 |
| 3. Selectively ignores minor problems which will end by themselves.  | 3.29 |
| 4. Anticipates possible problems by becoming familiar with the content, target population and classroom environment. | 3.75 |
| 5. Takes steps to prevent possible problems.   | 3.50 |
| 6. Uses a small group activity to redirect the energy of a problem learner.  | 1.17 |
| 7. Uses questions appropriately to involve a passive learner.  | 4.43 |
| 8. Confronts the problem learner in class using a disciplinary technique only after other methods fail.              | 1.00 |
| 9. Confronts the problem learner in private using a feedback model: observe, describe, agree on a resolution.        | 1.33 |
| 10. Assesses the results: the problem ends or continues (start over).  | 1.67 |

- 5 = Always
- 4 = Often
- 3 = Sometimes
- 2 = Rarely
- 1 = Never
- 0 = Not observed or not applicable

**Appendix I**



## ***TEST DEVELOPMENT INSTRUCTIONS*** ***(As of November 8, 2000)***

To verify that learning has occurred in your workshops and courses, you may wish to include a quiz at the end of each module or a test at the end of each workshop or course. The purpose of the test is to measure acquired learning. Specifically, all instructors should include a mechanism that will permit the participant to demonstrate that they have acquired the specified level of knowledge and skills presented during the module, workshop or course. The test can be multi-choice, a case study or a series of realistic job scenarios. It could even be a combination of tests.

To aid the instructor in preparing tests, we have prepared this handout. First, the handout will cover the types of knowledge to be measured. Second, the handout will describe the test format options.

### ***TYPES OF KNOWLEDGE***

Listed below are a listing of the types of knowledge that can be measured and a brief description:

- ◆ Recognition or recall -- Memory or Recognition of appropriate terminology, facts, ideas, materials, trends and sequences, methodology, principles, generalizations;
- ◆ Comprehension -- Understanding of written communications, reports, tables, diagrams, directions, regulations, etc.;
- ◆ Application -- Application of ideas, rules, procedures, methods, formulas, principles, theories in job related situations;
- ◆ Analysis -- Breaking down of materials or information into its constituent parts and detecting the relationship of the parts and the way they are organized;
- ◆ Synthesis -- Putting together elements and parts to form a whole, combining in such a way as to constitute a pattern or structure not there before; and
- ◆ Evaluation -- Making a judgement about the value, for some purpose, of ideas, solutions, methods, material using prescribed criteria or standards for estimating the extent to which they are accurate, effective, economical, etc.

Note: Each level of knowledge should be tested to ensure that the participant has a full and complete grasp of the information presented during the course.

**TEST FORMAT OPTIONS****Option 1: Multi-choice**

A test composed of a series of questions in which a number of alternative response choices are given from which the correct answer is to be selected. Usually, the participant will be given four or five choices identified with the letters A through E. The question can be the following formats:

- ◆ Closed Stem – The question is complete and is ended with a question mark. The participant must select the correct answer to the question.
- ◆ Incomplete Sentence – The question is not complete. The participant chooses the statement that will logically complete the question.
- ◆ EXCEPT – The participant must recognize the one INCORRECT answer from among the options presented. To avoid confusion with the correct answer, the word EXCEPT is capitalized.
- ◆ Roman Numeral – The participant must identify two or more of the possible correct answers. Each possible answer is identified with a Roman numeral to distinguish it from the answers (i.e., I, II, III, IV or V).
- ◆ Matching Set – The participant is presented with two sets of information and must match the appropriate items. The presented items presented may match more than one description or may not fit any of the descriptions given.
- ◆ True/False – The participant is presented with a statement and must determine with the information presented if the statement is true or false.

Note: Questions developed using a variety of formats should be developed for each module. In addition, a time-limit should be established for taking the test. Ideally, the test should be no more than one hour. The instructor should provide an answer key. Ideally, the instructor should also recommend a pass/fail level. Once the pilot test is graded, the pass/fail level will be reviewed to verify that it is acceptable.



**Option 2: Case Study**

A test composed of a case study permits the participant to demonstrate the knowledge and skills acquired during the course. When structuring a case study, consider the following steps:

- ◆ Select an issue - Select an issue that is important and relevant to the participant and provides for demonstration of knowledge and skill.
- ◆ Select the incident or situation - Determine how you are going to approach the issue you have selected.
- ◆ Provide sufficient details - Provide sufficient and relevant information about the situation selected that participants can make good, informed decisions.
- ◆ Identify the product you want - Inform the participants exactly what they are expected to produce during the test.
- ◆ Set your time limits - Determine the amount of time that participants should spend answering the case study.

**Option 3: Realistic Job Scenarios**

A test composed of a series of realistic job scenarios are presented and the participant must respond on what is the proper course of action given the presented variables. The participant should draw from the knowledge and skills presented during the course to respond to each scenario.

Note: Case Studies and Realistic Job Scenarios are labor intensive to grade. The instructor must be willing to review the narrative answers or provide guidance on how best to evaluate the answers. Ideally, the instructor should also recommend a pass/fail level. Once the pilot test is graded, the pass/fail level will be reviewed to verify that it is acceptable.



## ტესტის ფორმატები

### ვარიანტი I: ტესტი პასუხის რამდენიმე ვარიანტით

ეს არის ტესტი, რომელიც შედგება რამდენიმე კითხვისაგან და თითოეულ კითხვას შეიძლება პასუხის რამდენიმე ვარიანტი ქონდეს, საიდანაც უნდა შეირჩეს სწორი პასუხი. ჩვეულებრივ მონაწილეს ეძლევა ოთხი ან ხუთი პასუხი, (A-დან E-მდე). შეკითხვას შესაძლოა სხვადასხვა ფორმატი ქონდეს:

- ◆ სრული კითხვა – კითხვა დასრულებულია და ერთვის კითხვის ნიშანი. მონაწილემ უნდა შეარჩიოს სწორი პასუხი კითხვაზე.
- ◆ არასრული კითხვა – შეკითხვა არ არის დასრულებული. მონაწილე აარჩევს კითხვის ლოგიკურ დასასრულს ჩამოთვლილი ვარიანტებიდან.
- ◆ გარდა – მონაწილემ უნდა ამოიცნოს ერთი არასწორი პასუხი მოცემული ვარიანტებიდან. რათა თავიდან ავიცილოთ დაბნევა, სიტყვა გარდა ხაზგასმული უნდა იყოს.
- ◆ რომაული ციფრი – მონაწილემ უნდა ამოიცნოს ორი ან მეტი შესაძლო სწორი პასუხი. თითოეული სწორი პასუხი დანარჩენი პასუხებისაგან გამორჩეულია რომაული ციფრით (მაგ.: I, II, III, IV, ან V).
- ◆ შესაბამისი წყვილები – მონაწილეს ეძლევა ორი სხვადასხვა ინფორმაცია და უნდა დაადგინოს შესაბამისი წყვილები. მოცემულ ინფორმაციას შეიძლება ერთზე მეტი აღწერილობა მოეძებნოს, ან არც ერთი.
- ◆ ჭეშმარიტი/მცდარი – მონაწილეს ეძლევა ინფორმაცია და უნდა განსაზღვროს ჭეშმარიტია თუ მცდარი.

შენიშვნა: თითოეული მოდულისათვის უნდა შეირჩეს სხვადასხვა ფორმატები. გარდა ამისა, ტესტის შესრულებისას უნდა განისაზღვროს დრო. სასურველია ტესტის ჩაბარების დრო არ აღემატებოდეს ერთ საათს. ინსტრუქტორმა მონაწილენი უნდა უზრუნველყოს პასუხებით ტესტის დამთავრების შემდეგ. სასურველია ინსტრუქტორმა შესთავაზოს ტესტის ჩაბარება მხოლოდ ჩათვლის მიღების მიზნით. ტესტის საცდელი ვარიანტის შემოწმების შემდეგ გადაწყდება საჭიროა თუ არა ამ ტესტისათვის “ჩათვლის” შემოღება.



**Appendix J**

**PROGRAM/COURSE OUTLINE - SAMPLE**

<b>Course Title:</b> Operations of the Investment Industry	<b>Duration:</b> 10 days (6 hours per day)
<b>Course Objectives:</b> Upon completion of this course, participants will be able to: <i>Introduction:</i> Introduce and assess individual's knowledge of the operations of the investment industry. <ol style="list-style-type: none"><li>1. Explain the structure and functions of an investment dealer.</li><li>2. Describe the functions and importance of back office operations for the success of the investment dealer.</li><li>3. Explain the structure, function, processes and financial reports for dealer and broker accounting.</li><li>4. Explain the functions and processes for the trading department.</li><li>5. Explain the importance and function of the client-salesperson relationship and the sales process.</li><li>6. Explain the advantages, considerations and processes for issuing company shares on the public market.</li><li>7. Explain the processes included in executing a Securities Selection Plan.</li><li>8. Explain modern portfolio management theory and practice.</li><li>9. Explain how to operate a securities dealer or broker, including strategic planning, financial management, controls and maintaining capital adequacy.</li></ol> <i>Conclusion:</i> Assess the application of the concepts and principles taught in the course.	

Logo or Name of Organization



**Module 1:**  
*Name of Module*

# Table of Contents

---

## MODULE 1: NAME OF MODULE

OVERVIEW.....	2
<i>Learning Objectives</i> .....	2



## Name of Module

---

### Overview

Overview for module.

### Learning Objectives

Upon the completion of this module, you will be able to:

- ◆ Learning objectives.

**Exercise: Name of Exercise**

***Instructions:***

1. List of instructions.

## Summary

Summary narrative.

In this module, you learned to:

- ◆ Learning objectives.



# Module 1: Title of Module

---

Overheads

Date

Organization

# Slide title

---

*At the end of this module, you will be able to:*

- ◆ Learning objectives.

Name of Module 1 - 2

# Slide title

---

- ◆ Information .....

Name of Module 1 - 3

# Exercise – Title of Exercise

---

## *Instructions (sample):*

- ◆ Individually complete the exercise in your participant manual.
- ◆ Review the answers as a total group.

Name of Module 1 - 4

# What Have I Learned?

---

*In this module, you learned to:*

- ◆ Learning objectives.

Name of Module 1 - 5





2. Please rate the instructor's abilities:

<b>Instructor's Abilities</b>	<b>Below</b>			<b>Above</b>		
	<b>Expectations</b>			<b>Expectation</b>		
♦ Explain concepts clearly and concisely	1	2	3	4	5	6
♦ Relate the module concepts to your position	1	2	3	4	5	6
♦ Encourage group discussion and involvement	1	2	3	4	5	6
♦ Willingness to communicate with students after class	1	2	3	4	5	6
♦ Knowledge of the subject	1	2	3	4	5	6

3. If applicable, please rate the translator's abilities:

<b>Translator's Abilities</b>	<b>Below</b>			<b>Above</b>		
	<b>Expectations</b>			<b>Expectation</b>		
♦ Explain concepts clearly and concisely	1	2	3	4	5	6
♦ Present correct terminology	1	2	3	4	5	6
♦ Encourage group discussion and involvement	1	2	3	4	5	6

4. Please rate the course materials, handouts and overheads:

<b>Materials, handouts and overheads</b>	<b>Below</b>			<b>Above</b>		
	<b>Expectations</b>			<b>Expectation</b>		
♦ Quality	1	2	3	4	5	6
♦ Amount	1	2	3	4	5	6
♦ Difficulty	1	2	3	4	5	6
♦ Value to the course	1	2	3	4	5	6

5. Please rate your overall reaction to the program:

<b>Overall reaction</b>	<b>Below</b>			<b>Above</b>		
	<b>Expectations</b>			<b>Expectation</b>		
♦ Course	1	2	3	4	5	6
♦ Instructor	1	2	3	4	5	6
♦ Translator (if applicable)	1	2	3	4	5	6
♦ Materials	1	2	3	4	5	6

Comments and Suggestions (Please use back side of paper if necessary):

## INSTRUCTORS GUIDE DOCUMENT - SAMPLE

### Module 5 – Bringing about Change in Organizations

---

**Overview** Provide a brief overview of the module and learning objectives.

---

**Estimated Teaching Time** This module should take 45 minutes to complete.  
*Note: You may break down the time required to complete individual pieces of the module if appropriate.*

---

**Important Notes About This Module** Insert the following (as required) in enough detail for another instructor to teach the course if they are familiar with the course content:

1. Present Module learning objectives.
2. Discuss the key points of effective leadership:
  - Change initiatives that fail
  - Change driven from the top
  - How to create conditions for change
  - The role of a leader in bringing about change
3. Answer any remaining questions.

---

**Exercise: What Makes a Good Leader** Conduct the exercise the purpose of which is to identify the qualities that a leader needs to bring about change in an organization.

**Instructions:**

Insert instructions that the instructor must know to explain the exercise to the students and any special Guide required to facilitate the exercise.

**Results:**

Insert the appropriate answers/responses to the exercise. You may attach a copy of the exercise to the instructor guide with answers provided and make references to the copy.

---

**Case Study: Insert Name** Insert a brief description of the case study and its purpose.

**Instructions:**

Insert instructions that the instructor must know to explain the case study to the students and any special Guide required to facilitate the case study.

**Results:**

Insert the appropriate answers/responses to the case study. You may attach a copy of the case study to the instructor guide with answers provided and make references to the copy.

---

**Module #5: Bringing about Change in Organizations**

<b>Overview</b>	The module is a short overview of why it is better to change organizations from “bottom-up” and how to make employees, who maintain a sort-of passive attitude, more active while implementing change. It briefly discusses why most change initiatives fail and how to create conditions for change in organizations by empowering employees.
<b>Estimated Teaching Time</b>	This module should take an hour to complete.
<b>Important Notes About This Module</b>	Time for lecture portion: 15 minutes Exercise portion: 45 minutes
OH 5-1, 2	1. <b>Present</b> module objectives.
OH 5-3 to 5-9	2. <b>Discuss</b> the key points of effective leadership: Change initiatives that fail Change driven from the top How to create conditions for change The role of a leader in bringing about change
	3. <b>Answer</b> any remaining questions.
OH 5-10	4. <b>Conduct</b> Exercise – What Makes a Good Leader Conduct the exercise the purpose of which is to identify the qualities that a leader needs to bring about change in an organization.
OH 5-11	4. <b>Summarize</b> and <b>answer</b> questions about the module.

142

**Exercise: What Makes a Good Leader**

*Time: 20 minutes*

The purpose of this exercise is to identify the qualities that a leader needs to bring about change in an organization.

**Instructions:**

- ◆ Assign participants to groups of three or four participants.
- ◆ Refer participants to the Exercise: What Makes a Good Leader in their Participant Material and review the instructions.
- ◆ Divide the time accordingly. Allow each group 10 minutes for the final presentation. Five minutes is allowed for the presentation and five minutes for a question and answer period.
- ◆ Deduct the total presentation time from the allotted time for the exercise. Determine if the remaining class time is enough to complete the questions. If not, you may choose to assign the ratio calculations as homework.
- ◆ At the appointed time, begin the presentations to the entire group and collect the executive summaries after the presentation.
- ◆ Have the rest of the class who is not actively presenting at that time, role playing the part of the Supervisory Council. Encourage the Supervisory Council members to ask questions of the presenting team. At the end of each presentation have the members of the Supervisory Council score the presentation as to its:
  - Depth of Analysis.
  - Quality of Recommendations.
  - Professionalism of the presentation.
- ◆ At the end calculate the points score and announce the winning team.

**Results:**

Based on the presentation, executive summary, and handling of the question and answer period, determine the group with the most accurate results. Review your perception of the various groups, and acknowledge each group for a significant point or recommendation, if possible.

---

**Appendix K**

## BANKING-FINANCE ACADEMY TRAINING OF TRAINERS SUMMARY OF INSTRUCTOR CAPABILITIES AND EXPERTISE (As of December 11, 2000)

	Chikovani	Davitashvili	Dolidze	Jgamadze	Kamladze	Kejerashvili	Keshelashvili	Kheladze	Khomizurashvili	Masurashvili	Michilashvili	Mindorashvili	Pichkhaia	Sanikidze	Toliashvili	Tsereteli	Zakhashvili
<i>Revision Designer</i>																	
Asset/Liability Management																	
Bank Cards																	
Bank Exec																	
Branch Management																	
Capital Markets																	
Conflict Resolution & Team Building																	
Credit Analysis																	
Credit Management																	
Customer Service																	
Financial Institution Analysis																	
Foreign Exchange																	
HR/Personnel Management																	
Internal Audit																	
IAS																	
International Banking																	
International Payment System																	
Letters of Credit & Trade Finance																	
Marketing																	
Mortgage Finance																	
Problem Asset Management																	
Problem Loan Management																	
Project Finance																	
Risk Management																	
Strategic Planning																	

**BANKING-FINANCE ACADEMY**  
**TRAINING OF TRAINERS**  
**SUMMARY OF INSTRUCTOR CAPABILITIES AND EXPERTISE**  
*(As of December 11, 2000)*

Chikovani	Davitashvili	Dolidze	Jgamadze	Kamladze	Kejerashvili	Keshelashvili	Kheldze	Khomizurashvili*	Masurashvili	Michilashvili	Mindorashvili	Pichkhaia	Sanikidze	Toliashvili	Tsereteli	Zakhashvili
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**Organization:**

Bankers Training Project  
Miscellaneous


**Curriculum Development Skills:**

Excellent  
Better than average  
Slightly above average  
Slightly below average  
Below Average  
Poor


**Presentation and Facilitation Skills:**

Excellent  
Better than average  
Slightly above average  
Slightly below average  
Below Average  
Poor


**Computer Skills:**

Excellent  
Better than average  
Slightly above average  
Slightly below average  
Below Average  
Poor


\* Did not use the required Curriculum Development and Presentation Templates.



**BANKING-FINANCE ACADEMY**  
**TRAINING OF TRAINERS**  
**SUMMARY OF INSTRUCTOR CAPABILITIES AND EXPERTISE**  
*(As of December 11, 2000)*

<i>Course Instructor</i>	Chikovani	Davitashvili	Dolidze	Jgamadze	Kamladze	Kejerashvili	Keshelashvili	Kheladze	Khomizurashvili	Masurashvili	Michilashvili	Mindorashvili	Pichkhaia	Sanikidze	Toliashvili	Tsereteli	Zakhashvili
Asset/Liability Management																	
Bank Cards																	
Bank Exec																	
Branch Management																	
Capital Markets																	
Conflict Resolution & Team Building																	
Credit Analysis																	
Credit Management																	
Customer Service																	
Financial Institution Analysis																	
Foreign Exchange																	
HR/Personnel Management																	
Internal Audit																	
IAS																	
International Banking																	
International Payment System																	
Letters of Credit & Trade Finance																	
Marketing																	
Mortgage Finance																	
Problem Asset Management																	
Problem Loan Management																	
Project Finance																	
Risk Management																	
Strategic Planning																	

**BANKING-FINANCE ACADEMY  
TRAINING OF TRAINERS  
SUMMARY OF INSTRUCTOR CAPABILITIES AND EXPERTISE  
(As of December 11, 2000)**

	10% Revision	20% Revision	30% Revision	40% Revision	50% Revision	60% Revision	70% Revision	80% Revision	90% Revision	100% Revision/New
<b>Curriculum Revision</b>										
Asset/Liability Management										
Bank Cards										
Bank Exec										
Branch Management										
Capital Markets										
Conflict Resolution & Team Building										
Credit Analysis										
Credit Management										
Customer Service										
Financial Institution Analysis										
Foreign Exchange										
HR/Personnel Management										
Internal Audit										
IAS										
International Banking										
International Payment System										
Letters of Credit & Trade Finance										
Marketing										
Mortgage Finance										
Problem Asset Management										
Problem Loan Management										
Project Finance										
Risk Management										
Strategic Planning										

**Appendix L**

# BARENTS GROUP • LLC

## MEMORANDUM

To Diane Minott Date November 9, 2000

From Diana Osinski cc Nino Jgamadze and Karen Westergaard

Subject **Banking Finance Academy Training Plan**

On November 1, we provided USAID with a copy of the Academy's proposed 2001 Training Plan. The plan consisted of statistics only and is listed below. As we discussed, you require additional detail. Therefore, I am attaching a brief summary for each course. As you know, the Academy has been in operation for almost four years and Barents has provided a majority of their programming. Effective January 1, the Academy will be seeking technical assistance so that they may continue to provide programs conducted by western experts. I realize that this is an ambitious Training Plan. Definitely, it will need to be scaled back as we realistically look at the available resources. Regardless, it is a starting point for discussion.

On Saturday, I will leave for the States. I will be gone for two weeks. In my absence, Karen Westergaard will be managing the Academy. Regardless, I am reachable via e-mail at dosinski@kpmg.com. Finally, please contact Nino Jgamadze if you have any questions about the Training Plan after I leave. Nino is one of the Academy's Founders and worked closely with me to craft the attached documents. Nino is with TbilComBank and her mobile number is 55 38 72.

Thank you for considering the Academy's training needs. I look forward to hearing from you!

**Participation Statistics**

**I - Training Course Participation**

**Marketing**

Strategic Planning for Marketing

Distribution Channels

**Credit**

Problem Loan Management

Credit Portfolio Management

Investment Products Financing

**New Products**

E-Commerce for Banks and Companies

**Human Resource Management**

Advanced Human Resource Management

**Financial Accounting**

Banks Profit/Cost Centers

**Miscellaneous**

Banking for Enterprises

Insurance (Industry and Products)

**Total**

**Training Events\* Total Trained**

3	45
2	30
2	30
3	45
2	30
3	45
2	30
3	45
3	45
2	30
25	375

*\*Note: Programs are in priority order.*

**Strategic Planning for Marketing**

<b>Course Description</b>	<i>This course explains the purposes and importance of strategic planning for marketing. This course introduces participants to the principles and concepts of strategic planning for marketing to enhance the banking institutions' success.</i>
<b>Target Audience</b>	<i>The course will be beneficial for the members of the bank's marketing management sector who take part in the process of developing marketing strategies. However, interested individuals would also benefit from attending.</i>
<b>Prerequisite</b>	<i>None.</i>
<b>Course Topics</b>	<p><i>This ten day course will address the following topics, although the amount of time dedicated to each will depend on the interest and participation of participants:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Overview of the concept of strategic planning for marketing;</i></li> <li>◆ <i>Importance of strategic planning for marketing;</i></li> <li>◆ <i>Strategic Planning Process;</i></li> <li>◆ <i>Difference between marketing strategy and marketing tactics; and</i></li> <li>● <i>Four elements of the marketing mix as the four most common sources of marketing strategy.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours/40 hours).</i>
<b>Course Frequency</b>	<i>3 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>

<p>საქონელი</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>საქონელი</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>20 - 25 მინუტი</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>10 წელი (4 საათი/40 საათი წელი).</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>საქონლის მფლობელის განცხადება</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>საქონლის მფლობელის განცხადება</p>	<p>საქონლის მფლობელის განცხადება</p>
<p>საქონლის მფლობელის განცხადება</p>	<p>საქონლის მფლობელის განცხადება</p>

საქართველოს საგარეო ურთიერთობების მინისტრის განცხადება



**Distribution Channels**

**Course Description**

*This course explains the purposes and importance of distribution channels in achieving sustainable strategic competitive advantage. The course describes some fundamental starting points for the distribution of financial services and how to design an effective delivery system that is based on the behavior, preferences, and expectations of the customer. This course will also introduce the participants to the large banking organizations' advantages in having the opportunity to test new distribution strategies with lower levels of risk than smaller banks.*

**Target Audience**

*This course will be beneficial for the members of the bank's top management sector who take part in designing delivery systems and need to make sound retail delivery system decisions. It will also be beneficial for the members of the bank's marketing management sector who take part in the process of developing marketing strategies.*

**Prerequisite**

None.

**Course Topics**

*This ten day course will address the following topics, although the amount of time dedicated to each will depend on the interest and participation of participants:*

- ◆ *General overview of delivery systems and networks;*
- ◆ *Fundamental starting points for distribution of financial services;*
- ◆ *Conducting a marketing research for attempting to shape customer behavior by identifying what bank customers need and designing a delivery system that is based on the behavior, preferences, and expectations of the customer;*
- ◆ *Delivery systems – small banks vs. large banks;*
- ◆ *New delivery systems; ATMs and other bank technologies in the NIS countries; Electronic bill payment, etc.; and*
- ◆ *General overview of the delivery systems issues.*

**Training Methodology**

*Participative presentation with guided discussion and exercises.*

**Course Duration**

*10 days (4 hours a day/40 hours).*

**Course Frequency**

*2 courses per year.*

**Maximum Participants**

*20 – 25 participants.*

**Curriculum Development Assistance**

Yes.

**Presentation Assistance**

Yes.

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ

20 - 25 օրվա ընթացքում

Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու

10 օրվա ընթացքում (4 օրվա ընթացքում և 6 օրվա ընթացքում)

Սահմանափակված թվով հասնելու և 2 օրվա ընթացքում հաստատվելու

- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու
- ◆ Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու

Սահմանափակված

Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու

Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու

Ընդունվելու և 2 օրվա ընթացքում հաստատվելու և 2 օրվա ընթացքում հաստատվելու

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ԿԱՌԱՎԱՐՈՒԹՅԱՆ ԿՈՄԻՏԵ





**Problem Loan Management**

<b>Course Description</b>	<i>This course provides Georgian bankers with the range of alternatives and options in non-performing loan workout, recovery and liquidation. While some legal remedies may not exist under current Georgian law, recovery concepts outlined in this seminar can be applied to today's economic and financial environment in Georgia.</i>
<b>Target Audience</b>	<i>This seminar is designed for senior credit officers and other bank managers who are primary decision-makers in determining methods for bank problem loan resolution including restructuring, working, asset disposition, provisioning and other key issues associated with the recovery of problem loans.</i>
<b>Prerequisite</b>	<i>Credit management coursework and work experience desirable.</i>
<b>Course Topics</b>	<p><i>This seminar covers the range of topics associated with the recovery of non-performing assets of financial institutions including:</i></p> <ul style="list-style-type: none"> <li><i>◆ Understanding the banking infrastructure including access to information, the legal and regulatory environment, bank supervision concerns, capital sources and human resources available;</i></li> <li><i>◆ Analyzing bank risk including credit strategy, asset-liability management, corporate governance, identification of problem assets and loan loss provisions;</i></li> <li><i>◆ Recovering problem credits and launching a successful recovery function and performing sound financial analysis;</i></li> <li><i>◆ Evaluating rehabilitation options including the analysis of cash flow, sales, workout documentation and monitoring and understanding rehabilitation pitfalls and why rehabilitation fails;</i></li> <li><i>◆ Evaluating liquidation options including analysis and valuation of collateral, understanding costs and problems of liquidation, preserving borrower cooperation, managing a bankruptcy and collecting from guarantors; and</i></li> <li><i>◆ Managing the workout process and structuring the credit process to reduce future credit losses.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours and day/40 hours).</i>
<b>Course Frequency</b>	<i>2 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>

**პრობლემური სესხების მართვა**

**კურსის აღწერა**

აღნიშნული კურსი ქართველ ბანკირებს სთავაზობს ვადაგადაცილებული სესხების დამუშავების, დაჯარიმების და ლიკვიდაციის ალტერნატივებს. სემინარში მოცემული დაჯარიმების კონცეფციები შეესაბამება საქართველოს დღევანდელ ეკონომიკურ და ფინანსურ გარემოს, თუმცა ზოგიერთი მეთოდი შესაძლოა საქართველოში კანონის სახით არ არსებობდეს.

**აუდიტორია**

აღნიშნული კურსი განკუთვნილია უფროსი საკრედიტო ოფიცრებისათვის და ბანკის სხვა მენეჯერებისათვის, რომლებიც ძირითადი გადაწყვეტილების მიმღებები არიან და ადგენენ ვადაგადაცილებულ სესხებთან დაკავშირებული პრობლემების გადაწყვეტის მეთოდებს.

**ფინანსირება**

მონაწილეს სასურველია გავლილი ქონდეს საკურსო საშუაო კრედიტის მართვაში. აგრეთვე სასურველია ქონდეს პრაქტიკული გამოცდილება.

**განსახილველი თემები**

აღნიშნული სემინარზე განხილული იქნება შემდეგი თემები:

- ◆ ბანკის ინფრასტრუქტურა და ინფორმაციის მისაწვდომობა, იურიდიული და სარეგულაციო გარემო, ბანკის ზედამხედველობა, არსებული კაპიტალი და ადამიანური რესურსები;
- ◆ საკრედიტო სტრატეგიასთან დაკავშირებული ბანკის რისკის ანალიზი, აქტივებისა და პასივების მართვა, კორპორაციული მმართველობა, პრობლემური აქტივების გამოვლენა და საკრედიტო რეზერვები;
- ◆ პრობლემური სესხების დაფარვა და პროცესის წარმატებული მართვა, ფინანსური ანალიზის;
- ◆ რეაბილიტაციის გეგმების შეფასება, ფულადი სახსრების მოძრაობის, რეალიზაციის, პრობლემური სესხების და დოკუმენტაციების შეფასება; რეაბილიტაციის სუსტი წერტილების მონიტორინგი; რა შემთხვევებში არ ამართლებს რეაბილიტაცია;
- ◆ ლიკვიდაციის ვარიანტის შეფასება, გარანტიის შეფასება, ლიკვიდაციასთან დაკავშირებული ხარჯები და პრობლემები, მსესხებლის კეთილგანწყობის შენარჩუნება, გაკოტრების პროცესის მართვა, გარანტორებისაგან ფულის აკრეფა; და
- ◆ პრობლემური სესხების ამოღების პროცესის მართვა, საკრედიტო პროცესის სტრუქტურულიზაცია მომავალში დანაკარგების თავიდან ასაცილებლად.

**სწავლების  
მეთოდოლოგია**

სემინარი ინტერაქტიური იქნება. გარკვეული დრო დაეთმობა ლექციასაც. სასურველია მონაწილეების დისკუსიებში ჩაბმა.

**კურსის ხანგრძლივობა**

10 დღე (4 საათი დღეში/სულ 40 საათი).

**კურსის ჩატარების  
რაოდენობა**

ერთი წლის განმავლობაში დაგეგმილია 2 კურსის ჩატარება.

**მონაწილეთა  
რაოდენობა**

მაქსიმუმ 20 – 25 მონაწილე.

**დახმარება ხასწავლო  
პროგრამის შედგენაში**

არის.

**დახმარება  
პრეზენტაციისას**

არის.

**Credit Portfolio Management**

<b>Course Description</b>	<i>This seminar provides Georgian bankers description of risk management methodology for credit activities. It will provide tools for overcoming problems in credit portfolio management. The presented methodology corresponds to Georgian financial and economical environment.</i>
<b>Target Audience</b>	<i>This seminar is designed for senior bank management and credit department managers who are primary decision-makers in portfolio structure.</i>
<b>Prerequisite</b>	<i>Credit management coursework and work experience.</i>
<b>Course Topics</b>	<p><i>This seminar will include following topics:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Analysis of credit market;</i></li> <li>◆ <i>Legal and regulatory environment for credit activity;</i></li> <li>◆ <i>Credit portfolio management tools;</i></li> <li>◆ <i>Monitoring in credit portfolio risk management; and</i></li> <li>◆ <i>Diversification of credit portfolio by duration and industry.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>3 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>

<p>აქტი.</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>აქტი.</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>20 - 25 მარტი.</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>ქვემოთ მოხსენიებული მუხლები 3 კუთხის საფუძველზე.</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>10 მარტი (4 საათი დღე/საათი 40 საათი).</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>
<p>◆ საქართველოს ადვოკატთა ასოციაციის აქტი</p>	<p>საქართველოს ადვოკატთა ასოციაციის აქტი</p>

საქართველოს ადვოკატთა ასოციაცია



**Investment Products Financing**

<b>Course Description</b>	<i>This course provides basic tools needed to manage investments and investment projects to enhance their ultimate success. This course introduces legal base for investments in Georgia, main concepts in investment policy, evaluation of investment projects and implementation of corresponding procedures.</i>
<b>Target Audience</b>	<i>The course will be beneficial for investment funds, managers of banks' investment divisions, banks' senior management who take part in the process of developing banking strategies and future goals.</i>
<b>Prerequisite</b>	<i>None.</i>
<b>Course Topics</b>	<p><i>This ten days course will address the following topics:</i></p> <ul style="list-style-type: none"> <li>◆ <i>What is investment project and what differs it from loan;</i></li> <li>◆ <i>Legal and regulatory environment for investment in Georgia;</i></li> <li>◆ <i>Criteria for investment project's evaluation;</i></li> <li>◆ <i>Discounted cash-flow;</i></li> <li>◆ <i>Present value, future value;</i></li> <li>◆ <i>Important ratios and standards by industries;</i></li> <li>◆ <i>Stages of implementation of investment projects; and</i></li> <li>◆ <i>Example: from idea to implementation simulation.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>2 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ  
ՎՃԱՐԱԿԱՆ ԿՈՄԻՏԵ

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ  
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ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ  
ՎՃԱՐԱԿԱՆ ԿՈՄԻՏԵ

ՎՃԱՐԱԿԱՆ

ՎՃԱՐԱԿԱՆ

20 - 25 Թիմար

Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին

10 Թիմար (4 Կառավարման/Կազմակերպչական)

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ՎՃԱՐԱԿԱՆ ԿՈՄԻՏԵ

- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
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- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին
- ◆ Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին

ՎՃԱՐԱԿԱՆ

Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին

Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին

Կառավարման և կազմակերպչական հարցերի մասին օրենքի մասին

ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ ՎՃԱՐԱԿԱՆ ԿՈՄԻՏԵ



**E-Commerce for Banks and Companies**

<b>Course Description</b>	<i>This course describes the innumerable opportunities offered by an integrated e-business system. Specifically, there is tremendous potential for banks and companies to secure a competitive advantage through the Internet and conducting business on-line. This course will also discuss how banks and companies should put information on their web-sites to conduct successful business on the Internet and how sophisticated E-Commerce site have to be as well as safety issues.</i>
<b>Target Audience</b>	<i>The course will be beneficial for the members of the banks' and companies' senior management who take part in the process of developing banking strategies and future goals. However, interested individuals would also benefit from attending.</i>
<b>Prerequisite</b>	<i>Participants should be computer literate and should be familiar with Internet surfing. Some experience in designing web-sites is also desired.</i>
<b>Course Topics</b>	<p><i>This ten day course will address the following topics, although the amount of time dedicated to each will depend on the interest and participation of participants:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Introduction to E-Commerce;</i></li> <li>◆ <i>Outline of the full scope of E-Commerce;</i></li> <li>◆ <i>Successful existing models of E-Commerce;</i></li> <li>◆ <i>Companies creating E-Commerce solutions;</i></li> <li>◆ <i>Chart of E-Commerce solutions;</i></li> <li>◆ <i>Beyond order taking;</i></li> <li>◆ <i>Distribution techniques; and</i></li> <li>◆ <i>Doing business on-line and safety issues.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>3 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>

**ინტერნეტ კომერცია ბანკებისა და კომპანიებისათვის**

<b>კურსის აღწერა</b>	ინტერნეტ კომერციის/ბიზნესის საშუალებით ბანკებსა და კომპანიებს კონკურენტებთან შედარებით ურყევი უპირატესობის მოპოვება შეუძლიათ. აღნიშნული კურსი მონაწილეებს გააცნობს წარმატების შესაძლებლობებს, რომელიც ელექტრო ბიზნესის წარმოებას ახლავს თან და მიმოიხილავს, თუ როგორ და რამდენად დახვეწილად უნდა განთავსდეს ინფორმაცია ვებგვერდზე. დრო დაეთმობა უსაფრთხოების საკითხების მიმოხილვასაც.
<b>აუდიტორია</b>	აღნიშნული კურსის მოსმენა სასარგებლო იქნება ბანკებისა და კომპანიების უფროსი თანამდებობის პირებისათვის, რომლებსაც უხდებთ მუშაობა სტრატეგიულ დაგეგმვაზე და მომავალი გეგმების შედგენაზე. თუმცა, დაინტერესებული პირებიც ბევრს სასარგებლოს შეიტყობენ კურსზე დასწრებით.
<b>წინაპირობა</b>	მონაწილეს უნდა შეეძლოს კომპიუტერთან მუშაობა და ერკვეოდეს ინტერნეტზე ინფორმაციის მოძებნის მეთოდებში. ასევე სასურველია გამოცდილება ქონდეს ვებდინამში, მაგრამ არ არის აუცილებელი.
<b>განსახილველი თემები</b>	სემინარზე განხილული იქნება შემდეგი თემები, თუმცა მონაწილეთა ინტერესისა მიხედვით თემების მიმოხილვას სხვადასხვა დრო დაეთმობა: <ul style="list-style-type: none"> <li>◆ ინტერნეტ კომერციის კურსის შესავალი;</li> <li>◆ ბიზნესი ინტერნეტის საშუალებით;</li> <li>◆ ინტერნეტ კომერციაში არსებული წარმატებული მოდელები;</li> <li>◆ კომპანიები და ინტერნეტ კომერციის საშუალებით გადაჭრილი პრობლემები;</li> <li>◆ ინტერნეტ კომერციის გრაფიკი;</li> <li>◆ შეკვეთის მიღება;</li> <li>◆ დისტრიბუციის მეთოდები; და</li> <li>◆ ინტერნეტ კომერცია და უსაფრთხოება.</li> </ul>
<b>ტრენინგის მეთოდოლოგია</b>	წარმოდგენილი მასალების განხილვა დისკუსიისა და პრაქტიკული მაგალითების მეშვეობით.
<b>კურსის ხანგრძლივობა</b>	10 დღე (4 საათი დღეში/სულ 40 საათი).
<b>კურსის ჩატარების რაოდენობა</b>	დაგეგმილია 3 კურსის ჩატარება ერთი წლის განმავლობაში.
<b>მონაწილეთა მაქსიმალური რაოდენობა</b>	20 – 25 მონაწილე.
<b>დახმარება სასწავლო პროგრამის შედგენაში</b>	არის.
<b>დახმარება კარგენტიციისას</b>	არის.



**Advanced Human Resources Management**

<b>Course Description</b>	<i>This course is designed to provide Georgian bankers with an advanced review of Human Resources Management. The course will discuss options and provide specific tools required to manage the bank's human resources for maximum productivity.</i>
<b>Target Audience</b>	<i>This course is designed for will be beneficial for Directors and Managers of the Human Resources function. However, it will be also be beneficial for members of senior management setting the bank's strategy for human resource management.</i>
<b>Prerequisite</b>	<i>Basic Principles of Human Resources Management would be helpful.</i>
<b>Course Topics</b>	<p><i>This advanced ten day course will address the following topics, although the amount of time dedicated to each will depend on the interest and participation of participants:</i></p> <ul style="list-style-type: none"> <li>● <i>Attracting and selecting personnel to meet business goals;</i></li> <li>◆ <i>Designing and managing Compensation Plans to motivate staff to produce measurable results;</i></li> <li>◆ <i>Designing a Performance Management System that documents performance, specifies developmental needs and succession planning; and</i></li> <li>◆ <i>Designing a Development Program that establishes competencies for all departments and levels within each department.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>2 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>



**Banks Profit/Cost Centers**

<b>Course Description</b>	<i>This course explains the purpose of developing profit/cost centers in the bank. This course introduces participants to the principles and concepts of creating profit/cost centers to enhance the banking institutions' success.</i>
<b>Target Audience</b>	<i>The course will be beneficial for the members of the banks' management who take part in process of developing banking strategies, analysis of banking activities, developing motivation and bonus system.</i>
<b>Prerequisite</b>	<i>Basics of Accounting.</i>
<b>Course Topics</b>	<p><i>This ten day course will address the following topics:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Principles and concepts of creating profit/cost centers;</i></li> <li>◆ <i>Determination of profitable and unprofitable divisions;</i></li> <li>◆ <i>Sharing of fixed expenses between divisions;</i></li> <li>◆ <i>Relation of profitable divisions with unprofitable divisions;</i></li> <li>◆ <i>Influence of profitability to the employees' salaries;</i></li> <li>◆ <i>Models of bonus system; and</i></li> <li>◆ <i>Positive and negative sides of profit/cost centers.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours)</i>
<b>Course Frequency</b>	<i>3 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>



**Banking for Enterprises**

<b>Course Description</b>	<i>This course explains the bank's role for enterprises and provides basic information about bank activities. The course will introduce participants to the bank system, banking services, operations, credit lines facilities, main concepts of presenting financial documentation to the bank for loan application.</i>
<b>Target Audience</b>	<i>The course will be beneficial for the owners of private enterprises and managers of companies.</i>
<b>Prerequisite</b>	<i>None.</i>
<b>Course Topics</b>	<p><i>This ten day course will address the following topics, although the amount of time dedicated to each will depend on the interest and participation of participants:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Overview of bank system in Georgia;</i></li> <li>◆ <i>Overview of bank services;</i></li> <li>◆ <i>Credit line facilities;</i></li> <li>◆ <i>Explanation of interest rates;</i></li> <li>◆ <i>Financial documentation;</i></li> <li>◆ <i>Confidence in presenting documents;</i></li> <li>◆ <i>Relation between cash-flow statement balance sheet and P/L statement; and</i></li> <li>◆ <i>Prediction of cash-flow.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>3 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>



**Insurance (Industry and Products)**

<b>Course Description</b>	<i>This course will introduce insurance services and products and possible co-operation between insurance companies and banks, as well as insurance companies and enterprises.</i>
<b>Target Audience</b>	<i>This course will be beneficial for the managers of banks, heads of customer service and credit departments in the bank and managers of companies.</i>
<b>Prerequisite</b>	<i>None.</i>
<b>Course Topics</b>	<i>This ten day course will address the following topics:</i> <ul style="list-style-type: none"> <li>• <i>Insurance industry;</i></li> <li>• <i>Insurance companies in Georgia;</i></li> <li>• <i>Insurance services and products;</i></li> <li>• <i>Co-operation between insurance company and bank;</i></li> <li>• <i>Co-operation between insurance company and enterprise.</i></li> <li>• <i>Insurance terms and conditions; and</i></li> <li>• <i>Types of the mandatory insurance.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Course Duration</b>	<i>10 days (4 hours a day/40 hours).</i>
<b>Course Frequency</b>	<i>2 courses per year.</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Curriculum Development Assistance</b>	<i>Yes.</i>
<b>Presentation Assistance</b>	<i>Yes.</i>





**Consolidated Budget for Banking Finance Academy 2001**  
*Cooperation Agreement Banking and Capital Markets*

**CAPITAL MARKETS TRAINING (USAID Funded)**

**Capital Markets Revenue and Participation Statistics**

	<i>Training Events</i>	<i>Total Trained</i>
<b>I - Training Course Participation</b>		
Back Office Operations	2	30
Basics of Accounting	2	30
Basics Principles of Financial Accounting (IAS)	2	30
Brokerage Company Accounting	2	30
Brokerage Company Functions	2	30
Compliance Seminar	2	30
Issuers Workshop	4	60
Law Workshop	4	60
Operations of the Investment Industry	2	30
Overview of the Capital Market Industry	2	30
Research Department	2	30
Sales Division (Marketing)	2	30
Trading Function	2	30
Training of Trainers/Curriculum Development	1	15
Training of Trainers/Presentation and Facilitation	1	15

**Revenue Capital Markets Courses**

<b>32</b>	<b>480</b>	<b>0</b>
-----------	------------	----------

**BANKING TRAINING (Academy Funded)**

**Banking Revenue and Participation Statistics**

	<i>Training Events</i>	<i>Total Trained</i>	<i>Training Revenue</i>
<b>I - Training Course Participation</b>			
<b>Foreign Instructors</b>			
Distribution Channels	1	15	375
Problem Loan Management	1	15	375
Credit Portfolio Management	1	15	375
Investment Products Financing	1	15	375
E-Commerce	1	15	375
Advanced Human Resources Management	1	15	375
Banks Profit/Cost Centers	1	15	375
Banking for Enterprises	1	15	375
Insurance and Insurance Products	1	15	375
<b>Georgian Instructors</b>			
Basic Principles of Financial Accounting (IAS)	2	30	750
Operations of the Investment Industry	1	15	375
Training of Trainers/Curriculum Development	1	15	0
Training of Trainers/Presentation and Facilitation	1	15	0
Strategic Planning for Marketing	2	30	750
Foreign Exchange	2	30	750
Letters of Credit	1	15	375
ALM	1	15	375

**Revenue Banking Courses**

<b>20</b>	<b>300</b>	<b>6,750</b>
-----------	------------	--------------

**USAID-Funded Fixed Expenses**

**I - Fixed Office Expenses**

Office Rent	
Utilities (electricity, water, phones, fuel)	
Staff Salaries (Including 32% Social Costs)	
Director	
Capital Markets Training Manager	
Banking Training Manager	
Accountant (Half-Time)	
Office/Training Assistant (Banking)	

	<i>Monthly</i>	<i>Annually</i>
Office Rent	1,700	20,400
Utilities (electricity, water, phones, fuel)	400	4,800
Staff Salaries (Including 32% Social Costs)		
Director	1,584	19,008
Capital Markets Training Manager	1,000	12,000
Banking Training Manager	1,000	12,000
Accountant (Half-Time)	550	6,600
Office/Training Assistant (Banking)	550	6,600

**Banking Program Fixed Expenses**

**I - Fixed Office Expenses**

*(Funded by USAID through Capital Markets Assistance)*

11/28/00

**Consolidated Budget for Banking Finance Academy 2001**  
*Cooperation Agreement Banking and Capital Markets*

**CAPITAL MARKETS TRAINING (USAID Funded)**

Office/Training Assistant (Capital Markets)	550	6,600
Technical Assistant/Driver	660	7,920
Office Maintenance	350	4,200
Security Guard (Day)	400	4,800
Security Guard (Night 1)	120	1,440
Security Guard (Night 2)	120	1,440
Stationary and Office Supplies	200	2,400
Kitchen Supplies	50	600
Office Supplies (print., copying, mainten.)	100	1,200
Computer Expenses (Internet and Maintenance)	100	1,200
Miscellaneous	100	1,200
<b>Subtotal</b>		<b>114,408</b>

**Capital Markets Curriculum Development Expenses**

**II - Curriculum Development/Revision Expenses**

Back Office Operations	1,750
Basics of Accounting	250
Basics Principles of Financial Accounting (IAS)	250
Brokerage Company Accounting	2,000
Brokerage Company Functions	1,750
Compliance Seminar	2,500
Issuers Workshop	500
Law Workshop	500
Operations of the Investment Industry	500
Overview of the Capital Market Industry	500
Research Department	2,000
Sales Division (Marketing)	2,000
Trading Function	2,000
Training of Trainers/Curriculum Development	750
Training of Trainers/Presentation and Facilitation	750
<b>Subtotal</b>	<b>18,000</b>

**Capital Markets Training Course Delivery Expenses**

**III - Training Course Delivery**

Instructor Salaries

**BANKING TRAINING (Academy Funded)**

**Subtotal**

0

**Banking Curriculum Development Expenses**

**II - Curriculum Development/Revision Expenses**

Problem Loan Management	1,000
Credit Portfolio Management	1,500
Banking for Enterprises	1,500
Strategic Planning for Marketing	1,500
Foreign Exchange	500
Letters of Credit	500
ALM	1,000

**Subtotal**

7,500

**Bank Training Course Delivery Expenses**

**III - Training Course Delivery**

Foreign Instructors Material Translation/Interpretation

**Consolidated Budget for Banking Finance Academy 2001**  
*Coopération Agreement Banking and Capital Markets*

**CAPITAL MARKETS TRAINING (USAID Funded)**

Back Office Operations	500
Basics of Accounting	2,000
Basics Principles of Financial Accounting (IAS)	3,000
Brokerage Company Accounting	500
Brokerage Company Functions	500
Compliance Seminar	500
Issuers Workshop	400
Law Workshop	400
Operations of the Investment Industry	500
Overview of the Capital Market Industry	500
Research Department	500
Sales Division (Marketing)	500
Trading Function	500
Training of Trainers/Curriculum Development	250
Training of Trainers/Presentation and Facilitation	250
Printing and Binding	12,000
Materials and Supplies	1,200
Coffee Breaks	2,400
Marketing, Advertising and Publicity	960
<b>Subtotal</b>	<b>27,360</b>

**Total Expenses USAID Funded 159,768**

**BANKING TRAINING (Academy Funded)**

Distribution Channels	750
Problem Loan Management	750
Credit Portfolio Management	750
Investment Products Financing	750
E-Commerce	750
Advanced Human Resources Management	750
Banks Profit/Cost Centers	750
Banking for Enterprises	750
Insurance and Insurance Products	750
<b>Georgian Instructors' Salaries</b>	
Basic Principles of Financial Accounting (IAS)	3,000
Operations of the Investment Industry	500
Training of Trainers/Curriculum Development	250
Training of Trainers/Presentation and Facilitation	250
Strategic Planning for Marketing	1,500
Foreign Exchange	500
Letters of Credit	500
Printing and Binding (\$25/part. less prepay)	4,000
Materials and Supplies	600
Marketing, Advertising and Publicity	600
<b>Subtotal</b>	<b>18,450</b>

**Total Banking Expenses Less Revenues 19,200**

## BANKING-FINANCE ACADEMY/CAPITAL MARKET TRAINING WORKPLAN (As of November 13, 2000)

### Deliverables

	JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE	
	1-15	16-31	1-15	16-28	1-15	16-31	1-15	16-30	1-15	16-31	1-15	16-30
<b>Banking/Capital Markets Cooperation Activity</b>												
Define Management Structure	█											
Job Descriptions Drafted		█										
Job Descriptions Review and Approved												
Position Advertisements												
Application/CV Review (Determine Candidates to be Interviewed)			█									
Interview Applicants				█								
Select Individuals/Extend Offers					█							
Orientation						█						
Business Plan Development							█					
Business Plan Review and Approval												

### AED/USAID Training Activity (Banking and/or Capital Markets)

Conduct donor funded course 1				█								
Conduct donor funded course 2						█						
Conduct donor funded course 3								█				
Conduct donor funded course 4										█		
Conduct donor funded course 5												█

### Materials Revision (Banking/Course 1)

Form Training Advisory Board	█											
Identify courses to be revised		█										
Form Review Teams												
Draft Course Design Worksheet/Course 1												
Training Advisory Board approves Course Design/Course 1			█									
Draft Module Design Worksheet/Course 1												
Training Advisory Board approves Module Design/Course 1				█								
First Draft Participant Guide/Course 1					█							
Second Draft Participant Guide/Course 1						█						
Training Advisory Board approves Participant Guide/Course 1							█					
First Draft Overheads/Course 1								█				
Second Draft Overheads/Course 1									█			
Training Advisory Board approves Overheads/Course 1										█		
Training Advisory Board approves Overheads/Course 1											█	
First Draft Leader's Guide/Course 1												█
Second Draft Leader's Guide/Course 1												
Training Advisory Board approves Leader's Guide/Course 1												
Conduct Course 1												





**Appendix M**

## PROGRAM CHECKLIST

**WEEK OF:** \_\_\_\_\_

<i>CATEGORIES</i>	<i>ITEMS</i>	<i>RESPONSIBLE</i>	<i>COMMENTS</i>
Room	Verification	Dato	
	Furniture arrangement	Roland	
	Equipment (flip chart/markers)	Malkhaz/Roland	
	Equipment (overhead/screen)	Malkhaz/Roland	
	Equipment (computer projector)	Malkhaz/Roland	
	Equipment (generator/gas)	Malkhaz/Roland	
	Calculators	Malkhaz/Roland	
	Scratch paper	Roland	
	Temperature	Roland	
	Coffee break area	Shura	
	Water/Glasses for instructor	Shura	
	Instructor	Verification	Dato
Pre/Post examinations		Vera/Malkhaz	
Handouts		Vera/Malkhaz	
Transparencies		Vera/Malkhaz	
Timesheet		Vera	
Participant	Verification	Dato	
	Attendance sheet	Vera	
	Tent cards	Vera	
	Participant guides	Vera/Malkhaz	
	Evaluation form	Vera/Malkhaz	
	Translator	Tamuna	
	Class sign	Vera	
Bathroom sign	Vera		





## BANKING-FINANCE ACADEMY PROGRAM CHECKLIST

*Client Name:* \_\_\_\_\_

*Meeting Date:* \_\_\_\_\_

*Attachments:* \_\_\_\_\_

<i>Items</i>	<i>Client Request</i>
Registration/Sign-in Table	A registration desk will be provided in front of Classroom 1.
Attendance List	List of participants will be provided and we will create Attendance List.
Tent Cards	List of participants will be provided and we will create Tent Cards.
Room set-up	Classroom 1, classroom style, set for 35 participants.
Equipment	Overhead projector and flip chart.
Materials	Participant guide for 35 participants. Flat master already provided and materials are ready.
Refreshments	Lunch and two coffee breaks daily. See attached lunch menu. Lunch and coffee breaks will be in Classroom 2. Lunch will be ready at 12:30-14:00 each day. Breaks will be ready at 11:00 and 15:30 each day.

*Notice: The Academy is located within the Composer's Union. At times, individuals will practice for an upcoming concert. Therefore, it is possible that you may occasionally hear piano music.*

*Accepted by:* \_\_\_\_\_ *Date:* \_\_\_\_\_

**Appendix N**



# Banking-Finance Academy

123 Agmashenebeli Avenue  
2<sup>nd</sup> floor  
Tbilisi, Georgia

Phone: 99 98 50/ 94 26 04  
Fax: 99 98 50  
e-mail: barents@access.sanet.ge

October 20, 2000

Enclosed you will find an Enrollment Application Form and a short summary of a course to be delivered by the Banking-Finance Academy. Our fourth seminar for the 2000-2001 calendar year will be Organization Development and Managing Change. This interactive seminar is for senior-level bank managers who want to expand their management skills and ability to be true leaders in a changing and developing economic environment. It will allow senior bankers to discuss the challenges they face in managing change with their colleagues.

Andrew Masiuk will facilitate the course. Mr. Masiuk taught Organization Development in university management programs as well as executive seminars at the following institutions: West Chester State University, Pennsylvania; Simmons College, Boston and the International Institute for Management Development, Switzerland. He holds MBA degree from Wharton Business School, MSS from Bryn Mawr University and BS from LaSalle University. Mr. Masiuk will teach the course starting on Friday, November 3 to Thursday, November 9 from 9:30 to 13:30.

Please complete and return a form for each person you wish to send from your bank/branch to the following address:

Banking-Finance Academy  
123 Agmashenebeli Street, 2<sup>nd</sup> floor  
Tbilisi, Georgia

Or, you can fax the form to the Academy at 99 98 50.

The maximum number of total attendees will be 15. The maximum number from each bank/branch will be two unless there is space available. Please return the enrollment form on or before Wednesday, October 31.

Should you have any questions regarding the course, please call Dato Asanidze at 899 505 406 or 99 98 50. If you have questions about the Academy, please contact me at 99 98 50.

Sincerely,

Diana M. Osinski  
Training Consultant



## Organization Development and Managing Change

### Course Description

*This seminar is designed specifically for senior bankers who want to take the lead in managing their banks through the challenges presented by economic transition in countries like Georgia. It is an interactive seminar to allow senior bankers to discuss the challenges in managing change with their colleagues, facilitated by a specialist in executive management education.*

### Target Audience

*This seminar is for senior-level bank managers who want to expand their management skills and ability to be true leaders in a changing and developing economic environment.*

### Prerequisite

*Willingness to spend an hour each evening to read articles and cases designed to expand a bank executive's ability to think critically and "outside of the box."*

### Course Topics

*The course generally addresses management issues that are qualitative and thought provoking. These include:*

- *Understanding the role of the individual in organizations and the impact they have on organizational culture;*
- *Understanding the dynamics of organizations;*
- ◆ *Managing change;*
- *Creating an organizational culture;*
- *Developing true leadership skills;*
- *Managing conflict;*
- ◆ *The impact of technology in organizational development; and*
- *Managing to a strategic vision.*

### Instructor

*Andrew I. Masiuk was the Director General of the International Management Institute in Kyiv (1992-1997). He taught Organization Development in university management programs as well as in executive seminars at the following institutions: West Chester State University, Pennsylvania; Simmons College Boston and the International Institute for Management Development, Switzerland. Mr. Masiuk was a materials manager with international responsibility at Digital Equipment Corporation (1986-1989) and an educator with their management development program (1981-1986).*

*Education: MBA (Management and Finance) Wharton Business School; MSS (Psychology) Bryn Mawr University; and BS (Engineering and Sociology) LaSalle University.*

<b>Training Methodology</b>	<i>Completely participative; very little formal presentation and lecture. Discussion of articles and subject matter under the facilitation of the instructor.</i>
<b>Course Duration</b>	<i>5 half-days (4 hours a day/20 hours).</i>
<b>Maximum Participants</b>	<i>10 – 15 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components: ◆ Articles and cases applicable to subject matter.</i>
<b>Course Dates and Time</b>	<i>Monday, November 6 to Friday, November 10 9:30 – 13:30</i>
<b>Course Fee</b>	<i>50 GEL per person.</i>

# Banking-Finance Academy

## Enrollment Application Form

### Participant Information

Family Name \_\_\_\_\_ First Name \_\_\_\_\_ Middle Name \_\_\_\_\_

Title (Position in Bank) \_\_\_\_\_

Department \_\_\_\_\_ Branch \_\_\_\_\_

Work Telephone \_\_\_\_\_ Work Fax \_\_\_\_\_

Work Mobile Telephone \_\_\_\_\_ Work E-mail \_\_\_\_\_

### Bank Information

Bank Name \_\_\_\_\_

Manager's Name \_\_\_\_\_ Manager's Title \_\_\_\_\_

Manager's Telephone \_\_\_\_\_ Manager's Fax \_\_\_\_\_

Manager's Mobile Telephone \_\_\_\_\_ Manager's E-mail \_\_\_\_\_

### Course Information

Name of Course \_\_\_\_\_

Start Date \_\_\_\_\_ Duration \_\_\_\_\_

Signature of Authorized Person \_\_\_\_\_

Date \_\_\_\_\_

**Banking-Academy Payment Policy** – The Enrollment Application Form along with the course fee of 50 GEL should be delivered to the following address prior to the start of the course:

Banking-Finance Academy  
123 Agmashenebeli Street, 2<sup>nd</sup> floor  
Tbilisi, Georgia

Enrollment Application Forms can be delivered through courier service or sent via fax at 99 98 50.

### For Banking-Finance Academy Use Only:

Payment:  
Payment Received: \_\_\_\_\_ By: \_\_\_\_\_ Receipt Sent: \_\_\_\_\_  
Processed by: \_\_\_\_\_ Date: \_\_\_\_\_



## ***BANKING-FINANCE ACADEMY PARTICIPANTS***

*Listed below is demographic information that we are collecting to profile the Banking-Finance Academy Participants. This information is completely anonymous. Please read and complete this questionnaire.*

<b><i>Question</i></b>	<b><i>Please circle the correct answer.</i></b>
What is your age?	1. Under 20 2. 20 – 25 3. 26 – 30 4. 31 – 35 5. 35 – 40 6. Over 40
What is your sex?	1. Male 2. Female
How long have you been working in the Georgian banking industry?	1. Less than one year 2. One to two years 3. Two to five years 4. More than five years
What is your field of expertise?	1. Lending 2. Foreign Exchange 3. Internal Audit 4. Payment Systems/Accounting 5. Operations 6. Asset/Liability Management 7. Management 8. Other/Specify
How long have you been with your current bank?	1. Less than one year 2. One to two years 3. Two to five years 4. More than five years
How long have you been in current position?	1. Less than one year 2. One to two years 3. Two to five years 4. More than five years
What department do you work in?	1. Lending 2. Foreign Exchange 3. Internal Audit 4. Payment Systems/Accounting 6. Operational Department 7. Asset/Liability Management 8. Management
What is your title?	1. Chairman 2. Deputy Chairman 3. Branch Manager 4. Deputy Manager 5. Department Head 6. Leading Specialist 7. Senior Specialist 8. Specialist 9. Other/Specify:

<i>Question</i>	<i>Please circle the correct answer.</i>																																																
What is the title of the person that you report to?	1. Chairman 2. Deputy Chairman 3. Branch Manager 4. Deputy Manager 5. Department Head 6. Other/Specify:																																																
What languages do you use to conduct your work?	1. Georgian only 2. Georgian and Russian 3. Georgian, Russian and English																																																
What is your level of proficiency (read, write and speak)? Georgian Russian English	<table border="1"> <thead> <tr> <th><i>Low</i></th> <th colspan="4"><i>(Proficiency)</i></th> <th><i>High</i></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> </tbody> </table>	<i>Low</i>	<i>(Proficiency)</i>				<i>High</i>	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6																								
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1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
What software do you use to conduct your work? (Please circle all that apply.)	1. Word 2. Excel 3. Access 4. PowerPoint 5. Lotus 6. Lotus Notes 7. Specialty Software:																																																
What is your level of proficiency? Word Excel Access PowerPoint Lotus Lotus Notes Specialty Software:	<table border="1"> <thead> <tr> <th><i>Low</i></th> <th colspan="4"><i>(Proficiency)</i></th> <th><i>High</i></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> </tbody> </table>	<i>Low</i>	<i>(Proficiency)</i>				<i>High</i>	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6
<i>Low</i>	<i>(Proficiency)</i>				<i>High</i>																																												
1	2	3	4	5	6																																												
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1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
1	2	3	4	5	6																																												
What is the highest degree you have obtained?	1. Bachelor Degree/Diploma 2. Master's Degree 3. Candidate 4. Ph.D.																																																
What is your degree specialty?	1. Economics 2. Engineering/Technical 3. Mathematics 4. Statistics 5. Computer Science 6. Other/Specify																																																
Where did you get your degree?	1. Georgia 2. CIS 3. Eastern and Central Europe 4. Western Europe 5. United Kingdom 6. United States/Canada 7. Other/Specify																																																
What is your monthly salary?	1. Up to 100 GEL 2. 101 - 500 GEL 3. 501 - 1,000 GEL 4. 1,001 - 1,500 GEL 5. 1,501 - 2,000 GEL 6. More than 2,000 GEL																																																



**Appendix O**



# **Human Resources Policies Manual**

Banking-Finance Academy

Tbilisi, Georgia

December, 2000

**TABLE OF CONTENTS**

**HUMAN RESOURCES RESPONSIBILITIES**

HUMAN RESOURCES POLICIES ..... 100  
ACADEMY DIRECTOR'S LETTER..... 101  
FUNCTIONS OF THIS MANUAL..... 102  
EMPLOYEE SUPERVISION..... 103  
ACADEMY DIRECTOR..... 104  
CODE OF EMPLOYER-EMPLOYEE RELATIONS..... 105

**EMPLOYMENT**

A PRODUCTIVE WORK ENVIRONMENT.....201  
HIRING.....202  
EMPLOYMENT AGREEMENTS..... 203  
ORIENTATION AND TRAINING..... 204  
MEDICAL PROCEDURES..... 205  
INTRODUCTORY PERIOD..... 206  
TRANSFER..... 207  
PROMOTION..... 208  
HOURS OF WORK..... 209  
LAYOFF .....210  
TERMINATION OF EMPLOYMENT.....211

**PAY PRACTICES**

SALARY ADMINISTRATION..... 301  
PERFORMANCE APPRAISALS..... 302  
SEVERANCE PAY.....303  
JOB EVALUATION.....304  
PAY PROCEDURES..... 305

**REIMBURSEMENT OF EMPLOYEE EXPENSES**

TRAVEL..... 401  
AUTOMOBILE USAGE..... 402  
BUSINESS ENTERTAINING..... 403

**EMPLOYEE BENEFITS**

DISCLOSURE OF BENEFITS..... 501  
VACATION..... 502  
HOLIDAY..... 503

**ACADEMY PREMISES AND WORK AREAS**

MAINTENANCE OF WORK AREAS.....601  
PERSONAL PROPERTY..... 602  
SOLICITATION..... 603  
SECURITY.....604  
SMOKING..... 605

**ABSENCE FROM WORK**

ATTENDANCE AND PUNCTUALITY.....701  
SHORT-TERM ABSENCES.....702  
MEAL BREAKS.....703

**PERSONAL CONDUCT**

BEHAVIOR OF EMPLOYEES.....801  
PERSONAL APPEARANCE OF EMPLOYEES..... 802  
CUSTOMER RELATIONS..... 804  
USE OF COMMUNICATION SYSTEMS.....805  
CONFLICTS OF INTEREST.....806  
CONFIDENTIAL NATURE OF ACADEMY AFFAIRS.....807  
DISCIPLINARY PROCEDURE.....808  
DRUGS, NARCOTICS, AND ALCOHOL..... 809

**MISCELLANEOUS**

HUMAN RESOURCES RECORDS..... 900  
EMPLOYEE SUGGESTIONS..... 901  
DISPUTE RESOLUTION..... 902

**POLICY 100 HUMAN RESOURCES POLICIES**

PROPERTY OF BANKING-FINANCE ACADEMY

Copy No. \_\_\_\_\_

I, \_\_\_\_\_ (employee), acknowledge receipt of this Manual and that I am responsible for knowing its contents and keeping it updated. I also understand that this Manual is Banking-Finance Academy property that must be returned to the Academy Director when I leave this Academy.

I further understand that this Manual does not create a contract with the Academy for any purpose and that the provisions of this Manual may be modified or eliminated at any time.

Issued To: \_\_\_\_\_

Signed: \_\_\_\_\_

**POLICY 101 ACADEMY DIRECTOR'S LETTER**

---

(Date)

To: All Employees

Re: Human Resources Policies

This Manual has been prepared as a guide and reference for all employees. The Manual has the unqualified approval of the Banking-Finance Academy Founders.

We believe that it is in the best interest of the Academy and our employees to have written human resources policies to help the Academy meet our mission statement, to prevent misunderstandings and problems, and to ensure that all employees know what is expected of them. It is essential that all members of management understand the role of these policies in meeting the Academy's objectives and in limiting our legal exposure.

Any policy, however, is only as good as its implementation. All employees are essential to effective policy implementation. You are the individuals who must translate these ideas and principles into action. We depend upon you for the successful development of a productive, legal, and harmonious working environment.

Accordingly, I request that you thoroughly familiarize yourself with the contents of this Manual so that all human resources policies of the Academy may be administered fairly and effectively.

---

Banking-Finance Academy Director

## POLICY 102 FUNCTIONS OF THIS MANUAL

### **POLICY:**

It is the policy of the Academy that this Manual should be used as an outline of the basic human resources policies, practices, and procedures for the Academy.

### **Comment:**

(1) This Manual contains general statements of Academy policy and should not be read as including the details of each policy. In addition, this Manual should not be interpreted as forming an express or implied contract or promise that the policies discussed in it will be applied in all cases. The Academy may add to the policies in the Manual or revoke or modify them from time to time. It will try to keep the Manual current, but there may be times when policy will change before this material can be revised.

(2) All Manuals are Academy property and are assigned to the job position and not to the individual. The Academy Director is responsible for distribution of the Manuals to employees. All Manuals must be returned to the Academy Director upon termination of employment.

(3) The Founders, with the Academy Director, will review and authorize changes in the Academy's human resources policies. Employees are encouraged to recommend changes or new policies. The Academy Director is responsible for disseminating new policy information.

(4) Employees should refer to the Manual whenever questions of policy interpretation or implementation arise.

(5) As used in the Manual:

(a) The masculine gender should be interpreted to include the feminine gender (in English);

(b) "Academy Director" means the individual with the authority to assign, direct, and review the work of employees; and

(c) "Immediate family" means the employee's spouse, brother, sister, parent, child, stepchild, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and any other member of the employee's household.

## POLICY 103 EMPLOYEE SUPERVISION

### Policy:

It is the policy of the Academy that the work of all employees will be assigned, directed, and reviewed by the Academy Director. Employees ordinarily will have only one person to whom they report.

### Comment:

(1) The Academy Director is expected to communicate the goals and policies of the Academy to the employees they supervise. They also are expected to communicate to Founders the attitudes, suggestions, and complaints of the employees.

(2) In addition to mastering the technical skills needed in their work unit, the Academy Director must be able to lead and motivate their employees to do their best work. Thus, The Academy Director should be prepared to:

- (a) Treat employees as individuals;
- (b) Give recognition for good performance and provide guidance when improvement is needed;
- (c) Explain in advance when and why changes are necessary;
- (d) Recommend employees with growth potential for promotion, even if it means losing them to other work units;
- (e) Show integrity by admitting mistakes instead of shifting the blame to others;
- (f) Be impartial and let employees know the reasons for decisions, especially those that might be interpreted as unfair;
- (g) Demonstrate a desire for good performance by setting work goals and standards for employees;
- (h) Create a feeling of teamwork among employees; and
- (i) Set good examples by holding themselves to the standards of conduct and performance that they demand of their employees.

(3) The Academy Director is responsible for ensuring that management's goals for employee conduct and performance are achieved and that the human resources policies established by this Manual are implemented. Therefore, The Academy Director' duties include:

- (a) Recommending the hiring of Human Resources and overseeing special job training (see HIRING, Policy 202; and ORIENTATION AND TRAINING, Policy 204);
- (b) Keeping employees informed about their work assignments, work progress, and opportunities for advancement (see PROMOTION, Policy 208);



(c) Evaluating the performance of introductory employees, regular employees, and employees who are being considered for termination (see *INTRODUCTORY PERIOD*, Policy 206; *PERFORMANCE APPRAISALS*, Policy 302; and *TERMINATION OF EMPLOYMENT*, Policy 211);

(d) Recommending salary adjustments, promotions, transfers, and termination of employees (see *SALARY ADMINISTRATION*, Policy 301; *PROMOTION*, Policy 208; *TRANSFER*, Policy 207; and *TERMINATION OF EMPLOYMENT*, Policy 211);

(e) Scheduling vacations and lunch and rest breaks (see *VACATIONS*, Policy 502; and *MEAL BREAKS*, Policy 703);

(f) Approving meal allowances and reimbursement of employee expenses (see *REIMBURSEMENT OF EMPLOYEE EXPENSES*, Section 400);

(g) Controlling absenteeism and tardiness and approving requests for time off (see *ABSENCE FROM WORK*, Section 700);

(h) Verifying employee time cards and scheduling overtime when necessary (see *HOURS OF WORK*, Policy 209);

(i) Recommending job elimination when appropriate (see *LAYOFF*, Policy 210);

(j) Complying with applicable laws and regulations of the Republic of Georgia (see *REPUBLIC OF GEORGIA HUMAN RESOURCES POLICIES*);

(k) Maintaining neat and orderly work areas (see *MAINTENANCE OF WORK AREAS*, Policy 602);

(l) Implementing suggestion, disciplinary, and problem review procedures (see *EMPLOYEE SUGGESTIONS*, Policy 901; *DISCIPLINARY PROCEDURE*, Policy 808; and *DISPUTE RESOLUTION*, Policy 902); and

(m) Ensuring that all rules and regulations are observed by employees (see *BEHAVIOR OF EMPLOYEES*, Policy 801).

(4) The activities described in this policy are only guidelines and should not be considered as creating a contract or promise, express or implied, to employees that the Academy Director will in each case perform any or all of the activities or that those activities will be performed the same way in each case unless specified in an employee's Employment Agreement.

## POLICY 104 ACADEMY DIRECTOR

### Policy:

It is the policy of the Academy that the Academy Director functions as the head of Human Resources and is responsible to the Founders.

### Comment:

(1) The Academy Director is responsible for handling the Academy's human resources function and, in that capacity, serves as a senior consultant to Founders on all matters concerning human resource management. In addition, the Academy Director develops, communicates, and carries out the Academy's human resources policies.

(2) The Academy Director's responsibilities include the following:

(a) Planning and formulating general human resources policies, including workforce planning;

(b) Overseeing compliance with all human resources laws and regulations of the Republic of Georgia (see REPUBLIC OF GEORGIA HUMAN RESOURCES POLICIES);

(c) Overseeing recruiting, interviewing, testing, selection, placement, and orientation of new employees (see HIRING, Policy 202; and ORIENTATION AND TRAINING, Policy 204);

(d) Implementing special education, counseling, training, and development programs (see ORIENTATION AND TRAINING, Policy 204);

(e) Coordinating the appraisal, transfer, promotion, layoff, recall, demotion, and termination of employees (see TRANSFER, Policy 207; PROMOTION, Policy 208; LAYOFF, Policy 210; and TERMINATION OF EMPLOYMENT, Policy 211);

(f) Administering compensation programs for both exempt and nonexempt employees (see HOURS OF WORK, Policy 209; SALARY ADMINISTRATION, Policy 301; and PAY PROCEDURES, Policy 305);

(g) Administering employee benefit plans and programs and the disclosure of information concerning benefits to employees (see EMPLOYEE BENEFITS, Section 500);

(h) Implementing appropriate disciplinary and grievance procedures (see; DISCIPLINARY PROCEDURE, Policy 808; and DISPUTE RESOLUTION, Policy 902); and

(i) Maintaining Human Resources records and evaluating Human Resources programs and policies (see HUMAN RESOURCES RECORDS, Policy 900).

## POLICY 105 CODE OF EMPLOYER-EMPLOYEE RELATIONS

### Policy:

It is the policy of the Academy to implement fair and effective human resources policies and to require all employees to support the Academy's best interests.

### Comment:

(1) The Academy is committed to a mutually rewarding and direct relationship with its employees without the intervention of outside groups. Thus, the Academy attempts to:

(a) Provide equal employment opportunity and treatment regardless of race, religion, color, sex, age, national origin, disability, or military status

(b) Provide compensation and benefits commensurate with the work performed (see PAY PRACTICES, Section 300);

(c) Establish reasonable hours of work based on the Academy's production and service needs (see HOURS OF WORK, Policy 209);

(d) Monitor and comply with applicable Republic of Georgia laws and regulations concerning employee safety;

(e) Offer training opportunities for those whose talents or needs justify the training (see ORIENTATION AND TRAINING, Policy 204);

(f) Be receptive to constructive suggestions about job duties, working conditions, or human resources policies (see Employee SUGGESTION PROGRAMS, Policy 901); and

(g) Establish appropriate means for employees to discuss matters of concern with the Academy Director. (See DISPUTE RESOLUTION, Policy 902.)

(2) The Academy, as part of its commitment to providing customers with excellent products and services and to creating a productive work environment, expects all employees to:

(a) Deal with customers and suppliers in a professional manner (see CUSTOMER RELATIONS, Policy 804);

(b) Represent the Academy in a positive and ethical manner;

(c) Perform assigned tasks in an efficient manner;

(d) Be punctual (see ATTENDANCE AND PUNCTUALITY, Policy 701);

(e) Demonstrate a considerate, friendly, and constructive attitude toward fellow employees; and

(f) Follow the policies adopted by the Academy.

(3) The Academy retains the sole discretion to exercise all managerial functions, including the rights to:

- (a) Dismiss, assign, supervise, and discipline employees;
- (b) Determine and change starting times, quitting times, and shifts;
- (c) Transfer employees to other job classifications as the Academy Director determines;
- (c) Determine and change the size and qualifications of the workforce;
- (d) Determine and change methods by which its operations are to be carried out;
- (e) Determine and change the nature, location, goods produced, services rendered, quantity, and continued operation of the business; and
- (f) Assign duties to employees in accordance with the Academy's needs and requirements and to carry out all ordinary administrative and management functions.

(4) The Academy retains the right to establish, change, and abolish its policies, practices, rules, and regulations at will and as it sees fit, unless otherwise specified in an employee's Employment Agreement.

## POLICY 201 PRODUCTIVE WORK ENVIRONMENT

### Policy:

It is the policy of the Academy to promote a productive work environment and not to tolerate verbal or physical conduct by any employee that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

### Comment:

(1) Employees are expected to maintain a productive work environment that is free from harassing or disruptive activity. No form of harassment will be tolerated, including harassment for the following reasons: race, national origin, religion, disability, pregnancy, age, military status, or sex. Special attention should be paid to the prohibition of sexual harassment.

(2) The Academy Director has a responsibility to keep the workplace free of any form of harassment, and in particular, sexual harassment.

(3) Other sexually harassing or offensive conduct in the workplace is also prohibited. This conduct includes:

(4) Any employee who believes that the Academy Director's or other employee's, actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. The report or complaint should be made to the Academy Director; or to the Founders if the complaint involves the Academy Director.

(5) Complaints of harassment will be handled and investigated under the Academy's dispute resolution policy (see DISPUTE RESOLUTION PROCEDURE, Policy 904), unless special procedures are considered appropriate. All complaints of harassment will be investigated promptly and in as impartial and confidential a manner as possible. Employees are required to cooperate in any investigation. A timely resolution of each complaint should be reached and communicated to the parties involved.

(6) Any employee, Academy Director, or manager who is found to have violated the harassment policy will be subject to appropriate disciplinary action, up to and including termination. The Academy prohibits any form of retaliation against employees for bringing bona fide complaints or providing information about harassment. However, if an investigation of a complaint shows that the complaint or information was false, the individual who provided the false information will be subject to disciplinary action, up to and including termination. (See DISCIPLINARY PROCEDURE, Policy 808.)

## POLICY 202 HIRING

### Policy:

It is the policy of the Academy to be an equal opportunity employer and to hire individuals solely on the basis of their qualifications and ability to do the job to be filled.

### Comment:

(1) The Academy Director who need to fill a job opening or wants to add a new job position should submit an employment requisition to the Founders for approval. All requisitions will be reviewed by the Founders, but those for new job positions will be evaluated in greater detail before being approved.

(2) The Academy will normally try to fill job openings above entry level by promoting from within, if qualified internal applicants are available. (See TRANSFER, Policy 207; and PROMOTION, Policy 208.)

(3) If candidates from within the Academy are to be considered for job openings, the Academy Director will post the openings in accordance with procedures contained in PROMOTION, Policy 206. Current employee candidates for the openings will be considered and processed as outlined in TRANSFER, Policy 207.

(4) If candidates from outside the Academy are to be considered for job openings, the Human Resources will be responsible for recruiting the candidates and should use the recruitment methods and sources it considers appropriate to fill the openings.

(5) During the recruitment, hiring, and orientation process, no statement should be made promising permanent or guaranteed employment; and no document should be called a contract unless, in fact, a written employment agreement is to be used.

(6) When candidates from outside the Academy are to be considered for job openings, the following procedures should be implemented:

(a) Any candidate for employment must fill out and sign an employment application form in order to be considered for hiring.

(b) Applicants determined to be qualified for consideration for available job openings will be interviewed by the Academy Director and given any tests required for the job.

(c) If the Academy Director determines that the applicant is qualified for employment, a second interview may be arranged between the applicant and Founders, depending on the request of the Founders.

(d) Following a decision to hire the applicant, the Academy Director will make an offer of employment which should include any necessary contingencies or disclaimers.

(e) If any background check or any other subsequent investigation discloses any misrepresentation on the application form or information indicating that the individual is not suited for employment with the Academy, the applicant will be refused employment or, if already employed, may be terminated. (See INTRODUCTORY PERIOD, Policy 206; and TERMINATION OF EMPLOYMENT, Policy 211.)

(f) The Academy Director is responsible for orientation of new employees, the processing of their employment forms according to Georgian law and for any necessary job training. (See ORIENTATION AND TRAINING, Policy 204.)

(7) A member of an employee's immediate family will be considered for employment by the Academy if the applicant possesses all the qualifications for employment. An immediate family member may not be hired, however, if the employment would:

(a) Create either a direct or indirect Academy Director/subordinate relationship with a family member; or

(b) Create either an actual conflict of interest or the appearance of a conflict of interest.

These criteria will also be considered when assigning or promoting an employee. For purposes of this policy, "immediate family" includes: the employee's spouse, brother, sister, parents, children, stepchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and any other member of the employee's household.

(8) Employees who marry or become members of the same household may continue employment as long as there is not:

(a) A direct or indirect Academy Director/subordinate relationship between the employees; or

(b) An actual conflict of interest or the appearance of a conflict of interest.

Should one of the above situations occur, the Academy will attempt to find a suitable position within the Academy to which one of the affected employees may transfer. If accommodations of this nature are not feasible, the employees will be permitted to determine which of them will resign.

(9) Former employees who left the Academy in good standing may be considered for reemployment. Former employees who resigned without written notice or who were dismissed for disciplinary reasons may not be considered for reemployment. (See TERMINATION OF EMPLOYMENT, Policy 211.)

## POLICY 203 EMPLOYMENT AGREEMENTS

### Policy:

It is the policy of the Academy that executes written employment agreements with its employees, subject to the laws and regulations of the Republic of Georgia.

### Comment:

(1) The Academy Director is the only Academy representative authorized to enter into a written employment agreement on behalf of the Academy with any employee.

(2) Written employment agreements normally will set out the significant terms and conditions of an individual's employment. These terms and conditions generally include:

(a) The length of time that the agreement will last and how, if at all, it can be renewed;

(b) The job title, duties, and description, reserving to the Academy the right to change the employee's duties as the Academy's interests require;

(c) The employee's salary;

(d) Any other forms of compensation, such as pensions or perquisites; and

(e) Provisions for the termination of employment.

(3) Employment agreements covered by this policy may include any or all of the following elements, depending on individual circumstances:

(a) **Patents, Inventions, and Copyrights:** The agreement should specify who owns the rights to any patents, inventions, and copyrights obtained by the employee during employment, or as a result of work done while employed, and any royalties or other payments resulting from these items. Under normal circumstances, these items are Academy property and, if held in the employee's name, should be assigned to the Academy.

(b) **Noncompetition with the Academy:** Any agreement not to compete with the Academy after termination of employment should be reasonable with regard to the time period or duration and the geographical area covered. The agreement should generally be drafted to limit the employee's activities only to the extent necessary to protect the Academy's business interests.

(c) **Nonsolicitation of Customers and Employees:** Coverage should specify that after termination of employment, the employee will not solicit business from the Academy's customers or attempt to recruit its employees for a specific period of time.

(d) **Trade Secrets and Confidential Data:** Coverage should specify that all employees with access to the Academy's trade secrets and confidential data are required to safeguard that information and not disclose it except as specifically authorized. (See CONFIDENTIAL NATURE OF ACADEMY AFFAIRS, Policy 807.)



(e) **Conflicts of Interest:** The agreement should specify that the Academy's conflicts of interest policy must be adhered to and should reaffirm that employees may not participate in activities that compete with the Academy during the time they are employed by the Academy. (See CONFLICTS OF INTEREST, Policy 806.)

(f) **Retention Agreements:** The agreement should specify the transitional event or events that will trigger this coverage (such as a merger, takeover, or bankruptcy), the amount of special compensation to be paid, and the amount of time the employee must remain with the Academy through the transitional period to receive the compensation. In addition, the provision should be voided automatically if the employee is terminated for cause or because of death or inability to perform the job.

(4) Employees are encouraged to review carefully any employment agreement and to consult with legal counsel if necessary to understand the terms of the agreement.

## POLICY 204 ORIENTATION AND TRAINING

### Policy:

It is the policy of the Academy to provide orientation programs for new employees and to conduct or support training programs that it determines to be appropriate.

### Comment:

(1) The Academy Director is responsible for communicating Academy history, philosophy, policies, benefits, and new employee files and documentation that will serve as a new employee orientation program. The Academy Director is responsible for orientation as it applies to introducing the new employee to the specific job and may select a coworker to serve as a sponsor to facilitate the new employee's transition.

(2) The Academy Director is responsible for providing on-the-job training for new employees.

(3) The Academy Director may approve employee participation in continuing education and training programs when that instruction is regarded as beneficial or considered necessary for satisfactory job performance. In some cases, employees may be required to enroll in and complete the programs satisfactorily.

## POLICY 205 MEDICAL PROCEDURES

### Policy:

It is the policy of the Academy that applicants to whom a conditional offer of employment has been extended and current employees may be required to undergo medical tests, procedures, or examinations whenever management determines that these are necessary for the safe or efficient operation of the Academy.

### Comment:

(1) Successful applicants for employment may be required as a condition of employment to take a medical examination to establish their fitness to perform the jobs for which they have applied without endangering the health and safety of themselves or others. If management determines that an examination is appropriate to a particular position, all applicants for the job to whom a conditional offer of employment has been made should be examined.

(2) Employees are encouraged, but not required, to have physical examinations periodically during their employment and to participate in wellness programs.

(3) Employees who need to use prescription or nonprescription legal drugs while at work must report this requirement to the Academy Director if the use might impair their ability to perform the job safely and effectively. Depending on the circumstances, employees may be reassigned, prohibited from performing certain tasks, or prohibited from working if they are determined to be unable to perform their jobs safely and properly while taking the prescription or nonprescription legal drugs. (See also DRUGS, NARCOTICS, AND ALCOHOL, Policy 809.)

(4) The Academy reserves the right to require acceptable confirmation of the nature and extent of any illness or injury that requires an employee to be absent from scheduled work. (See SHORT-TERM ABSENCES, Policy 702.) The Academy also may require a second and, if necessary, third medical opinion regarding an employee's absence because of illness or injury. Any required additional opinions will be paid for by the Academy.

(5) Employees returning from a disability leave or an absence caused by health problems may be required to provide a doctor's certification of their ability to perform their regular work satisfactorily without endangering themselves or their fellow employees.

(6) Employees who become ill on the job or suffer any work-connected injury, no matter how minor, must report immediately to the Academy Director. The Academy Director will arrange referral for examination, treatment, and recording of the incident as necessary.

(7) The Academy also may require job applicants and current employees to take a test to determine the presence of drugs, narcotics, or alcohol, unless prohibited by the laws and regulations of the Republic of Georgia. For policies and procedures on this type of testing, see DRUGS, NARCOTICS, AND ALCOHOL, Policy 809.

## POLICY 204 INTRODUCTORY PERIOD

### Policy:

It is the policy of the Academy that all new employees and all present employees transferred or promoted to a new job should be carefully monitored and evaluated for an initial introductory period. After satisfactory completion of the introductory period, those employees will be evaluated as provided for in the PERFORMANCE APPRAISALS policy. (See PERFORMANCE APPRAISALS, Policy 302.)

### Comment:

(1) Normally, the introductory period should last at least three months. The Academy Director should observe carefully the performance of each employee in a new job position. Where appropriate, weaknesses in performance, behavior, or development should be brought to the employee's attention for correction.

(2) The Academy Director should prepare a written evaluation of the employee's job performance by the end of the first three months on the new job. (See PERFORMANCE APPRAISALS, Policy 302.) The evaluation should include a recommendation as to whether the employee should continue in the position. Copies of the evaluation should be retained in an employee's employment file. (See HUMAN RESOURCES RECORDS, Policy 900.)

(3) Employees generally will be allowed to continue in their new positions if they are given both a satisfactory evaluation by the end of their initial three-month employment period and their Academy Director's endorsement to continue in the job. Employees who do not receive a satisfactory evaluation and endorsement may be given additional time in 30-day increments to demonstrate their ability to do the job, if the Academy Director feels additional time is warranted in order to achieve acceptable job performance.

(4) The Academy Director may recommend the termination of a newly hired employee at any time. A recommendation for termination should be submitted in writing to the Founders for review and should include an evaluation of the employee's performance. (See also TERMINATION OF EMPLOYMENT, Policy 211.)

(5) At all times, including after successful completion of the introductory period, the employment relationship may be terminated at any time for any lawful reason, subject to the laws and regulations of the Republic of Georgia.

## POLICY 207 TRANSFER

### Policy:

It is the policy of the Academy that it may at its discretion initiate or approve employee job transfers from one job to another.

### Comment:

(1) The Academy may require employees to make either a temporary or long-term job transfer in order to accommodate the Academy's business needs. The Academy will try to limit the number and duration of temporary transfers that it requests of individual employees in a twelve-month period.

(2) Employees may request a voluntary job transfer. To be eligible for a voluntary transfer, employees normally must meet the requirements of the new position, have held their current position for at least six months, have a satisfactory performance record, and have no disciplinary actions during the same period.

(3) Transferred employees will be subject in their new positions to the provisions of the INTRODUCTORY PERIOD policy. (See INTRODUCTORY PERIOD, Policy 206.) The employee will sign a new employment agreement if transferred to a new position.

(4) Pay for transferred employees generally will be handled as follows:

(a) Employees transferred to a job within the same salary range will continue to receive their existing rate of pay;

(b) Employees transferred to a job in a higher salary range will be paid at the higher rate;

(c) Employees who are transferred for disciplinary reasons, lack of work, budgetary reasons, corporate reorganization, or at their own request to a job in a lower salary range will be paid at the lower rate beginning with the start of the new job.

## POLICY 208 PROMOTION

### Policy:

It is the policy of the Academy to offer employees promotions to higher level positions when appropriate. Management prefers to promote from within and may first consider current employees with the necessary qualifications and skills to fill vacancies above the entry level, unless outside recruitment is considered to be in the Academy's best interest.

### Comment:

(1) All employees are encouraged to seek advancement opportunities and to obtain promotion and career guidance from their Academy Director.

(2) Employee eligibility for promotion will be determined by the requirements of the new job. In addition, to be considered, employees must have held their current position for at least six months, have a satisfactory performance record, and have no disciplinary actions during the same period.

(3) Employee candidates for promotion will normally be screened and selected on the basis of attendance and work records, performance appraisals, and job-related qualifications including, in some instances, aptitude or achievement tests. Seniority will be considered if two or more candidates are judged to be equally qualified based on merit, work record, and other qualifications.

(4) Promoted employees will be subject to the provisions of the INTRODUCTORY PERIOD policy in their new positions. (See INTRODUCTORY PERIOD, Policy 206.)

(5) Seniority and pay for promoted employees will be handled as outlined in the TRANSFER policy. (See TRANSFER, Policy 207.)

## POLICY 209 HOURS OF WORK

### Policy:

It is the policy of the Academy to establish the time and duration of working hours as required by work load and production flow, customer service needs, the efficient management of human resources, and any applicable law.

### Comment:

(1) The normal workweek is Monday through Sunday, beginning and ending at midnight on Sunday, and consisting of forty hours. The normal workday will consist of eight hours of work with an unpaid meal period. Rest or coffee breaks are considered as time worked.

(2) The schedule of hours for employees will be determined by the Academy Director. The current hours of work have been established to be 9 a.m. to 6 p.m., Monday through Friday.

(3) The Academy Director may schedule overtime or extra shifts, and employees will be expected to work overtime without direct additional compensation. At the discretion of the Academy Director, employees occasionally may be eligible for compensatory time-off after working abnormally long hours

(4) Employee attendance at lectures, meetings, and training programs will be considered hours of work, and therefore will be compensated time, if attendance is requested by management.

(5) All nonexempt employees are required to complete an individual time record showing the daily hours worked. Time records cover two workweeks and must be completed by the close of each workday. The following points should be considered in filling out time records:

(a) Employees should record their total hours worked for each workday;

(b) Employees are required to take scheduled lunch or meal breaks;

(c) Employee time records must be checked and signed by the Academy Director involved. Unworked time for which an employee is entitled to be paid (paid absences, paid holidays, or paid vacation time) should be approved by the Academy Director on the time record. Authorized overtime also should be identified by the Academy Director;

(d) Unapproved absences should not be considered as hours worked for pay purposes. (SEE ATTENDANCE AND PUNCTUALITY, Policy 701; and SHORT-TERM ABSENCES, Policy 702.) The Academy Director should inform employees if they will not be paid for certain hours of absence;

(e) Filling out another employee's time record or falsifying any time record is prohibited and may be grounds for disciplinary action, up to and including termination. (See BEHAVIOR OF EMPLOYEES, Policy 801; and DISCIPLINARY PROCEDURES, Policy 808.)

## POLICY 210 LAYOFF

### Policy:

It is the policy of the Academy that, if it must reduce employment because of adverse economic or other conditions, layoffs and recall from layoffs generally will be conducted in a manner that is consistent with Academy requirements and in accordance with the procedures described below.

### Comment:

(1) The Academy will attempt to avoid layoffs and, whenever possible, will consider alternatives to layoff before any final decisions are made. In the event that a layoff is expected, the Academy will attempt to communicate information about an impending layoff as soon as possible. However, the Academy Director and the Founders reserve the right to alter the layoff procedure and withhold information about the layoff as permitted by law in order to protect the Academy's business interests.

(2) Layoffs that are known to be permanent will be made according to this policy and then handled according to policies outlined in TERMINATION OF EMPLOYMENT, Policy 211; and SEVERANCE PAY, Policy 303.

(3) Employees will be selected for layoff based on evaluation of the following criteria:

- (a) Demonstrated current and past performance;
- (b) Promotion potential and transferability of skills to other positions within the unit; and
- (c) Length of service with the Academy.

(4) Employees selected for layoff will be given as much notice as is required by Georgian law or as much as is reasonable under the circumstances. Employees will be informed of the reason for the layoff.

(5) Vacation pay equal to the number of unused vacation days accrued during the vacation year will be paid at the time of layoff. (See VACATIONS, Policy 502.)



**POLICY 211 TERMINATION OF EMPLOYMENT****Policy:**

It is the policy of the Academy to terminate employment because of an employee's resignation, discharge, or retirement; the expiration of an employment contract; or a permanent reduction in the workforce. Discharge can be for any reason not prohibited by the laws and regulations of the Republic of Georgia.

**Comment:**

(1) Employees are requested to give written notice of their intent to resign. Failure to give written notice may result in forfeiture of nonvested Academy benefits (such as accrued, unused vacation<sup>3</sup> time unless prohibited by law). (See *HIRING*, Policy 202; and *VACATIONS*, Policy 502.) The following guidelines are suggested:

- (a) Academy Directory should give four weeks' notice;
- (b) Other employees should give at least two weeks' notice.

Employees who are absent from work for three consecutive days without being excused or giving proper notice will be considered as having voluntarily quit. (See *ATTENDANCE AND PUNCTUALITY*, Policy 701.)

(2) For policies and procedures leading up to discharge for disciplinary reasons, see *DISCIPLINARY PROCEDURE*, Policy 808.

(3) For policies and procedures governing termination of an employment contract, see *EMPLOYMENT AGREEMENTS*, Policy 203.

(4) For policies and procedures governing a permanent reduction in force, see *LAYOFF*, Policy 210.

(5) The Academy Director should send notices of resignation or recommendations for termination to the Founders. This information should be accompanied by any needed supporting documents, such as performance appraisals or disciplinary reports. (See *PERFORMANCE APPRAISALS*, Policy 302; and *DISCIPLINARY PROCEDURE*, Policy 808.) Typically, the Founders should clear all terminations before any final action is taken.

(6) Notice of involuntary terminations should be handled carefully and discreetly, preferably in a private meeting including the employee to be terminated, the immediate Academy Director, and a member of the Founders. At its discretion, management may give two weeks' notice of a termination decision or two weeks' pay in lieu of notice.

(7) The Academy Director should maintain written reports of the termination notice meeting (when applicable) and exit interview. Pertinent items requiring managerial review and needed changes of policy should be brought to the attention of the Human Resources Policy Committee. (See *FUNCTIONS OF THIS MANUAL*, Policy 102.)

(8) The Academy Director will attempt to have the final pay for terminating employees available on their last working day. The Director also will be responsible for securing the return by terminated employees of funds advanced and all Academy property in their possession, such as Academy identification cards, keys, credit cards, tools, cars, and club memberships. If the employee owes the Academy any money or is responsible for any lost or damaged property, those accounts are to be settled as originally agreed or by deduction from final pay, unless prohibited by law.

(9) Termination and discharge procedures are only guidelines and do not create a legal contract between the Academy and its employees. The Academy reserves the right to implement its policies and procedures as it sees fit. In addition, specified grounds for termination are not all-inclusive since the Academy reserves the right to terminate employment for any reason. (See DISCIPLINARY PROCEDURE, Policy 808.)

**POLICY 301 SALARY ADMINISTRATION**

**Policy:**

It is the policy of the Academy to pay compensation that is nondiscriminatory and competitive. However, all compensation policy decisions must take into consideration the Academy's overall financial condition and competitive position.

**Comment:**

(1) The Academy Director is responsible for coordinating the continuing internal review of all compensation and for making sure that each job is evaluated and assigned a salary range. (See JOB EVALUATION, Policy 304.) This review should determine whether compensation accurately and fairly reflects each individual's responsibilities and performance.

(2) The Academy Director will, when considered appropriate, participate in or conduct compensation surveys covering other employers with similar jobs. This and other available information should be used to help set pay policy and to determine the relative competitive position of the Academy's pay structure..

(3) The Academy Director is responsible for conducting a compensation review in conjunction with a performance review with each employee at least annually. Compensation decisions generally should be based on performance, length of service, and budget considerations. (See PERFORMANCE APPRAISALS, Policy 302.)

## POLICY 302 PERFORMANCE APPRAISALS

### Policy:

It is the policy of the Academy that the job performance of each employee should be evaluated periodically by the employee's Academy Director.

### Comment:

(1) The Academy Director should complete performance appraisals upon the following occasions:

- (a) By the end of the first three months of employment (see INTRODUCTORY PERIOD, Policy 206);
- (b) In conjunction with the annual salary review or on the anniversary date of employment (see SALARY ADMINISTRATION, Policy 301);
- (c) When the employee is transferred or promoted to a new job.

If a performance appraisal has been completed within one month of the above occasions, a new appraisal does not need to be completed. Between scheduled appraisals, The Academy Director should discuss with employees on an informal basis any performance issues that require attention and should keep records of any significant incidents.

(2) In evaluating employees, The Academy Director should consider factors such as the experience and training of the employee, the job description, and the employee's attainment of previously set objectives and goals. Other factors that normally should be considered include knowledge of the job, quantity and quality of work, promptness in completing assignments, cooperation, initiative, reliability, attendance, judgment, conduct, and acceptance of responsibility.

(3) The Academy Director should prepare a written appraisal of each employee's job performance. The appraisal should include the Academy Director's comments and recommendations, an action plan for the employee and performance goals for the next evaluation period.

(4) After the written evaluation has been reviewed by the employee, the Academy Director and employee should meet and discuss the evaluation, assess the employee's strengths and weaknesses in a constructive manner and set objectives and goals for the period ahead. The employee should be given the opportunity to examine the evaluation and make written comments about any aspect of it. The employee and Academy Director should then sign and date the evaluation and file the evaluation in the employee's Human Resources file. (See HUMAN RESOURCES RECORDS, Policy 900.)

(5) Information derived from the performance appraisal may be considered when making decisions affecting training, pay, promotion, transfer, or continued employment.

(6) The procedures discussed in this policy are only guidelines. The Academy may, in its sole discretion, modify or revoke them in whole or in part at any time. Therefore, these procedures are not a promise or contract, express or implied, and the Academy retains the right to determine whether and how they will be applied, depending on the circumstances.

## POLICY 303 SEVERANCE PAY

### Policy:

It is the policy of the Academy that severance pay may be granted to terminated employees under circumstances required by the laws of the Republic of Georgia.

### Comment:

- (1) Severance pay is intended to provide extra economic help to certain terminated employees while they adjust to their job loss.
- (2) The Academy Director is responsible for administering Academy policy on severance pay and will handle any employee claims or complaints.
- (3) Employees may be considered eligible for severance pay if they have worked full-time for at least one year and are terminated because of:
  - (a) A permanent reduction in force (unless the employee refuses a transfer recommended by the Academy); or
  - (b) The elimination of the job or position;
- (4) Employees normally will not be considered eligible for severance pay if their employment is terminated because of:
  - (a) An employee-initiated voluntary resignation;
  - (b) Misconduct;
  - (c) A breach of an employment agreement;
  - (d) A normal retirement, employee-initiated early retirement, permanent disability, or death; or
  - (e) Merger with, or acquisition by, another Academy, if employment is continued or reinstated without an extended break by the new Academy.
- (5) Eligible employees may be required to sign a release agreement in order to receive severance pay. If a release is required, an employee's refusal to sign it will result in a reduction or complete denial of severance pay.
- (6) When severance pay is granted, eligible employees normally will receive three months' regular straight-time pay, according to Georgian law. Unless otherwise provided, payment will be made in a lump sum at the time when final termination pay is provided.

## POLICY 304 JOB EVALUATION

**Policy:**

It is the policy of the Academy to evaluate all jobs in order to establish a consistent basis for measuring and ranking the relative worth of each job.

**Comment:**

- (1) The Academy Director is responsible for developing and administering the job evaluation program.
- (2) Written job descriptions should be prepared for each position in the Academy. Each job then should be evaluated and ranked using a standardized rating system that measures the job content and worth of the job in the external marketplace.
- (3) All existing jobs are to be assigned a grade or classification based on their relative worth as determined by the evaluation.
- (4) Each grade or classification has a salary range assigned to it and provides for a spread from a minimum to a maximum rate. Employee compensation within any labor grade or classification is based on factors such as merit, experience, individual productivity, length of service, and external market factors. (See SALARY ADMINISTRATION, Policy 301.)
- (5) The Academy Director should evaluate all new positions and review on a periodic basis all job descriptions and evaluations to assure that they accurately reflect current conditions. Employees may request a job reevaluation or an adjustment to grades or classifications.

## POLICY 305 PAY PROCEDURES

### Policy:

It is the policy of the Academy to pay employees on a semi-monthly basis and in a manner so that the amount, method, and timing of wage payments comply with any applicable laws or regulations.

### Comment:

(1) Employees normally will be paid on the fifteenth day and the last day of the month. If the regular payday occurs on a Saturday, Sunday, or a holiday, employees will be paid on the last working day before the regular payday.

(2) Employees on each payday will receive evidence that their pay has been deposited into the bank account established by the Academy to effect salary payments. All social costs will be deducted automatically. No other deductions will be made unless required or allowed by law, contract, or employee obligation.

(3) Employees who discover a mistake in their pay should notify the Academy Director immediately. In the case of a mistake, the error will be remedied promptly.

(4) Under normal circumstances, no pay advances or loans for employees will be made without the prior approval of the Academy Director.

(5) Drivers will be paid overtime compensation at the pro-rated hourly rate of their regular pay for work in excess of forty hours during their normal workweek. Commuting time before the start and after the end of the workday is not treated as work time for pay purposes.

## POLICY 401 TRAVEL

### Policy:

It is the policy of the Academy that business travel must be approved in advance and should be engaged in and reimbursed according to the guidelines below.

### Comment:

(1) Employee travel is generally considered an incidental function of the position, but may be required. The Academy Director must approve any employee travel in advance.

(2) Employees should provide their Academy Director with a copy of their itinerary before leaving on business travel.

(3) Employee expenses for approved travel will be paid or reimbursed when properly documented by the employee and approved by the Academy Director. Examples of expenses normally paid or reimbursed include transportation, meals, lodging, and limited incidental expenses. Employees who know or anticipate that they will have a special request for travel expense reimbursement should ask for approval from their Academy Director before incurring the expense. Any travel expenses considered unreasonable under the circumstances will not be paid or reimbursed and are the employee's personal responsibility.

(4) Employees may obtain a cash advance for approved business travel. Cash advances are Academy property and their use must be properly documented and approved as outlined in Comment (3), above.

(5) For policies and procedures governing reimbursement for business entertaining while traveling, see BUSINESS ENTERTAINING, Policy 403.

(6) Employees traveling on Academy business are representatives of the Academy and are expected to maintain a high level of professionalism and to follow all of the Academy's policies and rules. (See BEHAVIOR OF EMPLOYEES, Policy 801.)



## POLICY 402 AUTOMOBILE USAGE

### Policy:

It is the policy of the Academy to reimburse employees for business use of personal vehicles according to the guidelines below.

### Comment:

(1) Employees whose jobs require regular driving for business as a condition of employment must be able to meet the driver approval standards of this policy at all times. In addition, employees holding those jobs must inform the Academy Director of any changes that may affect their ability to meet the standards of this policy. For example, employees who lose their licenses must report this to the Academy Director. For all other jobs, driving is considered only an incidental function of the position.

(2) Employees who need transportation in the course of Academy business may use their own vehicles for business purposes, but only with the prior approval of their Academy Director.

(3) Employees who drive a vehicle on Academy business must, in addition to meeting the approval requirements above, exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Employees, including persons whose primary work function is driving, are responsible for any driving infractions or fines that result from their driving and must report them to the Academy Director.

(4) Employees driving on Academy business may claim reimbursement for parking fees and tolls actually incurred. In addition, employees may claim reimbursement for gasoline and other expenses directly incurred for business purposes. The employee's Academy Director must approve all requests for reimbursement.

(5) Employees who use their personal vehicles for approved business purposes will receive a mileage allowance equal to X GEL. This allowance is to compensate for the cost of gasoline, oil, depreciation, and insurance.

(6) Employees must report any accident, theft, damage, breakdown, or mechanical problem involving a vehicle used on Academy business to the Academy Director and the Academy Director, regardless of the extent of damage or lack of injuries. These reports must be made as soon as possible but no later than forty-eight hours after the incident.

(7) Other than for official Academy business, it is the policy of the Academy to provide reimbursement for daily parking on Agmashenebeli Street only for official drivers.

**POLICY 403 BUSINESS ENTERTAINING**

**Policy:**

It is the policy of the Academy to authorize certain employees to engage in business entertaining on behalf of the Academy and to pay for or reimburse these expenses according to the guidelines below.

**Comment:**

(1) Employees may entertain business associates on behalf of the Academy only if they have been authorized to do so by the Academy Director. Authorization should define the general circumstances and expense limits of the approved forms of entertainment.

(2) Employee entertainment expenses will be paid or reimbursed if they are reasonable, are directly related to or associated with the Academy's business, and are properly approved by the Academy Director. Employees who incur entertainment expenses which do not meet these standards will be personally responsible for them.

(3) To be approved by the Academy Director, employee entertainment expenses must be documented on an Academy receipt and submitted for reimbursement with the original receipt for the expense incurred. The voucher should contain a detailed itemization of the expenses incurred and a statement of the date, place, and business reason for the entertainment, as well as the names of those present and their business relationships to the Academy.

(4) Any employee engages in business functions or entertainment involving the consumption of alcoholic beverages is expected to exercise moderation and good judgment.

**POLICY 501 DISCLOSURE OF BENEFITS**

**Policy:**

It is the policy of the Academy to meet all legal and regulatory conditions of the Republic of Georgia to enable employees to be eligible to receive state-supported pension benefits.

**Comment:**

(1) The Academy is responsible for paying social costs on behalf of employees on a regular basis.

(2) The Academy also provides a number of other benefits such as paid vacation, holidays, and sick days. (For information on these additional benefits, see SECTIONS 500 and 700.)

(3) The Academy Accountant serves as Administrator of the Academy's welfare and pension plans. The Administrator is responsible for all communications and disclosures concerning Academy benefits and for compliance with all applicable laws and regulations. In addition, the Administrator is available to answer questions concerning the benefit plans.

## POLICY 502 VACATIONS

### Policy:

It is the policy of the Academy to grant annual vacations with pay to full-time employees in accordance with the guidelines established below.

### Comment:

(1) The established vacation year is the calendar year, January 1 through December 31 each year. Vacations are accrued or earned based on the employee's time actually worked. In addition, unused vacation may not be carried over to the next year and normally must be taken in the year in which it is accrued.

(2) Full-time employees will accrue paid vacation of 15 days annually to be accrued semi-monthly at the rate of 5 hours per pay period. Employees may not take paid vacation until they have actually earned the vacation without the permission of the Academy Director. New employees accrue paid vacation upon initial employment and may take accrued vacation as they wish, subject to the permission of the Academy Director.

(3) Vacation pay for employees will consist of the employee's regular rate of pay for the vacation period and generally will be paid on the regularly scheduled payday. Employees who want to receive vacation pay before their vacation must receive permission from the Academy Director.

(4) Generally, employees should submit vacation plans to their Academy Director at least two weeks in advance of the requested vacation date. Management reserves the right to designate when some or all vacations must be taken. The Academy Director is responsible for ensuring adequate staffing levels and should attempt, when feasible, to resolve vacation scheduling conflicts based on length of service. However, employees who want to change their plans after the vacation schedule has been set lose their seniority consideration.

(5) Employees who are entitled to a vacation of two weeks or less may take their full vacation at one time. Those who are entitled to a vacation of more than two weeks normally may take only a maximum of two weeks consecutively, with the balance to be taken separately as full weeks or as individual days. Vacations of less than a full day generally will not be granted.

(6) Employees may not receive vacation pay in lieu of time off. In addition, employees will not be paid for any unused vacation remaining at the end of the vacation year.

(7) If a paid holiday falls within an employee's vacation period, an additional day of vacation will be granted. No allowance will be made for sickness or other type of absence that is compensated occurring during a scheduled vacation.

## POLICY 503 HOLIDAYS

### Policy:

It is the policy of the Academy to designate and observe certain days each year as holidays. Employees will be given a day off with pay for each holiday observed.

### Comment:

- (1) The Academy will observe 10 paid holidays each calendar year. The Academy Director will publish the schedule of holidays the Academy will observe during the year before the beginning of the year.
- (2) Employees are eligible to receive their regular rate of pay for each observed holiday.
- (3) To receive holiday pay, an eligible employee must be at work or taking an approved absence on the work days immediately preceding and immediately following the day on which the holiday is observed. An approved absence is a day of paid vacation. (See VACATIONS, Policy 502.) If an employee is absent on one or both of these days because of an illness or injury, the Academy may require verification of the reason for the absence before approving holiday pay. (See MEDICAL PROCEDURES, Policy 205.)
- (4) A holiday that occurs on a Saturday or Sunday generally will be observed by the Academy on either the preceding Friday or following Monday, as determined by the Academy Director.
- (5) If a holiday occurs during an employee's vacation period, the employee will be given an additional paid day off in lieu of the additional day. (See VACATIONS, Policy 502.)
- (6) The Academy may schedule work on an observed holiday as it considers necessary. Normally, work on an observed holiday will be paid as if the day were a regularly scheduled day. Employees will be given a "floating" holiday that may be taken, with the prior approval of the Academy Director, at another time during the year.

## POLICY 601 MAINTENANCE OF WORK AREAS

### Policy:

It is the policy of the Academy that work areas must be kept clean and orderly at all times.

### Comment:

(1) Employees are responsible for maintaining their work areas in a clean and orderly fashion. To fulfill this responsibility, each employee should, at a minimum, do the following:

(a) Place coats, boots, umbrellas, and other items of clothing in designated areas so that work stations are not unnecessarily cluttered.

(b) Prior to the end of the workday, clean and store all tools and equipment and properly secure any items, papers, or information of value (see SECURITY, Policy 604; and CONFIDENTIAL NATURE OF ACADEMY AFFAIRS, Policy 807).

(2) The Academy Director is responsible for having all employees, not just those responsible for office maintenance, maintain the classrooms and common areas of the Academy areas according to the requirements of this policy. The Academy Director should:

(a) Make sure that aisles, floors, and walls are free of debris and other unnecessary items;

(b) Monitor the facilities and equipment where appropriate;

(c) Arrange for the removal of any items from the workplace that are not needed for the flow of business or the enhancement of employee comfort;

(d) Report to the Academy Director any existing or potential workplace hazards and safety violations; and

(e) Ensure the proper disposal of all trash, waste, and scrap.

(3) The Academy will attempt to maintain the temperature, lighting, and noise level of its facilities at a level that is comfortable for employees and also appropriate for the nature of its operations. Nevertheless, the environmental realities of Georgia may prevent the complete observation of this policy.

(4) Employees must abide by the smoking restrictions established by the Academy's smoking policy and may smoke only in the areas where it is specifically permitted. (See SMOKING, Policy 605.)

## POLICY 602 PERSONAL PROPERTY

### Policy:

It is the policy of the Academy to ask employees to refrain from bringing unnecessary or inappropriate personal property to work.

### Comment:

(1) The Academy recognizes that employees may need to bring certain personal items to work. However, personal property that is not related to the employee's job performance may disrupt work or pose a safety risk to other employees.

(2) Employees are expected to exercise reasonable care to safeguard personal items brought to work. The Academy is not responsible for the loss, damage, or theft of personal belongings; and employees are advised not to carry unnecessary amounts of cash or other valuables with them when they come to work.

(3) To maintain security and protect against theft, the Academy reserves the right to inspect all personal property brought onto the Academy's premises, including, packages, briefcases, backpacks, and bags. In addition, the Academy may inspect the contents of lockers, storage areas, file cabinets, desks, and work stations at any time and remove all Academy property and other items that violate Academy rules and policies. - (See SECURITY, Policy 604.)

(4) Articles of personal property found on the premises should be returned to the owner, if known, or turned in to the Security Guard. Inquiries regarding lost property should be directed to the Security Guard.

225

**POLICY 603 SOLICITATION**

**Policy:**

It is the policy of the Academy to prohibit solicitation and distribution on its premises by both employees and non-employees.

**Comment:**

(1) The Academy disallows solicitation and distribution on its premises because those activities can interfere with its normal operations, reduce employee efficiency, annoy customers, and pose a threat to security.

(2) The Academy Director is responsible for administering this policy and enforcing its provisions. Employees will be subject to disciplinary action for violating this policy. (See BEHAVIOR OF EMPLOYEES, Policy 801; and DISCIPLINARY PROCEDURE, Policy 808.)

(3) Individuals not employed by the Academy are prohibited from soliciting funds or signatures, conducting membership drives, distributing literature or gifts, offering to sell merchandise or services, or engaging in any other solicitation, distribution, or similar activity on Academy premises.

(4) The Academy maintains various communication systems to communicate Academy information to employees and to disseminate or post notices required by law. These communication systems (including bulletin boards, electronic mail, voice mail, facsimile machines, and personal computers) are for business use only and may not be used for employee solicitation or distribution of literature. (See USE OF COMMUNICATION SYSTEMS, Policy 805.)



**POLICY 604 SECURITY****Policy:**

It is the policy of the Academy to make reasonable efforts to provide for the security of its property, its employees, and authorized visitors to its premises.

**Comment:**

- (1) The Academy has hired security guards to oversee the Academy's premises.
- (2) The security guards' responsibilities include:
  - (a) Maintaining, and operating all security devices and systems;
  - (b) Safeguarding electronic communications and files, confidential information, and the release of sensitive information;
  - (c) Monitoring all solicitations and controlling access by nonemployees to Academy premises (see SOLICITATION, Policy 603);
  - (d) Investigating theft and vandalism occurring on Academy premises or involving Academy property; and
  - (e) Communicating security procedures to employees and training employees with respect to their security responsibilities.
- (3) Employees, customers, suppliers, and guests are prohibited from possessing firearms or other weapons on Academy property and at events sponsored by the Academy. Employees are further prohibited from carrying weapons in employer-provided vehicles or in personal vehicles while on business.
- (4) Employees who want to take Academy property or equipment off premises must have their Academy Director's authorization. Removing property or equipment without authorization will result in disciplinary action. Employees are responsible for the proper care and return of all Academy property and equipment assigned to their possession.
- (5) Employees may be searched, questioned, and subject to surveillance whenever the Academy believes this is necessary to maintain security. All personal property brought onto the Academy's premises, such as vehicles, packages, briefcases, backpacks, purses, bags, and wallets, are subject to inspection. In addition, the Academy may inspect the contents of storage areas, file cabinets, desks, and work stations at any time and may remove all Academy property and other items that are in violation of Academy rules and policies. (See PERSONAL PROPERTY, Policy 602.)
- (6) Employees are expected to exercise reasonable care for their own protection and for that of their personal property while on the Academy premises and while away from the premises on business. The Academy assumes no responsibility for loss, damage, or theft of personal property. (See PERSONAL PROPERTY, Policy 602.)

(7) Employees are expected to know and comply with the Academy's security procedures and should report any violations or potential problems to the Academy Director. Violations of Academy security rules or procedures will result in disciplinary action, up to and including termination. (See BEHAVIOR OF EMPLOYEES, Policy 801; and DISCIPLINARY PROCEDURE, Policy 808.) In addition, illegal acts committed by employees may be reported to law enforcement authorities.

## POLICY 701 ATTENDANCE AND PUNCTUALITY

### Policy:

It is the policy of the Academy to require employees to report for work punctually and to work all scheduled hours and any required overtime. Excessive tardiness and poor attendance disrupt work flow and customer service and will not be tolerated.

### Comment:

(1) The Academy Director will establish the working hours of the Academy. Employees are expected to be engaged in carrying out their duties during all scheduled work time and should be ready to begin working at their scheduled starting time. (See HOURS OF WORK, Policy 209.) The Accountants should regularly record all absences.

(2) Employees should notify the Academy Director as far in advance as possible whenever they are unable to report for work, know they will be late, or must leave early. The notice should include a reason for the absence and an indication of when the employee can be expected to report for work. If the Academy Director is unavailable, notification should be made to other colleagues.

(3) Employees generally are expected to report for work during inclement weather conditions if the Academy does not declare an emergency closing.

(4) Employees must report to their Academy Director after being late or absent, give an explanation of the circumstances surrounding their tardiness or absence.

(5) Employees who are frequently away from the premises for business reasons should inform their The Academy Director of their whereabouts during working hours.

(8) Unauthorized or excessive absences or tardiness will result in disciplinary action, up to and including termination. (See DISCIPLINARY PROCEDURE, Policy 808.) An absence is considered to be unauthorized if the employee has not followed proper notification procedures or the absence has not been properly approved.

(9) Employees who are absent from work for three consecutive days without giving proper notice to the Academy will be considered as having voluntarily quit. At that time, the Academy will formally note the termination and advise the employee of the action by certified mail to the employee's last known address. (See TERMINATION OF EMPLOYMENT, Policy 211.)

## POLICY 702 SHORT-TERM ABSENCES

### Policy:

It is the policy of the Academy to permit employees to be absent from work on an authorized short-term basis for a variety of reasons, including sickness or injury. To help employees maintain their income during certain authorized absences, the Academy will provide compensation according to the guidelines below.

### Comment:

(1) An authorized short-term absence may include any of the following (the phrase "immediate family" for the purposes of this policy includes the employee's spouse, brother, sister, father, mother, children, stepchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and any member of the employee's household.) Generally, paid absences, with the exception of sickness, will be limited to one day or less per event:

(a) Sickness or injury resulting in the temporary disability of the employee or a member of the employee's immediate family;

(b) Death, funeral, or estate settlement in the employee's immediate family;

(c) Marriage of the employee or a member of the employee's immediate family;

(d) Urgent personal business that cannot be conducted outside of normal working hours;

(e) Jury duty or testifying as a subpoenaed witness in a judicial proceeding;

(f) Voting in local or national elections;

(g) Religious observance required by the employee's religion;

(h) Emergency closing of the Academy's operations; and

(3) In order for short-term absences to be considered authorized and eligible for compensation, employees must obtain approval for the absence from the Academy Director. Employees should give their Academy Director two weeks' advance notice of an anticipated absence or as much advance notice as is practicable under the circumstances. Unauthorized absences and absences in excess of what is allowed under this policy, except for an approved leave of absence, will be considered abuses of this policy and are grounds for disciplinary action. (See ATTENDANCE AND PUNCTUALITY, Policy 701; and DISCIPLINARY PROCEDURE, Policy 808.)

(4) Employees are eligible to be compensated for regular base wages lost during certain periods of authorized absence to the extent that they have accumulated days of paid absence as provided under this policy.

(5) Employees are eligible to receive compensation for absences up to a total of ten per year, including sick leave, to be accrued semi-monthly at a rate of 3.3 hours per pay period. These paid absences, however, may not be carried over to subsequent years. Depending on circumstances, the Academy Director may wave this policy, according to his discretion. Absence of more than thirty days per year will be considered a termination, subject to approval of the Founders. If employment is terminated, either voluntarily or involuntarily, pay for accumulated and unused days of paid absence under this Policy will not be granted.

(6) If the absence is due to illness or injury of the employee or a family member, written certification from the health care provider of the ill or injured employee or family member verifying the need for leave is required if the absence exceeds ten consecutive days and also may be required for certain shorter absences. (See MEDICAL PROCEDURES, Policy 205;) Employees who falsify the reason for an absence will be subject to disciplinary action, up to and including termination, and compensation for the absence will be stopped immediately. (See DISCIPLINARY PROCEDURE, Policy 808.)

(7) Compensation during authorized absences will not be granted before days of paid absence have been accrued. In addition, authorized days off for short-term absences will not be considered as working time for calculating weekly overtime compensation. (See HOURS OF WORK, Policy 209.)

**POLICY 703 MEAL BREAKS**

**Policy:**

It is the policy of the Academy to provide meal breaks during the course of each workday.

**Comment:**

(1) Full-time employees are allowed a meal break of up to one hour near the middle of the workday.

(2) The Academy Director is responsible for balancing workloads and scheduling meal breaks and should take into consideration the workload and the nature of the job performed. Whenever necessary, the duration and time of meal periods may be changed.

## POLICY 801 BEHAVIOR OF EMPLOYEES

### Policy:

It is the policy of the Academy that certain rules and regulations regarding employee behavior are necessary for efficient business operations and for the benefit and safety of all employees. Conduct that interferes with operations, discredits the Academy, or is offensive to customers or coworkers will not be tolerated.

### Comment:

(1) Employees are expected at all times to conduct themselves in a positive manner in order to promote the best interests of the Academy. Appropriate employee conduct includes:

(a) Treating all customers, visitors, and coworkers in a courteous manner (see CUSTOMER RELATIONS, Policy 804);

(b) Refraining from behavior or conduct that is offensive or undesirable, or which is contrary to the Academy's best interests (see PRODUCTIVE WORK ENVIRONMENT, Policy 201);

(c) Reporting to management suspicious, unethical, or illegal conduct by coworkers, customers, or suppliers (see SECURITY, Policy 604);

(d) Wearing clothing appropriate for the work being performed (see PERSONAL APPEARANCE OF EMPLOYEES, Policy 802);

(e) Performing assigned tasks efficiently and in accord with established quality standards;

(f) Reporting to work punctually as scheduled and being at the proper work station, ready for work, at the assigned starting time (see ATTENDANCE AND PUNCTUALITY, Policy 701);

(g) Giving proper advance notice whenever unable to work or report on time (see ATTENDANCE AND PUNCTUALITY, Policy 701);

(h) Smoking only at times and in places not prohibited by Academy rules (see MAINTENANCE OF WORK AREAS, Policy 601; and SMOKING, Policy 605);

(i) Maintaining cleanliness and order in the workplace and work areas (see MAINTENANCE OF WORK AREAS, Policy 601).

(2) The following conduct is prohibited and individuals engaged in it will be subject to discipline, up to and including termination (see DISCIPLINARY PROCEDURE, Policy 808):

(a) Possessing firearms or other weapons on Academy property;

(b) Fighting or assaulting a coworker or customer;

(c) Threatening or intimidating coworkers, security guards, customers, or guests;

(d) Engaging in any form of sexual or other harassment (see PRODUCTIVE WORK ENVIRONMENT, Policy 201);

(e) Reporting to work under the influence of alcohol, illegal drugs, or narcotics or using, selling, dispensing, or, with the exception of alcohol approved by the Academy director, possessing illegal drugs or narcotics on Academy premises (see BUSINESS ENTERTAINING, Policy 403; and DRUGS, NARCOTICS, AND ALCOHOL, Policy 809);

(f) Disclosing trade secrets or confidential Academy information (see CONFIDENTIAL NATURE OF ACADEMY AFFAIRS, Policy 807);

(g) Falsifying or altering any Academy record or report, such as an employment application, medical reports, production records, time records, expense accounts, absentee reports, or shipping and receiving records;

(h) Stealing, destroying, defacing, or misusing Academy property or another employee's or customer's property;

(i) Misusing Academy communications systems, including electronic mail, computers, Internet access, and telephones (see USE OF COMMUNICATION SYSTEMS, Policy 805);

(j) Refusing to follow management's instructions concerning a job-related matter or being insubordinate;

(k) Soliciting or distributing material in violation of Academy policies (see SOLICITATION, Policy 603);

(l) Smoking where prohibited by Academy policy (see SMOKING, Policy 605);

(m) Using profanity or abusive language (see USE OF COMMUNICATION SYSTEMS, Policy 805);

(n) Gambling on Academy property;

(o) Playing pranks or engaging in horseplay; and

(p) Wearing improper attire or having an inappropriate personal appearance (see PERSONAL APPEARANCE OF EMPLOYEES, Policy 802).

(3) The examples of impermissible behavior described in Comment (2), above, are not intended to be an all-inclusive list. At management's discretion, any violation of the Academy's policies or any conduct considered inappropriate or unsatisfactory may subject the employee to disciplinary action. Questions about this policy should be directed to the Academy Director.



## POLICY 802 PERSONAL APPEARANCE OF EMPLOYEES

### Policy:

It is the policy of the Academy that each employee's dress, grooming, and personal hygiene should be appropriate to the work situation.

### Comment:

(1) Employees are expected at all times to present a professional, businesslike image to customers, prospects, and the public. Acceptable personal appearance, like proper maintenance of work areas, is an ongoing requirement of employment with the Academy. (See MAINTENANCE OF WORK AREAS, Policy 601.) Radical departures from conventional dress or personal grooming and hygiene standards are not permitted.

(2) Employees must comply with the following personal appearance standards:

(a) Employees are expected to dress in a manner that is normally acceptable in similar business establishments. Employees should not wear suggestive attire, athletic clothing, shorts, T-shirts, novelty buttons, baseball hats, and similar items of casual attire since this clothing does not present a businesslike appearance.

(b) Hair should be clean, combed, and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible regardless of length.

(c) Sideburns, moustaches, and beards should be neatly trimmed.

(d) Acceptable personal hygiene must be observed.

(4) At its discretion, the Academy may allow employees to dress in a more casual fashion than is normally required. On these occasions, employees are still expected to present a neat appearance and are not permitted to wear ripped or disheveled clothing, athletic wear, or similarly inappropriate clothing.

(5) Any employee who does not meet the standards of this policy will be required to take corrective action, which may include leaving the premises. Nonexempt employees (those employees subject to the minimum wage and overtime requirements of the Fair Labor Standards Act) will not be compensated for any work time missed because of failure to comply with this policy. Violations of this policy also will result in disciplinary action. (See BEHAVIOR OF EMPLOYEES, Policy 801; and DISCIPLINARY PROCEDURE, Policy 808.)

## POLICY 804 CUSTOMER RELATIONS

### Policy:

It is the policy of the Academy to be customer- and service-oriented and to require employees to treat customers in a courteous and respectful manner at all times.

### Comment:

- (1) Our customers provide the primary source of the Academy's income and each employee's job security. To promote excellent relations with our customers, all employees must represent the Academy in a positive manner and make customers feel appreciated when dealing with the Academy. (See BEHAVIOR OF EMPLOYEES, Policy 801.)
- (2) Employees with customer contact are expected to know the Academy's products and services and to learn what customers want and need. These employees should educate customers about the use of the Academy's products and services and should seek new ways to serve customers.
- (3) Employees are encouraged to report recurring customer-related problems to the Academy Director and to make suggestions for changes in Academy policies or procedures to solve problems.
- (4) Employees should be prepared to listen carefully to customer complaints and deal with them in a helpful, professional manner. If a controversy arises, the employee should explain Academy policy respectfully and clearly. Customers who become unreasonable, abusive, or harassing should be referred to the Academy Director if the employee cannot resolve the problem.
- (5) Employees should be polite and thoughtful when using the telephone. A positive telephone contact with a customer can enhance goodwill, while a negative experience can destroy a valuable relationship. The following procedures should be observed whenever possible:
  - (a) When answering the telephone, use a pleasant tone of voice, give the name of the department, and identify yourself;
  - (b) If the person with whom the caller wishes to speak is on another line, ask if the caller wants to be placed on hold;
  - (c) If a caller has been placed on hold, carefully monitor the time and offer to have the call returned if the person called is not available within a reasonable period;
  - (d) When a caller leaves a name, number, or message, make sure it is recorded correctly and given promptly to the appropriate individual; and
  - (e) All employees should take and place their own telephone calls.
- (6) To measure and evaluate customer service, the Academy may access and monitor employee telephone conversations made in the normal course of business. Any employees whose communications will be monitored will be asked to sign a consent form authorizing the monitoring. (See USE OF COMMUNICATION SYSTEMS, Policy 805.)

(7) Improper use of Academy communications services and equipment will result in discipline, up to and including termination. Improper use includes any misuse as described in this policy as well as any harassing, offensive, demeaning, insulting, defaming, intimidating, or sexually suggestive written, recorded, or electronically transmitted messages. (See BEHAVIOR OF EMPLOYEES, Policy 801.)

(8) The Academy may provide a cellular telephone only for the Academy Director. The Academy Director may determine whether the Academy will reimburse employees for use of cell phone charges on their personal cellular telephones.

## POLICY 806 CONFLICTS OF INTEREST

### Policy:

It is the policy of the Academy to prohibit its employees from engaging in any activity, practice, or conduct which conflicts with, or appears to conflict with, the interests of the Academy, its customers, or its suppliers. Since it is impossible to describe all of the situations that may cause or give the appearance of a conflict of interest, the prohibitions included in this policy are not intended to be exhaustive and include only some of the more clear-cut examples.

### Comment:

(1) Employees are expected to represent the Academy in a positive and ethical manner. Thus, employees have an obligation to avoid conflicts of interest and to refer questions and concerns about potential conflicts to their the Academy Director. Top management and employees who have contact with customers and suppliers may be required to sign a special statement acknowledging their understanding of and adherence to this policy.

(2) Employees may not engage in, directly or indirectly either on or off the job, any conduct which is disloyal, disruptive, competitive, or damaging to the Academy. Prohibited activity also includes any illegal acts in restraint of trade. (See CONFIDENTIAL NATURE OF ACADEMY AFFAIRS, Policy 807.)

(3) Employees may not accept any employment relationship with any organization that does business with, or competes with, the Academy. This prohibition on employment includes serving as an advisor or consultant to any organization of that type, unless the activity is conducted as a representative of the Academy.

(4) Employees must disclose any financial interest they or their immediate family have in any firm that does business with the Academy or that competes with the Academy. The Academy may require divestiture of the interest if it considers the financial interest to be in conflict with its best interests.

(5) Employees and their immediate family may not accept gifts, except those of nominal value, or any special discounts or loans from any person or firm doing, or seeking to do, business with the Academy. The meaning of gifts for purposes of this policy includes the acceptance of lavish entertainment and free travel and lodging.

(6) Employees may not give, offer, or promise, directly or indirectly, anything of value to any representative of a customer, of a potential customer, or of a financial institution in connection with any transaction or business that the Academy may have with that customer, potential customer, or financial institution.

(7) Employees may not disclose inside information to anyone, either inside or outside the organization, who does not have a legitimate business need to know it. (CONFIDENTIAL NATURE OF ACADEMY AFFAIRS, Policy 807.)

(9) Any conflict or potential conflict of interest must be disclosed to the Academy. Failure to do so will result in discipline, up to and including termination. (See DISCIPLINARY PROCEDURE, Policy 808.)

**POLICY 807 CONFIDENTIAL NATURE OF ACADEMY AFFAIRS**

**Policy:**

It is the policy of the Academy that the internal business affairs of the organization, particularly confidential information and trade secrets, represent Academy assets that each employee has a continuing obligation to protect.

**Comment:**

(1) Information designated as confidential may not be discussed with anyone outside the organization and may be discussed within the organization only on a "need to know" basis. In addition, employees have a responsibility to avoid unnecessary disclosure of nonconfidential internal information about the Academy, its employees, its customers, and its suppliers. However, this employee responsibility to safeguard internal Academy affairs is not intended to impede normal business communications and relationships.

(2) Employees authorized to have access to confidential information may be required to sign special nondisclosure agreements and must treat the information as proprietary Academy property for which they are personally responsible. (See EMPLOYMENT AGREEMENTS, Policy 203.) Employees are prohibited from attempting to obtain confidential information for which they have not received authorization. Employees violating this policy will be subject to discipline, up to and including termination, and may be subject to legal action.

(3) The Academy Director is responsible for coordinating the security and control of Academy information and for approving any exceptions to this policy.

(4) All media inquiries and other inquiries of a general nature should be referred to the Academy Director. In addition, all press releases, publications, speeches, or other official declarations must be approved in advance by the Academy Director.

## POLICY 808 DISCIPLINARY PROCEDURE

### Policy:

It is the policy of the Academy that all employees are expected to comply with the Academy's standards of behavior and performance and that any noncompliance with these standards must be corrected.

### Comment:

(1) Under normal circumstances, the Academy endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. It does, however, retain the right to administer discipline in any manner it sees fit. This policy does not in any way restrict the Academy's right to bypass the disciplinary procedures suggested.

(2) The normal application of progressive discipline should be:

- (a) If an employee is not meeting Academy standards of behavior or performance, the Academy Director should take the following action:
  - (i) Meet with the employee to discuss the matter;
  - (ii) Inform the employee of the nature of the problem and the action necessary to correct it; and
  - (iii) Prepare a memorandum for the Academy Director's own records indicating that the meeting has taken place.
- (b) If there is a second occurrence, the Academy Director should hold another meeting with the employee and take the following action:
  - (i) Issue a written reprimand to the employee;
  - (ii) Warn the employee that a third incident will result in more severe disciplinary action; and
  - (iii) Prepare a written report describing the first and second incidents and summarizing the action taken during the meeting with the employee. This information will be included in the employee's human resources file. (See HUMAN RESOURCES RECORDS, Policy 900.)
- (c) If there are additional occurrences, the Academy Director suspend the employee indefinitely and recommend termination.

After taking action above, the Academy Director should prepare and forward to the Founders another written report describing the occurrences, indicating the timing between the occurrences and summarizing the action taken or recommended and its justification.

(3) The progressive disciplinary procedures described in Comment (2), above, may also be applied to an employee who is experiencing a series of unrelated problems involving job performance or behavior.

(4) In cases involving serious misconduct, or any time the Academy Director determines it is necessary, such as a major breach of policy or violation of law, the procedures contained in Comment (2), above, may be disregarded. The Academy Director should suspend the employee immediately and, if appropriate, recommend termination of the employee. (See BEHAVIOR OF EMPLOYEES, Policy 801.) An investigation of the incidents leading up to the suspension should be conducted to determine what further action, if any, should be taken. (See Comment (6), below.) Employees suspended from work generally will not receive or accrue any pay or employee benefits during the suspension.

(5) The Founders should review and approve all recommendations for termination before any final action is taken. (See TERMINATION OF EMPLOYMENT, Policy 211.)

(6) At an investigatory interview conducted for the purpose of determining the facts involved in any suspected violation of Academy rules and regulations, the following procedures normally should apply:

(a) Before the interview, the employee who is suspected of violating Academy rules and regulations should be told in general terms what the interview is about.

(b) The employee may request that a coworker be present at the interview if it may lead to disciplinary action for that employee.

(7) If a disciplined employee works a full year without further disciplinary action under this policy, the next failure to meet behavior or performance standards may be treated as a first occurrence under this policy. However, the Academy may still consider all past disciplinary actions in evaluating the employee. (See PERFORMANCE APPRAISALS, Policy 302.)



## POLICY 809 DRUGS, NARCOTICS, AND ALCOHOL

### Policy:

It is the policy of the Academy to maintain a workplace that is free from the effects of drug and alcohol abuse.

### Comment:

(1) Employees are prohibited from the illegal use, sale, dispensing, distribution, possession, or manufacture of illegal drugs, controlled substances or narcotics on Academy premises or work sites. In addition, the Academy prohibits off-premises abuse of alcohol and controlled substances, as well as the possession, use, or sale of illegal drugs, when these activities adversely affect job performance, job safety, or the Academy's reputation in the community.

(2) The Academy will not hire alcoholics or drug abusers whose current use of those substances prevents them from performing their jobs or who would constitute a direct threat to the property or safety of others.

(3) Employees will be subject to disciplinary action, up to and including termination, for violations of this policy. Violations include, but are not limited to, possessing illegal or controlled substances or narcotics at work; being under the influence of those substances or of alcohol while working; using them while working; or dispensing, distributing, or illegally manufacturing or selling them on Academy premises and work sites.

(4) Employees, their possessions, and Academy-issued equipment and containers under their control are subject to search and surveillance at all times while on Academy premises or work sites or while conducting Academy business. (See SECURITY, Policy 604.)

(5) Employees should report immediately to the Academy Director any action by an employee who demonstrates an unusual pattern of behavior. The Academy Director will determine whether the employee will be required to leave the premises. The security guard on duty should be notified to arrange safe transit.

(6) Employees must report their use of over-the-counter or prescribed medications to the Academy Director if the use might impair their ability to perform their job safely and effectively. A determination will then be made as to whether the employee should be able to perform the essential functions of the job safely and properly. (See MEDICAL PROCEDURES, Policy 205.)

**POLICY 900 HUMAN RESOURCES RECORDS**

**Policy:**

It is the policy of the Academy to maintain human resources records for applicants, employees, and past employees in order to document employment-related decisions, evaluate and assess policies, and comply with government record keeping and reporting requirements.

**Comment:**

(1) The Academy tries to balance its need to obtain, use, and retain employment information with a concern for each individual's privacy. To this end, it attempts to maintain only the human resources information that is necessary for the conduct of its business or required by Republic of Georgia law.

(2) The Academy Director is responsible for overseeing record keeping for all human resources information or for assigning this function to the Academy Accountant and will specify what information should be collected and how it should be stored and secured.

(3) Employees have a responsibility to keep their human resources records up to date and should notify the Academy Accountant in writing of any changes in at least the following:

- (a) Name;
- (b) Address;
- (c) Telephone number;
- (d) Marital status (for tax withholding purposes only);
- (e) Number of dependents;
- (f) Addresses and telephone numbers of dependents and spouse or former spouse;
- (g) Persons to be notified in case of emergency.

(4) Employees may inspect their own human resources records and may copy, but not remove, documents in the file. Inspections by employees must be requested in writing to the Academy Director and will be scheduled at a mutually convenient time. Records that are considered to contain sensitive or confidential corporate plans or information may be excluded from the inspection, and all inspections must be conducted in the presence of a designated employee.

(5) Employees who believe that any file material is incomplete, inaccurate, or irrelevant may submit a written request for file revisions to the Academy Director. If the request is not granted, the employee may place a written statement of disagreement in the file.

(6) Only the Academy Directory may inspect the files of that employee and should be recorded in the file inspected.

(7) Employees should refer all requests from outside the Academy for human resources information concerning applicants, employees, and past employees to the Academy Director. The Academy Director normally will release human resources information only in writing and only after obtaining the written consent of the individual involved. Exceptions may be made to cooperate with legal, safety, and medical officials who need specific employee information. In addition, exceptions may be made to release limited general information, such as employment dates, position held and location of job site.

245



# **BANKERS TRAINING PROGRAM IN GEORGIA**

**DELIVERY ORDER NO. EPE-I-06-95-00070-00**

**FINAL REPORT  
BOOK 2 OF 2  
MAY 2001**

**PROJECT UNDER THE AUSPICES OF THE  
UNITES STATES AGENCY FOR INTERNATIONAL DEVELOPMENT**

**BARENTS GROUP OF KPMG CONSULTING, INC.  
DIANA M. OSINSKI  
KAREN R. WESTERGAARD**

**Appendix P**

# REPORT

## II International Conference DEVELOPMENT OF NEW FORMS OF COOPERATION OF CIS AND EUROPEAN BANK TRAINING INSTITUTES Kiev, November 27-29, 2000

**Presented by Nino JGAMADZE**

*The objective of the Conference was to establish Association of Banking and Finance Institutions providing high education, training and consulting in CIS countries and introduce EBTRA II Project as a basis for the cooperation in development of Accreditation/Certification system. It is an excellent opportunity to make useful contacts and share experience in development training programs, training of trainers and attracting financing from foreign Institutions.*

TOPIC	SUMMARY	RECOMMENDATION
<b>National Center for the Training of Bank Personnel in Ukraine (NCTBPU)</b> Director: Aleksandr Geyets	NCTBPU provides seminars and training for commercial banks' personnel. Recently offers MBA program in partnership with Institute of International Business Relations, Germany. Member of EBTN.	NCTBPU proposes cooperation in exchange of educational materials. Experience of partnership with training institution in Germany and Egypt may be helpful for BFA in further activities, in attraction of foreign instructors and materials.
<b>International Institutions and Projects acting on Ukrainian market:</b> -Delegation of EU: Michel Zayet -TACIS Bank Project: Nikita Reinbot -EBTRA II Project for Ukraine: Oleksandr Lyakh -Ukrainian-European Legal Advice: Remi Dufлот -Westdeutsche Bank: Arnulf Fleischer	International Institutions and Projects co-operate closely with NCTBPU providing instructors, materials and developing joint projects.	Co-operation with TACIS office in Tbilisi, representatives of International Organizations and Projects will be beneficial from the point of attracting attendees as well as finding new contacts for development.

TOPIC	SUMMARY	RECOMENDATION
<p><b>TACIS EU Bureau for Bank Training and Restructuring Advice (EBTRA II)</b> Project Director: Francois-Xavier Noir</p>	<p>EBTRA II focuses on establishment of association of training institutions and support in development of Accreditation / Certification systems in CIS countries. <b>NIS-ABI – Association of NIS Bank Institutes was established by 12 member-institutions from 10 countries.</b> The Draft of Charter was created. Objectives of the entity were declared. Corresponding document was signed by founders. The entrance and annual fees were defined. A. Geyets was elected as President. Participants agreed to conduct <b>the third conference in Tashkent, on January 25-27.</b></p>	<p>Participation in Association provides BFA with opportunities to exchange experience, materials, instructors with other ABI member training institutes and get technical and financial assistance from European Financial Institutions and Organizations.</p>
<p><b>European Bank Training Network (EBTN)</b> President: Josep Soler-Alberti</p>	<p>EBTN is an example of cooperation between banking educational centers from different countries in order to achieve high level of providing programs and share experience. The general concepts of founding this organization were taken in account during discussions on principles of participation.</p>	<p>NIS-ABI as well as each participating member have to direct their efforts towards forming partnership with EBTN and becoming an EBTN member. Principles of Accreditation / Certification developed in European countries and Russia will be helpful not only in financial sector (bankers and financials) but in other fields (education, science) also. BFA could be entity arranging mentioned procedures.</p>
<p><b>EBTRA II Web-Site</b> Advisor: Andrew Fight</p>	<p>All materials presented on web-site were distributed on CDs and new module “Internal Audit and Control for Commercial Banks” was introduced.</p>	<p>Web-site has to be used as the instrument for exchange of educational information and presentation of training modules. It could be used successfully for formation and development of training materials in BFA.</p>
<p><b>Other Banking Training Centers in CIS</b></p>	<p>12 Banking Institutes / Training Centers’ representatives from 10 CIS attended conference.</p>	<p>Taking into account that some of institutes have sufficiently good experience in training delivery and materials development it looks rational to invite instructors from NIS-ABI member institutes. This will be less expensive and sometimes fit the needs of Georgian Banking system more.</p>

**TACIS International Workshop Report**  
**Presented By: Dato Asandize**  
**(As of September 27, 1000)**

*The objective of the workshop was to address issues of common interest to all participating institutes in the following fields of International standards, Accreditation, Certification and Management strategy of Bank Training Institutes.*

TOPIC	SUMMARY	RECOMMENDATION
European Bank Training Network (EBTN)	EBTN is the network of European educational banking institutions, which aims to develop cooperation among these institutions.	EBTRA II performs the functions of EBTN in the CIS. We should direct our efforts towards forming a partnership with EBTRA II. If this cooperation proves to be successful, we can consider becoming an EBTN member.
Tacis EU Bureau for Bank Training and Restructuring Advice (EBTRA II)	EBTRA II was founded to support banking institutions and the TACIS project in CIS countries. EBTRA II focuses on forming banking institutions and establishing network of associations in CIS countries. EBTRA II makes it easier for various projects to exchange educational banking materials and is up to date with standardized educational materials (individual as well as specific), which can be ordered from different countries.	It is very important for the Academy to get assistance. Cooperating with EBTRA II may find additional sources of future funding for the Academy to reach self-sustainability.
EBTRA II WebPage	EBTRA II Website address: <a href="http://www.cis-bankdata.com">www.cis-bankdata.com</a> . The website includes information about educational banking finance institutions currently existing in CIS countries. Interested individuals have access to systemized educational materials, or modules which are divided according to the topics discussed. The literature is bilingual: English and Russian, in WORD and PDF files. Only those having the password can get access to the materials.	We have registered and received a password from the EBTRA II representatives. We could use the website to familiarize our local instructors with the experience of their CIS colleagues. In addition, the website provides another resource for training materials.
International Banking Institute (IBI), Saint Petersburg	IBI is the leader among the banking finance institutions of CIS. Located in the center of Saint Petersburg, IBI has three five-story building, with fully equipped classrooms, a computer lab and a library. Located on IBI campus are Moscow Stock Exchange and Foreign Exchange offices and one of the commercial banks where students can practice their skills after covering theoretical material. The institute gives complete higher education, conducts training seminars and has distance learning facilities.	IBI proposed cooperation with us to exchange educational materials and to conduct distance learning. Cooperation between our institutions can be beneficial and help move the Academy towards achieving self-sustainability.
Other CIS educational banking institutions	Out of all the banking institutions now functioning in CIS countries only 12 were present at the seminar. None of these institutions (except for ours) was founded by commercial banks. 4 of these institutions are now self-sustainable and use only local instructors.	It will be extremely beneficial for the Academy to establish permanent contacts with these institutions. We could even consider inviting several instructors to deliver seminars at the Banking-Finance Academy at our expense.



**Appendix Q**



MEMORANDUM

To Geoff Minott Date December 28, 2000
From Diana Osinski cc Pat Bryski, Cooperation Committee, Academy Founders, Will Cain, Jim Hightower, Laurie Landy, Bob Singletary, James Watson and Karen Westergaard
Subject Memorandum of Understanding

On August 1, I left the Capital Markets Development Project and joined the Bankers Training Project. Barents manages both projects. When I joined, I received several Task Order Benchmarks that I needed to achieve during the five months on or before December 31. Among them was a requirement to secure a Memorandum of Understanding between USAID's Banking-Finance Academy and the Capital Market Training Unit. Specifically, Benchmark 18 cited:

"By the end of this task order, there will be concrete evidence that the Banking-Finance Academy will have begun developing courses with other financial service providers and is taking concrete steps to effect a formal merger with other financial service providers with the view towards creating a self-sustaining financial services training facility."

This benchmark was consistent with the message repeatedly delivered by USAID on many levels that they would not support the development of infrastructure or operations for a Capital Marketing Training Institute. This point was made repeatedly by Alonzo Fulgham and reiterated by you.

Starting in July, both entities were briefed by you regarding USAID's requirements to obtain funding to continue training. Specifically, you repeatedly indicated that USAID's intent was to cover the fixed expenses of the Academy and the variable expenses for capital market training.

To evaluate the readiness of both entities to design, implement, market and evaluate training, I prepared a Diagnostic Report on the Banking-Finance Academy and Capital Market Training Unit. The report was presented to both entities on September 7. The most significant finding was a citation that each training entity had opposite strengths and weaknesses. Listed below is a summary of the strengths (+) and weaknesses (-) by training competency:

Table with 3 columns: Training Competencies, Banking-Finance Academy, Capital Market Training Unit. Rows include Design, Implementation, Marketing, and Evaluation.

During subsequent meetings with both entities, they agreed that there was nothing in the Diagnostic Report that made them reticent of cooperating to conduct training.

Over the course of the five months, numerous meetings were conducted between the Academy Founders and the Capital Market Training Unit (Consortium Institutions). On November 1, we reached agreement on the Memorandum of Understanding and the Founders signed it in the draft form (Attachment 1). However, the Consortium Institutions agreed to sign it when it was in final form.

On December 4, you conducted a meeting to inform me that the training funding delivery mechanism had changed. Specifically, you informed me that Sibley International would provide training funding through a contract or grant on a quarterly basis. On December 7, Sibley's Will Cain presented me with the budget format model to apply for the contract funding. On December 11, I presented Mr. Cain with model budgets for both entities. He reviewed them and we agreed that I was ready to present the model to each respective entity.

On December 12, I presented the model to the Academy Founders. The next day, I presented it to the Consortium Institutions. After these meetings, I realized that the Memorandum of Understanding needed to be adjusted to reflect the new funding mechanism. Given the tight time frame, I modified the Memorandum of Understanding and sent it to both entities on December 18 after notifying you (Attachment 2). Given that each entity was going to contract independently to conduct training, it was no longer appropriate to have them cooperatively involved in managing the Academy. Therefore, I eliminated Article 3: Management of the Project. I also made minor changes to the body of the MOU. However, the spirit of the MOU was still intact. Specifically, it was still incumbent on each entity to collaboratively work together to achieve their respective training goals and fund the operations of the Banking-Finance Academy.

I received no comments on the changes to the MOU from the Founders. However, I received comments from Vakhtang Svanadze on December 19. I responded to his comments via memorandum on December 20 noting that we would not make the requested changes to Articles 1.2 and 2.3. Instead, we would use the original language cited in the November 1 MOU that had been accepted by both parties.

On December 21, I got a request from Tengiz Akhobadze to consistently refer to the capital markets training entity as the Consortium Institutions. I made this change and later that day, the Consortium Banks and Institutions met to sign the MOU. The Consortium Institutions began a discussion regarding their requested changes. You reviewed the requested changes and confirmed that they would not be approved. There was also discussion about conducting specialized courses through the Georgian Securities Industry Association. You noted that the GSIA was not ready to support training. The Consortium Institutions also requested that Article 2.3 be changed to read:

*"The parties of this Memorandum agree to support the Project including the operations and course design and deliveries of the Academy as well as the Capital Market Training Unit".*

You noted that this change was not in compliance with USAID intent to support the operations of the Academy and the variable capital market training expenses. Most importantly, you noted that "An MOU without acknowledging that capital market training will be used to help support the operations of the Academy is of no interest to USAID". At this point, you left the meeting indicating that Gogi Loladze could change the MOU and have everyone sign it. However, it was of no interest to USAID.

MEMORANDUM OF UNDERSTANDING

PAGE 3

Gogi Loladze changed the MOU to reflect equal support for operations and training and asked the Consortium Banks and Institutions to return on December 22 to sign it. On December 22, Nino Jgamadze called me on behalf of the Founders and asked if they needed to sign the MOU prepared by Gogi Loladze. I indicated that USAID had withdrawn the requirement to have an MOU and they didn't need to sign it. Nino indicated that she would come to the meeting and represent the Founders.

On December 22, the Consortium Institutions (Gogi Loladze, Irakli Kirtava, Merab Memarnishvili, Gaioz Sanadze and Vahktang Svanadze) came and asked to sign the MOU they prepared. I reiterate that USAID no longer required the MOU. Therefore, it wasn't necessary to sign it. However, they insisted they sign it as well as take a copy (Attachment 3).

This memorandum serves to document my inability to achieve Benchmark 18. Clearly, the Consortium Institutions were philosophically opposed to signing any document that didn't indicate separate and equal training support from USAID. Therefore, I was unable to achieve the Benchmark and I appreciate your understanding in this matter. Per our conversation, I have been released from achieving this Task Order Benchmark and Laurie Landy has been notified of the situation.

Should you have any questions about this memorandum or matter, please contact me at [dosinski@kpmg.com](mailto:dosinski@kpmg.com).

**Appendix R**



# Bankworld Inc.

Management Consultants

Modernizing the World of Banking and Finance Around the Globe

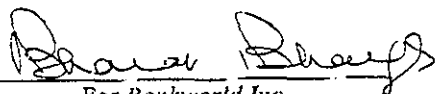
May 10, 2000

Mr. Patrick Bryski  
Barents Group, LLC  
1676 International Drive  
McLean, VA 22102-4828

Dear Mr. Bryski:

1. We are pleased to contract with you for the provision of one or more training course(s) in Georgia, as agreed upon from time to time.
2. The courses are to be provided in the context of the Accreditation Program for National Bank Examiners under the Bank Supervision Project, being carried out by the Booz-Allen/Bankworld consortium on behalf of USAID.
3. The initial course to be provided in June 2000 will be on International Accounting Standards and Financial Analysis.
4. Each course will be provided by an expat trainer and will be of one week in duration.
5. We have reviewed and accept the proposed cost of \$17,795 per course. It is expected to be an all-in cost, covering the remuneration for the trainer, her/his travel, lodging, boarding and other travel related needs, the cost of the facilities, material, local support, general arrangements and related liabilities.
6. In Georgia, the Chief of Party, Mr. Terry Stroud will be the main contact for your staff on behalf of our consortium.

Thank you for your valuable assistance.



Date: May 10, 2000

For Bankworld Inc.

with inclusion of attached addendum.



Date: 11 May 00

For Barents Group, LLC

**ADDENDUM**  
**TO BANKWORLD-BARENTS LETTER SUBCONTRACT**  
**DATED MAY 10, 2000**

THIS ADDENDUM HEREBY MODIFIES the Letter Subcontract dated May 10, 2000 between Bankworld Inc. and Barents Group LLC. A copy of the contract is attached as an exhibit. The modification is as follows:

- Payment shall be made to Barents within 30 days Bankworld receives a valid invoice.

This modification is mutually agreed to by the contracting parties. The remaining terms of the Subcontract are unchanged by this agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Subcontract, or caused it to be signed by their duly authorized representatives, as of the day and year first above mentioned.

Barents Group LLC

*Carol L. Swan*

Carol L. Swan

*18 May 00*

Date

Bankworld, Inc.

*Raeon B. Bantel*

Name, Title *President*

*May 23, 00*

Date

**COURSE 1: INTERNATIONAL ACCOUNTING STANDARDS**

Labor		\$ 9,723.00
Other Direct Costs		\$ 8,072.00
<b>TOTAL COURSE 1</b>		<b>\$ 17,795.00</b>

**COURSE 2: CREDIT**

Labor		\$ 9,723.00
Other Direct Costs		\$ 8,072.00
<b>TOTAL COURSE 2</b>		<b>\$ 17,795.00</b>

**COURSE 3: FOREIGN EXCHANGE**

Labor		\$ 9,723.00
Other Direct Costs		\$ 8,072.00
<b>TOTAL COURSE 3</b>		<b>\$ 17,795.00</b>

**COURSE 4: ASSET LIABILITY MANAGEMENT**

Labor		\$ 9,723.00
Other Direct Costs		\$ 8,072.00
<b>TOTAL COURSE 4</b>		<b>\$ 17,795.00</b>

**COURSE 5: BANK EXEC**

Labor		\$ 9,723.00
Other Direct Costs		\$ 8,072.00
<b>TOTAL COURSE 5</b>		<b>\$ 17,795.00</b>

**GRAND TOTAL**

**88,975.00**



**Appendix S**

## The Banking Finance Academy of Tbilisi, Georgia Strategic Options for Shareholders

### Current Status of the Banking Finance Academy

- The Banking Finance Academy has entered the last six months of its operation under USAID funding and has embarked on an analysis of past operations and strategic options for future activity in an attempt to determine how it can be self-sustaining without USAID funding support.
- The Banking Finance Academy currently charges course fees of 50 GEL for courses taught by both American and Georgian instructors. At this rate, the Academy does not cover the variable costs of course delivery (materials, classroom costs, etc.) See 1999-2000 Income Statement, Appendix A.
- In an attempt to generate additional revenues from excess classroom capacity, the Academy embarked on a marketing plan to rent classroom space to other training programs that has offset a considerable percentage of the variable costs of banking course delivery. Nevertheless, excess capacity rental is not a panacea for obtaining financial self-sufficiency, as this report will later illustrate.
- The Banking Finance Academy has also attempted to cover costs by offering courses in Business English and Computer Skills. While these courses have generated a significant portion of the Academy's revenue, these efforts have still not covered the variable costs of offering these courses when allocating classroom costs based on the number of hours of utilization to determine total course delivery costs by type of course. See 2000-01 Projected Income Statement, Appendix B.
- While many Georgian banks said they would continue to send participants to courses in the event course fees were doubled to 100 GEL, many believe participation will drop, especially if course quality suffers or courses are delivered by Georgian instructors.
- The Academy will not be able to generate the revenue it realized last year from its near-break-even courses (Business English and Cambridge English classes, which contributed 44 percent of the Academy's revenue in 1999/2000). This is due to the formation of a British Council Public Service Language Center (PSLC), which has taken the academy's best instructors due to promises of permanent employment and will likely take all market share of the English-language instruction market.
- Without USAID support, the Banking Finance Academy will be subject to additional taxes currently not payable due to bilateral agreements between the U.S. and the Republic of Georgia. While the Academy is registered as a not-for-profit institution and, therefore, not subject to profit taxes, it will be liable for VAT payments of 20 percent of revenue when not supported by USAID as well as social taxes for employees at 31 percent of salaries. This tax burden will place a significant strain on the Academy in its attempt to achieve self-sustainability.

### ***Overall Assumptions:***

- *Director Appointment:* Many of the strategic options outlined herein require that the Academy recruit a new director, unless it is determined that the Academy will close or merge with another institution. In these events, appointment of a new director is unnecessary, and the Academy can operate this autumn with existing staff.
- *Barents Courses Delivered in Autumn:* Under any scenario, Barents will deliver a certain number of bank training courses in the autumn, the content of which must be prioritized by the bank shareholders. The number of courses will depend on whether the Academy will continue to offer banking courses through Georgian instructors beyond the end of the funding period. If this is the case, a Training of Trainers program should be developed and delivered prior to the end of the USAID contract to continue to build a repertoire of viable Georgian instructors and course materials. This program will require use of some funding currently allocated to general course delivery.
- *Training of Trainers:* The Academy is currently able to offer six courses taught by Georgian instructors: Foreign Exchange, Letters of Credit, Problem Loan Management, Credit Analysis, Customer Service and Human Resources Management. While this does provide a base of course offerings, it does not provide enough breadth for the Academy in the future and will need to be expanded if the Academy is to continue offering courses. Therefore, the project will need to invest in a Training of Trainers course to develop Georgian instructors to teach courses in fields such as: Risk Management, Asset/Liability Management, Treasury Management, Strategic Planning, Bank Product Marketing, IAS Bank Accounting and others, as prioritized by the Academy's bank shareholders.
- *Financial Resources:* The Academy has substantial financial resources in reserve, both from the original contribution of capital from shareholders (\$31,000) and the accumulation of "profits" from course delivery and classroom rental (\$41,000.) Expending these resources can help "buy time" for the Academy, supporting its activities substantially into the future, depending on the strategic option selected.
- *Tax Burden:* With the possible exception of certain options in which the Academy could still be considered under the auspices of a donor-funded program, the Academy faces the implementation of VAT taxes payable on all revenues that currently seem unable to be passed onto customers as well as the imposition of social taxes on staff salaries. The addition of these plus other taxes make self-sustainability even more improbable, as seen in the financial projections. A new director and the bank shareholders will need to find a way to alleviate this tax burden or pass it onto customers during the years of transition to self-sustainability.

## Strategic Choices

The Banking Finance Academy has the following strategic options, not all of which are mutually exclusive. The comparative financial impact of these options are evaluated in Appendix D.

### 1. Become a Financial Services Training Center

#### *Strategic Advantages:*

- Since the Academy can substantially increase its revenues by renting out its classroom space, thereby subsidizing the delivery of banking courses at the Academy, the Academy can embark on a plan of renting out its excess classroom space under a marketing program aimed at positioning the Academy as an overall Financial Services Training Center. The Academy can provide classroom space for rent and offer additional services for the delivery of training courses such as photocopying course materials, equipment rental and seminar logistics management including arranging hotel accommodations for seminars delivered to regional participants in Tbilisi.
- USAID supports a number of programs in Georgia specifically targeted to developing the financial sector of the economy, such as: Capital Markets, Fiscal and Tax Reform, Accounting, Bank Supervision and SME Development. All such projects have training components and many will be seeking classroom facilities. Further, USAID has a vested interest in directing the delivery of these training programs to support the Academy, which it has expended considerable funds to support. Therefore, the Academy would have a captive market for promoting this service for the foreseeable future.
- By supporting other financial and economic development activities, the Academy retains its “financial services” focus by offering programs that will affect the development of the financial sector at large, thereby the banking system. Offering courses supporting the development of other financial sector initiatives is more aligned with the original strategic plan of the Banking Finance Academy than proposals submitted in the past for providing other training services (such as English), which the shareholders elected not to support.

#### *Disadvantages:*

- While this option does reduce the net operating losses of the Banking Finance Academy, pursuing this option will not of itself enable the Academy to break even, even with full rental utilization. The Academy will break even by implementing this strategy only if rental space fees or course delivery fees are raised substantially to cover operating shortfalls and VAT is collected on incremental income. (See Exhibit C, Classroom Rental Strategy.)
- Expanding its course delivery beyond banking may result in the Academy’s losing its focus on delivering banking courses, thereby becoming merely a “real estate” venture by renting classroom space.
- Depending on revenues from other USAID programs is not a long-term solution since these programs will also eventually terminate. Nevertheless, it can help prolong the Academy’s financial viability until the banking system can afford to support the Academy more substantially in the future.

***Required Actions:***

- Should this option be vigorously pursued, the Academy obtain commitment from other USAID-funded programs to rent classroom space. The Academy has already obtained the commitment from the Barents Group Tax project to rent substantial space through the next year although the exact timing and delivery schedule has not yet been determined and there may be some slippage in the timing of course delivery. In addition, tax training is not an ongoing pursuit and will terminate in the next year. The Academy has also already obtained the commitment from the Booz Allen Bank Supervision project to conduct four remaining courses of its bank supervisor certification program at the Academy and will be discussing in the near future the degree to which the Academy can depend on ongoing revenues from this training.
- The Academy needs to develop a marketing plan to sell the Academy's facilities to other programs, which it has already begun. Components already developed include the development of the Academy's web site that promotes its facilities and the completion of several personal sales calls.

**2. Cooperate more closely or "Merge" with other Financial Training Programs**

***Strategic Advantages:***

- The existence of other training programs offered to the broader financial services sector in Georgia creates opportunities for the Academy to spread the fixed costs of its activities (staff, office space, fixed telephone and computer expenses) over a wider range of activities and offering a broader range of training "products" to a larger target audience.
- Specifically, the delivery of training programs to broker-dealers in the securities industry through USAID Capital Markets project can provide synergies for the Banking Finance Academy, especially because several banks even have brokerage subsidiaries that would benefit from ongoing training that can be offered through the Academy. Other resources, such as Georgian instructors, could also be "shared"; for instance, a bank recently mentioned a course in Securities Operations as beneficial to the banking system, which could be offered by an instructor already trained to deliver such courses to the Georgian securities industry.
- As the securities industry grows, the Academy also widens its target market by potentially offering courses already developed for banks such as Customer Service, Human Resources Management, etc., to brokerage agencies.

- To the degree that USAID funding will continue to be available to other groups, such as the Capital Markets program, the Academy can potentially obtain subsidies for some of its fixed costs from USAID financial support of the program. The Academy could also investigate the likelihood of its ability to continue to claim USAID support, thereby also alleviating its tax burden in the short run. As seen in Exhibit D, which presents the financial impact of the Various Strategic Options, the best financial scenario for the Academy would be to merge with the Capital Markets program, thereby obtaining subsidies for fixed costs and tax advantages by continuing to operate under a USAID umbrella. While obtaining this financial advantage through the continued support of USAID is not a long-term strategy, it does help buy time for the Academy to develop other programs and the banks to develop greater revenue growth and stronger balance sheets.
- The global banking system is increasingly focusing on offering “universal” financial services through the development of subsidiaries that offer a range of financial products to corporate and individual clients in securities underwriting and brokerage, asset management, insurance underwriting and brokerage, pension and retirement planning and other services. Positioning the Academy to offer training in a wide variety of financial sector programs promotes Georgian banks’ ability to cross-train its staff on the range of financial products offered by global “universal banks.”

***Disadvantages:***

- As illustrated in Appendix D, should USAID support for the Capital Markets program not be extended, merger would actually be detrimental to the Academy unless shortfalls were absorbed by the securities industry. Even if funding for the continuation of the Capital Markets program is continued for another year, the short-term nature of extended support for this training also makes this strategy highly transitional and unable to be sustained longer than one year.
- So far, shareholders have been very reluctant to embrace this option as a solution, believing there to be competition and a conflict of interest between the two groups. This must be discussed and addressed in the merging of these activities.
- Sharing fixed expenses such as staff would require that the Academy’s director have two separate reporting entities since it is unlikely that both the bank shareholders and the securities industry advisory board would agree to a seamless merger. Conflicts between them would place the director in the center of disputes, which could disrupt the smooth operation of the Academy.

***Required Actions:***

- In the event that a merger or greater “cooperation” is accepted, the distribution of Academy resources between the two programs must be discussed and resolved. It is conceivable that the Academy can retain its bank shareholder ownership and the two programs could be run separately but under the same “institute.” Nevertheless, issues such as who the director reports to, how the Academy’s shareholders interact with the Capital Markets Advisory Committee (comprised of the Stock Exchange, the Broker-Dealer Association and the Securities Commission) and how the Academy can be considered under the USAID umbrella for tax purposes must also be determined.

- Academy shareholders must nominate a committee which will take responsibility for interacting and negotiating with the Capital Markets Advisory Committee to determine the “rules” of the merger including the legal relationship and the practical working relationships of the two groups.

### 3. Become “Acquired” by Existing Educational Institutions

#### *Strategic Advantages:*

- Becoming “acquired” by one of the two educational institutions in Tbilisi offering higher education in business and management may provide the Academy with greater leadership, more stable finances through economies of scale, diffused expenses and the sharing of institutional resources that would contribute to its survival.
- The Academy could sustain its own identity as an institution of continuing education for bank professionals, similar to the way in which American business schools have established separate institutions serving the business community and which foster greater cooperation between business education and the industries served by educational facilities.
- Ultimate leadership would be the responsibility of the rector of the university, and fixed costs such as other staff, accounting functions, logistics, security and maintenance could be absorbed by the university.
- The Academy and the university could share instructors in management, accounting, finance, marketing and other business activities developed by the university. The university could utilize instructors developed in the banking field (either existing or initially developed this autumn) that would contribute to the development of a faculty or focus in banking at the university level, a prospect already discussed by some banks and the European School of Management (ESM).
- The Academy could continue to have access to Western courses through either university due to cooperation of ESM with the London School of Business and of the Causasus School of Business with Georgia State University. Should a banking program be established at either university, it is possible that the university could recruit visiting professors of banking to provide some, although likely few, seminars to bank professionals.
- Training of Trainers activities this autumn could be integrated with the university to help develop a longer-term focus for the universities in teaching banking topics.

#### *Disadvantages:*

- Although financially more viable than several other options, at this point, it is very unclear what the exact financial impact of this type of program would be. Nevertheless, the possible financial impact is quantified in Appendix D.
- Lack of vision of university rectors could result in the eventual loss of the Academy’s identity as a separate institute under the umbrella of the university and its mission lost in pursuit of the separate strategic goals of the university.
- Lack of specific focus on continuing education and lack of qualified instructors in general could eventually lead to the dissolution of the Academy.

***Required Actions:***

- Bank shareholders would have to determine the degree to which it would require the university to retain the identity of the Academy in exchange for access to Academy assets through the "acquisition." Further, bank shareholders would have to become more involved in shaping the direction and leadership of the Academy than they do at present or the focus on continuing education for bank professionals would likely be lost.
- Bank shareholders would have to determine which university it wanted to support. As an initial impression, the rector of the ESA seems to lack certain vision for creating and retaining an Academy for the Continuing Education of Bankers (i.e., the Banking Finance Academy) than does the rector of the CSA, but the ESA has a longer-term, self-sustaining history than does the CSA, which would likely make ESA more financially viable and more likely to continue to operate.
- Bank shareholders would have to determine how the shareholders interact on an ongoing basis with the university, whether through an advisory board, joint ownership of the Academy with the university, etc., and how this will affect the Academy's legal status and the way in which it operates.
- Bank shareholders would have to determine whether they wanted to retain the Academy's current premises to maintain a degree of autonomy and how to pay for this when classroom space could be available at the university at no cost. They would also have to determine the tradeoff of poor teaching conditions for bank professionals at the university during energy crises.
- Academy shareholders must nominate a committee who will take responsibility for interacting and negotiating with the selected university to determine the "rules" of the acquisition and the legal relationship of the Academy and the university.

**4. Close Down Completely after Year-End 2000**

***Strategic Advantages:***

- The Academy will have extreme difficulty in meeting its goals for self-sufficiency, as illustrated by the financial impact of the range of options outlined in Appendix D. Under most scenarios, it could operate for one more year, perhaps until December 2001, utilizing financial assets to cover cash-flow losses. And, even though there has been great effort made to train Georgian instructors on the delivery of banking courses (and they have delivered these courses at the Academy in the past), the Academy lacks the ongoing ability to support the continual update of courses and development of instructors that would generate ongoing course revenues in the future. Further, the banks' unwillingness or inability to pay more per course than \$25 indicates that the Georgian banking community is currently too small and too poor to sustain an Academy dedicated to meeting the ongoing training needs of Georgian banks.
- Realizing the likelihood of the Academy's inability to be self-sustaining will allow the focus of remaining USAID funds to be spent on delivery of courses this autumn that address the banking system's most urgent needs for training.



- Determining it will not operate allows shareholders to concentrate on managing their banks in the short run.

***Disadvantages:***

- Much effort and expense has been borne by USAID and the banks themselves on establishing the Academy. It will cost more to reestablish the Academy in the future when the Academy may be able to survive for several years, buying time for the banking system to mature.
- Continued opportunity for Georgian banking instructors to obtain practice in their teaching abilities will be lost, creating a future void in the ability of Georgian instructors to provide training to Georgian bankers.

***Required Actions:***

- Determination of most important courses to be delivered to the banking system this autumn.
- Determination of method of asset distribution to the bank shareholders.

Financial projections based on these options follow.

**APPENDIX A**

**1999-2000 Academic Year (September to August)**

**Revenue and Gross Margin Analysis by Course Type**

Revenue	Gross Revenue	Number of Courses	Number of Participants	Revenue Per Participant	Instructor Costs/Type	Room Cost Per Type	Variable Cost Per Type	Total Cost Per Type	Gross Margin Course Type	Gross W/Office Rental
Barents Banking Seminars	\$ 3,420	10	185	\$ 18.49	N/A	\$ 2,956	\$ 3,737	\$ 6,693	\$ (3,273)	\$
Georgian Banking Seminars	\$ 800	3	38	\$ 21.05	\$ 900	\$ 887	\$ 1,121	\$ 2,908	\$ (2,108)	\$
Business English	\$ 9,014	6	63	\$ 143.08	\$ 4,800	\$ 4,256	\$ 747	\$ 9,804	\$ (790)	\$
Cambridge English	\$ 3,642	2	32	\$ 113.81	\$ 2,800	\$ 2,837	\$ 747	\$ 6,385	\$ (2,743)	\$
Computer Classes	\$ 1,390	3	14	\$ 99.29	\$ 520	\$ 355	\$ 374	\$ 1,248	\$ 142	\$
GMAT Preparation	\$ 950	1	10	\$ 95.00	\$ 1,800	\$ 709	\$ 747	\$ 3,257	\$ (2,307)	\$
<b>Total</b>	<b>\$ 19,216</b>	<b>25</b>	<b>342</b>					<b>\$ 30,294</b>	<b>\$ (11,078)</b>	<b>\$</b>
<b>Classroom Rental Revenue</b>	<b>\$ 9,745</b>									
<b>TOTAL REVENUE</b>	<b>\$ 28,961</b>									

**Variable Expenses**

Expense	Number of Courses/Mos	Number of Courses/Mos	Pay per Course/Mo
Georgian Instructor Salaries			
Banking Instructors (3 x \$300)	3		\$ 300.00
Business English Instructors (8 cl x3 mo x \$200)	8	3	\$ 200.00
Cambridge Instructor (3 cl x 6 mo x \$200)	3	6	\$ 200.00
Computer Instructor (3 cl x 2 mo x \$120)	3	2	\$ 120.00
GMAT Instructor	1	6	\$ 300.00
Course Materials	6		
Xerox Expenses			
Office Supplies			
Coffee Breaks			
Other Expenses			
Heating Costs		\$ 7,474	Variable Misc
Classroom Rental Costs		\$ 6,718	Fixed Misc.
		\$ 14,192	
<b>Total Variable Expenses</b>			<b>\$ 30,294</b>
<b>Gross Margin</b>			<b>\$ (11,078)</b>
<b>Gross Margin Including Rental Income</b>			<b>\$ (1,333)</b>

**Fixed Expenses**

Office Expenses  
Office Expenses

Office Rent	\$	8,160
Telephone	\$	3,000
Electricity	\$	1,018
Email	\$	700
Document Translation	\$	2,000
<b>Subtotal Office</b>	<b>\$</b>	<b>14,878</b>
Salary Expenses		
Director	\$	16,900
Secretary	\$	5,525
Accountant	\$	5,525
Interpreter (Barents Courses)	\$	12,657
Driver	\$	6,000
Security	\$	7,680
<b>Subtotal Salaries</b>	<b>\$</b>	<b>54,287</b>
<b>Total Fixed Expenses</b>	<b>\$</b>	<b>69,165</b>
<b>Total Expenses</b>	<b>\$</b>	<b>99,459</b>
<b>Net Operating Loss</b>	<b>\$</b>	<b>(70,498)</b>

**HOW COOPERATION MIGHT WORK**  
For Illustrative Purposes Only.

	Sep-Dec 2000		Jan-Dec 2001	
	Banking Program	Capital Markets Program	Banking Program	Capital Markets Program
<b>Revenue from Seminars</b>				
Banking Seminars	\$ 4,500		\$ 7,500	
Capital Markets Seminars	\$ -	\$ -		\$ 7,500
<b>Total Revenue</b>	<b>\$ 4,500</b>	<b>\$ -</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>
<b>Variable Expenses</b>				
<b>Instructor Fees</b>				
Banking Instructor Fees	\$ 3,600		\$ 6,000	
Capital Markets Fees		\$ 3,600		\$ 6,000
<b>Miscellaneous Variable Expenses</b>				
Banking Course Delivery Expenses	\$ 5,600		\$ 12,600	
CM Course Delivery Expenses		\$ 5,600		\$ 12,600
<b>Total Variable Expenses</b>	<b>\$ 5,600</b>	<b>\$ 5,600</b>	<b>\$ 12,600</b>	<b>\$ 12,600</b>
<b>Fixed Expenses</b>				
<b>Salaries</b>				
Director	\$ 4,000		\$ 12,000	
Training Manager/Asst. Director	\$ 3,200		\$ 9,600	
Accountant	\$ 2,800		\$ 8,400	
Secretary	\$ 1,400		\$ 4,200	
Technical Assistant	\$ 2,000		\$ 6,000	
<b>Total</b>	<b>\$ 13,400</b>		<b>\$ 40,200</b>	
<b>Other Fixed Expenses</b>				
Classroom and Office Rent	\$ 6,720		\$ 20,160	
Other Fixed Expenses	\$ 2,400		\$ 7,200	
<b>Total</b>	<b>\$ 9,120</b>		<b>\$ 27,360</b>	
<b>Total Fixed Expenses</b>	<b>\$ 22,520</b>		<b>\$ 67,560</b>	
<b>Total Expenses Banking Program</b>	<b>\$ 28,120</b>		<b>\$ 12,600</b>	
<b>Total Expenses CM Program</b>		<b>\$ 5,600</b>		<b>\$ 80,160</b>
Less Revenue Per Program	\$ 4,500	\$ -	\$ 7,500	\$ 7,500
<b>Cost to Program</b>	<b>\$ 23,620</b>	<b>\$ 5,600</b>	<b>\$ 5,100</b>	<b>\$ 72,660</b>

Assumes 12 banking courses and 12 capital markets courses in 2000; 20 courses for each program in 2001.

**APPENDIX B**  
**Projected Base Income Statement 2000-2001**

<b>Revenue from Seminars</b>	<b>Course Fee</b>	<b>Number of Courses</b>	<b>Number of Participants</b>	<b>Course Revenue</b>
Barents Banking Seminars	\$ 25	4	20	\$ 2,000
Georgian Banking Seminars	\$ 25	16	15	\$ 6,000
Computer Courses	\$ 100	4	5	\$ 2,000
<b>Total Revenue</b>		<b>24</b>	<b>340</b>	<b>\$ 10,000</b>

**Variable Expenses**

<b>Instructor Fees</b>	<b>Per Course</b>	<b>Total</b>
Banking Instructor Fees	\$ 300	\$ 4,800
Computer Instructor Fees	\$ 120	\$ 480
Interpreters (Barents Courses)	\$ 150	\$ 600

**Miscellaneous Variable Expenses**

	<b>Monthly</b>	<b>Annually</b>
Paper	\$ 200	\$ 2,400
Spines	\$ 50	\$ 600
Cover Sheets	\$ 50	\$ 600
Kerosene	\$ 100	\$ 1,200
Copier Toner	\$ 100	\$ 1,200
Copier Cartridges	\$ 75	\$ 900
Printer Cartridges	\$ 50	\$ 600
Kitchen Supplies	\$ 100	\$ 1,200
Copier Maintenance	\$ 50	\$ 600
Network Maintenance	\$ 50	\$ 600
<b>Total Variable Expenses</b>	<b>\$ 1,395</b>	<b>\$ 15,780</b>

**Fixed Expenses**

	<b>Monthly Net</b>	<b>Annual with 31% Taxes</b>
<b>Salaries</b>		
Director	\$ 700	\$ 11,004
Accountant	\$ 350	\$ 5,502
Secretary	\$ 350	\$ 5,502
Technical Assistant	\$ 400	\$ 6,288
Maintenance/Security	\$ 200	\$ 3,144
<b>Total</b>	<b>\$ 2,000</b>	<b>\$ 31,440</b>

**Other Fixed Expenses**

	<b>Monthly</b>	<b>Annual</b>
Classroom and Office Rent	\$ 1,680	\$ 20,160
Petrol	\$ 50	\$ 600
Office Supplies	\$ 20	\$ 240
Telephone	\$ 100	\$ 1,200
Email/Internet	\$ 75	\$ 900
Computer Checkup	\$ 50	\$ 600
<b>Total</b>	<b>\$ 295</b>	<b>\$ 23,700</b>

**Total Fixed Expenses** \$ 2,295 \$ 55,140

**Total Expenses** \$ 3,690 \$ 70,920

**Net Income before Taxes** \$ (60,920)

Less Taxes:

VAT (20% of Revenue) \$ 2,000

Miscellaneous Taxes (3% of Exp) \$ 403

**Net Income** \$ (63,323)

272

### Summary Financials

	Actual 1999-2000	Projected 2000-2001
Seminar Revenue	\$ 19,216	\$ 10,000
Rental Revenue	\$ 9,745	\$ -
<b>Total Revenue</b>	<b>\$ 28,961</b>	<b>\$ 10,000</b>
Variable Expenses	\$ 18,294	\$ 15,780
Salary Expenses	\$ 54,287	\$ 31,440
Fixed Expenses	\$ 26,878	\$ 23,700
<b>Total Expenses</b>	<b>\$ 99,459</b>	<b>\$ 70,920</b>
<b>Net Income before Taxes</b>	<b>\$ (70,498)</b>	<b>\$ (60,920)</b>
<i>Less Taxes</i>	\$ -	\$ 2,403
<b>Net Income w/o Rental Impact</b>	<b>\$ (80,243)</b>	<b>\$ (63,323)</b>
<b>Net Income w/o Tax Impact</b>	<b>\$ (80,243)</b>	<b>\$ (53,480)</b>

Notes:

VAT, Social Costs and other taxes were not included in 1999-2000 actuals.

<b>Variable Expenses</b>	<b>Monthly</b>	<b>Annually</b>
Instructor Salaries (by Course)		
Course Materials		
Xerox Expenses		
Office Supplies		
Coffee Breaks		
Other Expenses		
<b>Total Variable Expenses</b>		
<b>Course Revision Expenses (by Course)</b>		
<b>Fixed Expenses</b>		
Office Expenses		
Office Rent	\$ 1,700	\$ 20,400
Telephone	\$ 200	\$ 2,400
Electricity and Petrol	\$ 200	\$ 2,400
Email	\$ 100	\$ 1,200
Office Supplies	\$ 100	\$ 1,200
<b>Subtotal Office</b>	<b>\$ 2,300</b>	<b>\$ 27,600</b>
Salary Expenses (Including 32% Social Costs)		
Director	\$ 1,320	\$ 15,840
Training Manager	\$ 900	\$ 10,800
Interpreter/Translator*	\$ 900	\$ 10,800
Office Assistant	\$ 500	\$ 6,000
Accountant	\$ 1,070	\$ 12,840
Technical Assistant	\$ 660	\$ 7,920
Office Maintenance	\$ 270	\$ 3,240
<b>Subtotal Salaries</b>		<b>\$ 67,440</b>
<b>Capital Expenses**</b>		
Photocopier		\$ 15,000
Laptop (2)		\$ 6,000
Laser Printer (1)		\$ 800
Replacement Heater/A/C		\$ 1,000
<b>Total Capital Expenses</b>		<b>\$ 22,800</b>
<b>Total Fixed Expenses</b>		
<b>Total Expenses</b>		

\* Necessary only if contractor does not have staff interpreter/translator.

\*\* This is replacement equipment due to four years' depreciation of existing Academy equipment.



**APPENDIX D**  
**Various Strategic Options**

	<b>Scenario 1</b> Delivery of Bank Courses Only	<b>Scenario 2</b> Classroom Rental Scenario 6	<b>Scenario 3</b> USAID Subsidies for Cap Mkts	<b>Scenario 4</b> No USAID Subsidies for Cap Mkts	<b>Scenario 5</b> University Acquisition
Bank Seminar Revenue	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Rental Revenue	\$ -	\$ 21,000	\$ 21,000	\$ 21,000	
Capital Markets Revenue	\$ -	\$ -	\$ 19,125	\$ 19,125	\$ -
<b>Total Revenue</b>	<b>\$ 10,000</b>	<b>\$ 31,000</b>	<b>\$ 50,125</b>	<b>\$ 50,125</b>	<b>\$ 10,000</b>
Variable Bank Course Expenses	\$ 15,780	\$ 15,780	\$ 15,780	\$ 15,780	\$ 15,780
Variable Cap Mkts Expenses	\$ -	\$ -	\$ -	\$ 60,140	\$ -
Rent plus other Fixed Expenses	\$ 12,940	\$ 23,700	\$ 23,700	\$ 23,700	\$ 3,540
Salary Expenses	\$ 31,440	\$ 31,440	\$ -	\$ 31,440	\$ 11,004
<b>Total Expenses</b>	<b>\$ 60,160</b>	<b>\$ 70,920</b>	<b>\$ 39,480</b>	<b>\$ 131,060</b>	<b>\$ 30,324</b>
<b>Net Income before Taxes</b>	<b>\$ (50,160)</b>	<b>\$ (39,920)</b>	<b>\$ 10,645</b>	<b>\$ (80,935)</b>	<b>\$ (20,324)</b>
Less VAT	\$ 2,403	\$ 6,603	\$ 6,603	\$ 10,428	\$ 2,403
<b>Net Income</b>	<b>\$ (52,563)</b>	<b>\$ (46,523)</b>	<b>\$ 4,042</b>	<b>\$ (91,363)</b>	<b>\$ (22,727)</b>

**Assumptions:**

**Scenario 1:**

All revenue projections for banking course delivery based on standard model.

All variable expenses for banking course delivery based on standard model.

Forfeiture of office/classroom; assumes monthly office rent of \$200 and \$70 per day expenses to rent classroom.

**Scenario 2:**

Most likely scenario option for classroom rental. All other revenue and expenses based on standard model.

**Scenario 3:**

All revenue and variable expense projections for banking course delivery based on standard model.

Revenue for capital markets courses based on projections of 51 seminars, 15 participants per course, \$25 per participant.

Rental revenue assumed to be Scenario 6, which is close to full utilization due to banking and capital markets course delivery needs.

All variable expenses for capital markets course delivery subsidized by USAID.

All salaries and miscellaneous fixed expenses for the joint program subsidized by USAID.

Classroom and office rent assumed borne by the Academy.

VAT not paid for Capital Markets seminars.

**Scenario 4:**

Assumptions identical to Scenario 3 except that USAID does not subsidize capital markets delivery. Projected capital markets delivery costs of:

Revenue	\$	19,125	(51 seminars, 15 participants per course, \$25 per participant)
Fixed Expenses	\$	20,596	
Course Revision	\$	18,000	
Variable Expenses	\$	42,140	
Net Income	\$	(61,611)	

**Scenario 5:**

All revenue and variable expense projections for banking course delivery based on standard model.

Forfeiture of office/classroom and no rental income.

Miscellaneous fixed expenses based on standard model, less classroom/office rental expenses.

Salary expenses assumed to be for Director only; other tasks provided by existing university personnel.

**REVISED APPENDIX D**  
**Various Strategic Options**

	Scenario 1 Classroom Rental Scenario 6	Scenario 2 USAID Subsidies for Cap Mkts	Scenario 3 University Acquisition
Bank Seminar Revenue	\$ 10,000	\$ 10,000	\$ 10,000
Rental Revenue	\$ 21,000	\$ 21,000	\$ -
Capital Markets Revenue	\$ -	\$ 19,125	\$ -
<b>Total Revenue</b>	<b>\$ 31,000</b>	<b>\$ 50,125</b>	<b>\$ 10,000</b>
	\$ -	\$ -	\$ -
Variable Bank Course Expenses	\$ 15,780	\$ 15,780	\$ 15,780
Variable Cap Mkts Expenses	\$ -	\$ -	\$ -
Rent plus other Fixed Expenses	\$ 23,700	\$ 23,700	\$ 3,540
Salary Expenses	\$ 31,440	\$ -	\$ 11,004
<b>Total Expenses</b>	<b>\$ 70,920</b>	<b>\$ 39,480</b>	<b>\$ 30,324</b>
	\$ -	\$ -	\$ -
<b>Net Income before Taxes</b>	<b>\$ (39,920)</b>	<b>\$ 10,645</b>	<b>\$ (20,324)</b>
Less VAT	\$ 6,603	\$ 6,603	\$ 2,403
	\$ -	\$ -	\$ -
<b>Net Income</b>	<b>\$ (46,523)</b>	<b>\$ 4,042</b>	<b>\$ (22,727)</b>

**Assumptions:**

**Scenario 1:**

Most likely scenario option for classroom rental. All other revenue and expenses based on standard model.

**Scenario 2:**

All revenue and variable expense projections for banking course delivery based on standard model.

Revenue for capital markets courses based on projections of 51 seminars, 15 participants per course, \$25 per participant.

Rental revenue assumed to be Scenario 6, which is close to full utilization due to banking and capital markets course delivery needs.

All variable expenses for capital markets course delivery subsidized by USAID.

All salaries and miscellaneous fixed expenses for the joint program subsidized by USAID.

Classroom and office rent assumed borne by the Academy.

VAT not paid for Capital Markets seminars.

Capital Markets seminar assumptions:

Revenue	\$	19,125
Fixed Expenses	\$	20,596
Course Revision	\$	18,000
Variable Expenses	\$	42,140
Net Income	\$	(61,611)

**Scenario 3:**

All revenue and variable expense projections for banking (51 seminars, 15 participants per course, \$25 per participant)

Forfeiture of office/classroom and no rental income.

Miscellaneous fixed expenses based on standard model, less classroom/office rental expenses.

Salary expenses assumed to be for Director only; other tasks provided by existing university personnel.

**Appendix T**



**BANKING-FINANCE ACADEMY AND  
CAPITAL MARKETS TRAINING UNIT  
DIAGNOSTIC REPORT**

*This document is confidential and intended solely  
for the client to whom it is addressed.*

**USAID**  
**TBILISI, GEORGIA**  
AUGUST 2000

## CONSULTANT'S NOTE

*The following diagnostic report cites the current and optimal level of performance for USAID's Banking-Finance Academy and Capital Markets Training Unit. Barents Group established and manages both training entities. Therefore, the reader will note similarities in the current and optimal levels of performance.*

*The data on the current performance of the Banking-Finance Academy was reviewed and approved by the former Director, Tamrico Pavlenishvili.*

*The data on the current performance of the Capital Markets Training Unit was reviewed and approved by the former Training Manager, Natasha Nikuradze.*

*Suggestions to improve the level of performance within the training entities assumes that cooperation will be established to each entities satisfaction. This cooperation will permit the training entities to collectively improve their training infrastructure so that it can address the training needs of the banking and the capital markets community. Most importantly, cooperation will permit access to future USAID funding.*

## TABLE OF CONTENTS

I.	Introduction	1
II.	Diagnostic Approach	3
III.	Performance Gap Analysis	6
	A. Current Banking-Finance Academy Performance	9
	B. Current Capital Markets Training Unit Performance	17
	C. Optimal Banking-Finance Academy Performance	25
	D. Optimal Capital Markets Training Unit Performance	36
	E. Operating Environment	47
IV.	Performance Gap Closure	50
V.	Next Steps	62

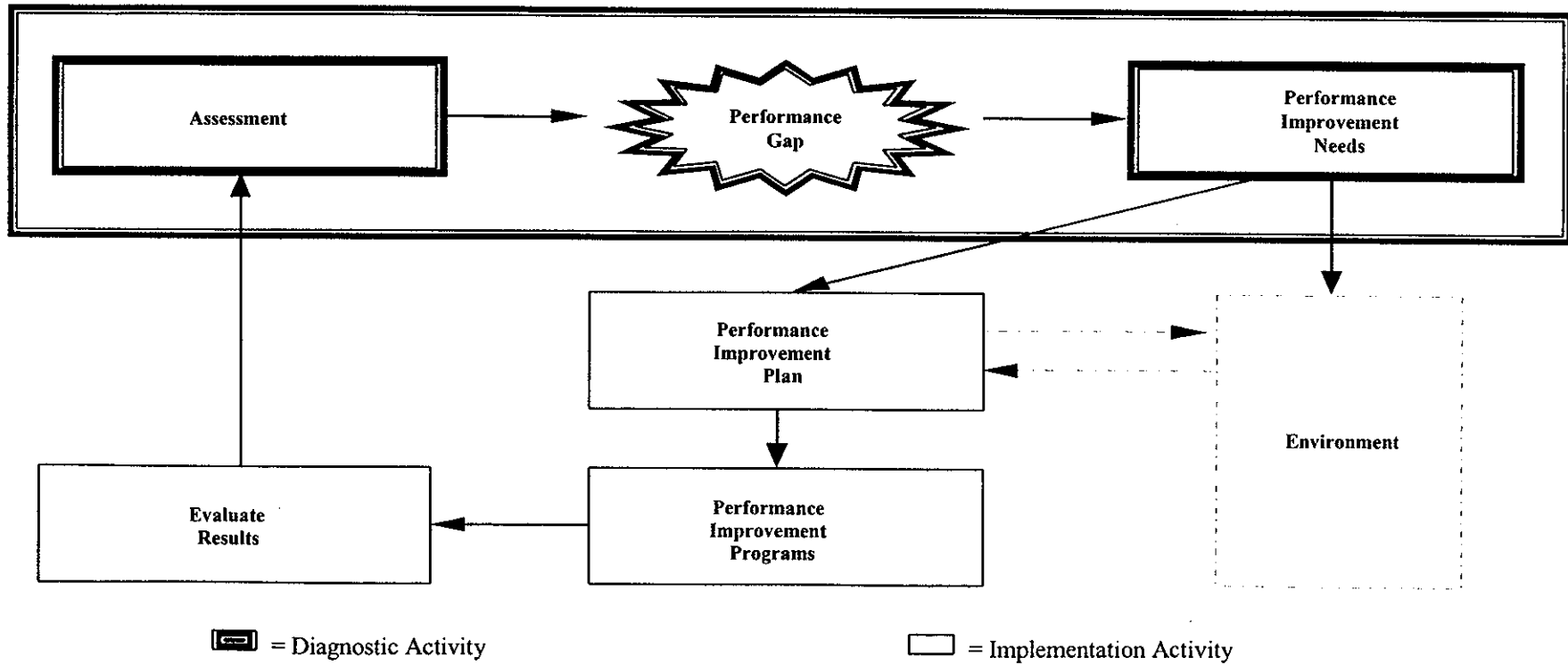


I. INTRODUCTION

## INTRODUCTION

*This diagnostic report is the first step in quantifying the current level of self-sustainability of USAID's Banking-Finance Academy and the Capital Markets Training Unit as well as the steps to improve overall capability...*

## TRAINING DIAGNOSTIC MODEL



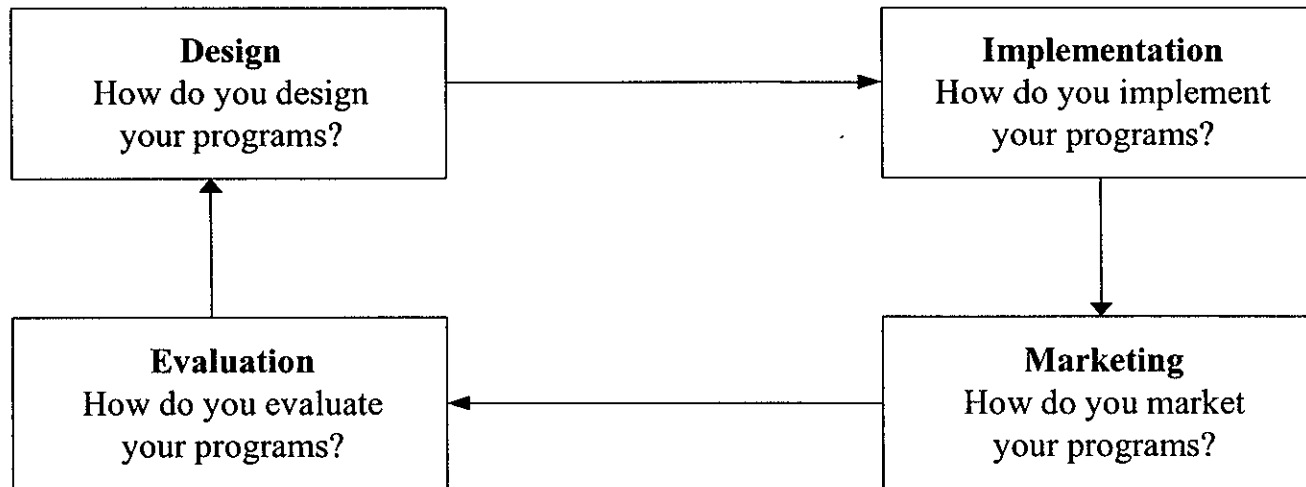
## II. DIAGNOSTIC APPROACH

285

## DIAGNOSTIC APPROACH

*The diagnostic approach was driven by need to measure the current breadth and depth of the training infrastructure of the Banking-Finance Academy and the Capital Markets Training Unit...*

## TRAINING INFRASTRUCTURE



## DIAGNOSTIC APPROACH

*Each component of the Banking-Finance Academy and the Capital Markets Training Unit's infrastructure was reviewed to document the current level of activity...*

### TRAINING INFRASTRUCTURE COMPONENTS

<i>Design</i>	<i>Implementation</i>	<i>Marketing</i>	<i>Evaluation</i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity                             <ul style="list-style-type: none"> <li>◆ Training Plans</li> <li>◆ Develop and Select Training Programs</li> <li>◆ Training Evaluation</li> </ul> </li> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning Objectives</li> <li>◆ Learning Methodologies</li> <li>◆ Training Resources</li> </ul> </li> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>● Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>◆ Glossary</li> </ul> </li> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> <li>◆ Registration Activity</li> <li>◆ Accounting Activity</li> <li>◆ Course Logistics</li> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Training Entity Mission</li> <li>◆ Marketing Objectives</li> <li>◆ Marketing Channels</li> <li>◆ Marketing Activities</li> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>● Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>● Training Entity Evaluation</li> </ul> </li> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> <li>◆ Success Factors</li> <li>◆ Process Improvement Activity</li> </ul>

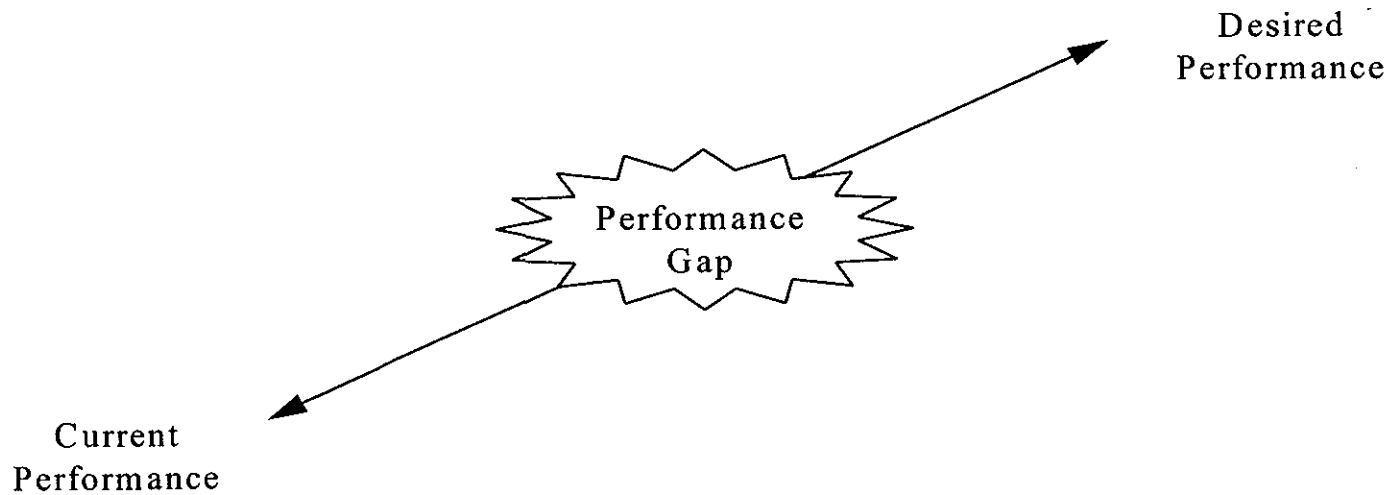
*Each activity was then evaluated to determine if a performance gap existed...*

III. PERFORMANCE GAP ANALYSIS

## PERFORMANCE GAP ANALYSIS

*Performance gaps were identified to determine how to improve the training infrastructure of the Banking-Finance Academy and Capital Markets Training Unit...*

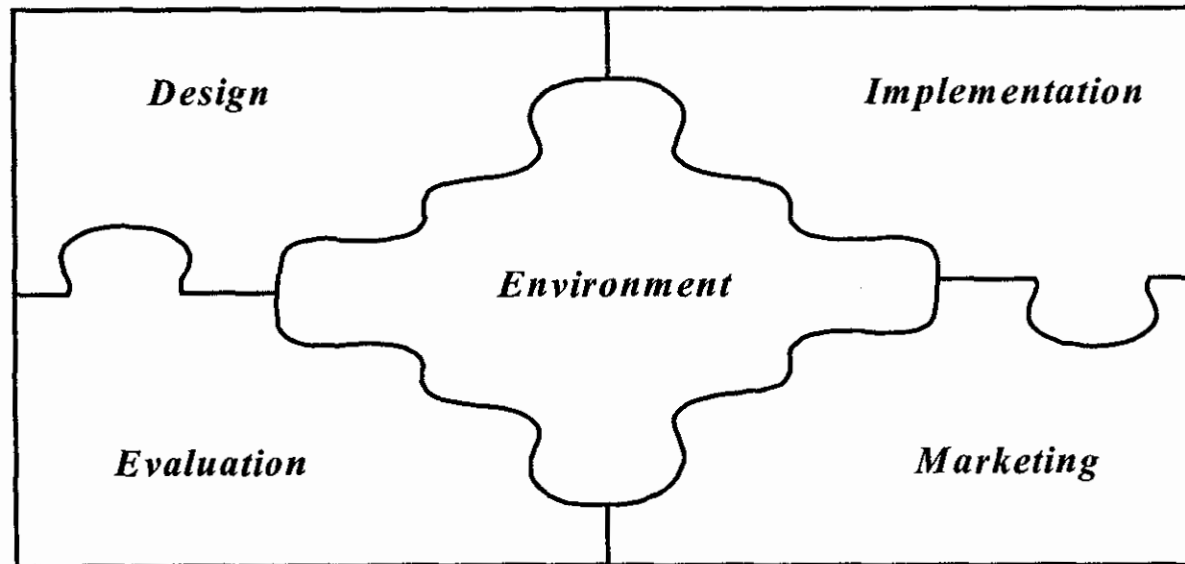
### PERFORMANCE GAP IDENTIFICATION



## PERFORMANCE GAP ANALYSIS

*Many interrelated factors influence the Banking-Finance Academy and the Capital Markets Training Unit's performance and ultimately, their self-sustainability...*

### FACTORS INFLUENCING PERFORMANCE



*This report will detail the current and optimal training infrastructure performance of the Banking-Finance Academy and the Capital Markets Training Unit as well as provide recommendations on how to improve performance over the coming months...*



**A. CURRENT BANKING-FINANCE ACADEMY PERFORMANCE**

## BANKING-FINANCE ACADEMY DESIGN

*Current design performance is informal and dependent upon Barents Group for curriculum and instructors...*

<i><b>ACTION ITEM</b></i>	<i><b>CURRENT ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity                             <ul style="list-style-type: none"> <li>◆ Training Plans</li> <li>◆ Select and Develop Training Programs</li> <li>◆ Training Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ For local instructor recruiting, the Academy surveys local instructors (telephone or in person) to determine which courses they have the expertise to offer.</li> <li>◆ Notify banks of courses that the Academy is considering.</li> <li>◆ Banks express interest in courses and suggest additional courses.</li> <li>◆ Monthly meetings with the Academy's Founders to discuss current activities.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning objectives                                     <ul style="list-style-type: none"> <li>◆ Course</li> <li>◆ Module/Chapter</li> </ul> </li> <li>◆ Learning Methodologies                                     <ul style="list-style-type: none"> <li>◆ Lecture</li> <li>◆ Discussion</li> <li>◆ Individual and Group Exercise</li> <li>◆ Case Studies</li> <li>◆ Video and Audiotape</li> <li>◆ Simulations</li> <li>◆ Computer Based Training</li> <li>◆ Coaching</li> </ul> </li> <li>◆ Training Resources                                     <ul style="list-style-type: none"> <li>◆ References</li> <li>◆ Dictionary</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Barents provides a majority of the Academy's curriculum (76%) through the use of foreign instructors.</li> <li>◆ Discuss and agree upon course content with instructors (no formal documentation).</li> <li>◆ Local instructors develop and build materials based on Georgian reality using the existing Barents Group materials.</li> <li>◆ In some cases, local instructors used select western design features when developing materials such as a table of contents.</li> <li>◆ Like Barents, established that courses should be five days in length (changes are possible to best suit the needs of the customer).</li> <li>◆ Like Barents, used individual and group exercises as well as case studies.</li> <li>◆ Use of literature lists and definition of specialized terms.</li> <li>◆ Banking Glossary (needs to be more precise).</li> </ul>

## BANKING-FINANCE ACADEMY DESIGN CONTINUED

*Design performance is informal and dependent upon Barents Group...*

<i>ACTION ITEM</i>	<i>CURRENT ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>◆ Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>◆ Glossary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Basic requirements for the appearance and content of participant materials and overheads (no formal documentation).</li> <li>◆ Instructor notes or leader's guides were required for future local instructors to use.</li> <li>◆ Barents Group materials include: Participant Guide, Leader's Guide, Overheads, Handouts and Exercises (same requirement should apply to the materials developed by local instructors).</li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Presentation                             <ul style="list-style-type: none"> <li>◆ Instructor identification</li> <li>◆ Presentation standards</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Informal standards are used to identify, select, motivate and coach instructors.</li> <li>◆ Informal standards communicated to local instructors.</li> <li>◆ Instructor evaluation limited to questions on course evaluation form and the level of performance at the bank of the individual based on comments of the employer (limited information on instructor's presentation skills).</li> <li>◆ Feedback of western instructor on performance of the local instructor (no formal documentation.)</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Conduct course and instructor evaluations.</li> <li>◆ Debrief course developers and instructors following course using the course/instructor evaluation form and decide on changes (no formal documentation).</li> </ul>

*The design component needs to be formalized. More importantly, it needs to be less dependent upon donor support...*

## BANKING-FINANCE ACADEMY IMPLEMENTATION

*Current implementation performance is satisfactory and primarily conducted by locals...*

<i><b>ACTION ITEM</b></i>	<i><b>CURRENT ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course information along with an application form is distributed to all banks at least two weeks prior to course through NBG.</li> <li>◆ Secretary verifies sent information is received via telephone and fax in a week.</li> <li>◆ Participants can request information via telephone, fax, mail, in-person or web.</li> <li>◆ Secretary captures requester's personal data (name, bank, title, address, telephone and fax) and requested information.</li> <li>◆ To maintain image, requests for information and all questions from banks or participants are forwarded to Director or Deputy Director.</li> <li>◆ Information about the Academy can be obtained through Academy brochure or web page (<a href="http://www.web.sanet.ge/bfa">www.web.sanet.ge/bfa</a>).</li> </ul>
<ul style="list-style-type: none"> <li>◆ Registration Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course payments are made by banks in cash, collected by the Secretary and put in the Academy's hard currency account.</li> <li>◆ Names submitted on application entered on to Class Participant Roster.</li> <li>◆ All course participants register and pay prior to the start of class.</li> <li>◆ Secretary calls all banks to solicit registrations (when necessary).</li> <li>◆ All bank employees (Commercial and NBG) are accepted for courses upon approval of the bank management. (Participants are not tested to verify experience level or prerequisite knowledge.)</li> </ul>

## BANKING-FINANCE ACADEMY IMPLEMENTATION CONTINUED

*Implementation performance is satisfactory and primarily conducted by locals...*

<i>ACTION ITEM</i>	<i>CURRENT ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Accounting Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accountant prepares generic receipt indicating the date and the course name.</li> <li>◆ Banks pay fees of the courses for the participants in the amount of 50 Lari.</li> <li>◆ Accountant pays Academy bills.</li> <li>◆ Accountant calculates and pays Academy staff salaries.</li> <li>◆ Accountant calculates all required taxes and presents to Director for approval.</li> <li>◆ Accountant pays all required taxes.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Logistics</li> </ul>	<ul style="list-style-type: none"> <li>◆ Director and Academy staff ensures that facilities are ready for training.</li> <li>◆ Barents provides western instructors for eight courses (September – December 2000).</li> <li>◆ Academy provides instructors for six courses (September – December 2000).</li> <li>◆ Director informally secures instructor for course (no formal documentation or performance requirements).</li> <li>◆ Secretary prepares Participant, Instructor and Interpreter Course Packet (participant roster, tent cards, sign-in sheet and evaluation forms).</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review and discuss information cited on course/instructor evaluation form (no formal documentation).</li> </ul>

*The implementation component needs to be formalized and expanded...*

295

## BANKING-FINANCE ACADEMY MARKETING

*Current marketing performance is basic and primarily dependent upon senior management communication channels...*

<i><b>ACTION ITEM</b></i>	<i><b>CURRENT ACADEMY PERFORMANCE</b></i>
◆ Banking-Finance Academy Mission	<ul style="list-style-type: none"> <li>◆ Academy mission is articulated in memorandum of understanding between USAID and six commercial banks.</li> <li>◆ Academy mission informally and formally communicated to participants and clients (brochure).</li> </ul>
◆ Marketing Objectives	<ul style="list-style-type: none"> <li>◆ Set no more than 30 students as the predetermined level of course participants.</li> <li>◆ Set no more than 4 participants per bank per course.</li> </ul>
◆ Marketing Channels	<ul style="list-style-type: none"> <li>◆ Marketing channels is not limited to Bank Chairman.</li> <li>◆ All potential customers are acquainted with new products through formal meetings with the chairmen of the banks, deputy chairmen, heads of personnel department and the employees of the banks.</li> <li>◆ Send faxes to the various departments with follow-up telephone conversation explaining the value of the product (all Academy staff was involved in this activity).</li> <li>◆ Marketing mail is sent NBG and held for bank pick-up.</li> <li>◆ Banks are called by Secretary and notified of mail at NBG.</li> </ul>

## BANKING-FINANCE ACADEMY MARKETING CONTINUED

*Current marketing performance is basic and dependent upon senior management...*

<i>ACTION ITEM</i>	<i>CURRENT ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Marketing Activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Letters are sent from one to six months notifying the banks of planned Barents and Academy courses.</li> <li>◆ Notification letters prepared and given to NBG two weeks before courses to notify banks of upcoming courses and other Financial Institutions as World Bank, IMF, EBRD, Shore Bank, Finca, and personally to foreign advisors placed at different banks of Georgia.</li> <li>◆ Articles in Georgian Times, Bank Plus, and TV programs about Academy and courses.</li> <li>◆ Advertisements are run in the newspapers and TV.</li> <li>◆ Banks are called by Secretary to generate interest in upcoming courses.</li> <li>◆ Academy Brochure was prepared and distributed to all the possible clients.</li> <li>◆ Discussions were held with USAID on the possible cooperation with other donor-funded organizations.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Met with banks once a month to discuss courses, needed training and accuracy of marketing (no formal documentation).</li> </ul>

*The marketing component needs to be formalized and expanded to identify, maintain and grow clients...*

## BANKING-FINANCE ACADEMY EVALUATION

*Current evaluation performance is limited and focused on measuring reaction...*

<i>ACTION ITEM</i>	<i>CURRENT ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>◆ Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>◆ Banking-Finance Academy Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Course/Instructor/Translator evaluation conducted by Academy and Barents.</li> <li>◆ Evaluation forms ask basic questions about the course, instructor and materials.</li> <li>◆ Academy Course/Instructor evaluation asks a generic question about their "efforts" (knowledge and skills acquired during a course).</li> <li>◆ Barents evaluation process also requires the instructor and the translator to evaluate the course.</li> <li>◆ A six point Likert scale is used to evaluate and define participants' reaction.</li> <li>◆ Evaluation is conducted prior to certificate presentation.</li> <li>◆ Participants evaluate the Academy's level of customer service.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Reaction – The Academy measures the participant's "reaction" level to the course and instructor.</li> <li>◆ Reaction – Barents measures participant, instructor and translator reaction level.</li> <li>◆ Certificate awarded based on attendance only.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Success Factors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Discussions with Academy Founders, USAID and Barents on how to manage a self-sustaining banking institute.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Informal discussions with bankers about course and it's usefulness. In some cases, receive documentation from banks on benefits of courses.</li> <li>◆ Review and discuss course/instructor evaluation results (no formal documentation).</li> </ul>

*The evaluation component needs to be expanded, formalized and provide information on return on investment...*

298



**B. CURRENT CAPITAL MARKETS TRAINING UNIT PERFORMANCE**

289

## CAPITAL MARKETS TRAINING UNIT DESIGN

*Current design performance is formal and dependent upon Barents Group for training and subject matter experts...*

<i><b>ACTION ITEM</b></i>	<i><b>CURRENT TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity                             <ul style="list-style-type: none"> <li>◆ Training Plans</li> <li>◆ Select and Develop Training Programs</li> <li>◆ Training Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ With the leadership of a western training consultant and the Training Advisory Board, conducted TNA that identified the knowledge, skills and attitude competencies for the stock exchange, regulator, registrar and broker.</li> <li>◆ With the leadership of a western training consultant and the Training Advisory Board, developed Training Plans to establish a core level of capital markets knowledge and skills.</li> <li>◆ With the leadership of a western training consultant, western subject matter experts and the Training Advisory Board, developed two workshops and eight courses.</li> <li>◆ With the leadership of a western training consultant, western subject matter experts and the Training Advisory Board developed pre and post-program examinations. In addition, a follow-up consulting checklist was built for one workshop (Corporate Governance) and two courses (Overview of the Capital Markets Industry and Operations of the Investment Industry).</li> </ul>

## CAPITAL MARKETS TRAINING UNIT DESIGN CONTINUED

*Current design performance is formal and dependent upon Barents Group...*

<i>ACTIVITY</i>	<i>CURRENT TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning Objectives                                     <ul style="list-style-type: none"> <li>◆ Course</li> <li>◆ Module/Chapter</li> </ul> </li> <li>◆ Learning Methodologies                                     <ul style="list-style-type: none"> <li>◆ Lecture</li> <li>◆ Discussion</li> <li>◆ Individual and Group Exercise</li> <li>◆ Case Studies</li> <li>◆ Video and Audiotape</li> <li>◆ Simulations</li> <li>◆ Computer Based Training</li> <li>◆ Coaching</li> </ul> </li> <li>◆ Training Resources                                     <ul style="list-style-type: none"> <li>◆ References</li> <li>◆ Dictionary</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Barents provided a western training consultant that provided leadership in assisting the Capital Markets community with identifying the curriculum.</li> <li>◆ With the assistance of a Training Advisory Board composed of key capital markets industry contacts, discussed and agreed upon course and workshop content.</li> <li>◆ Training materials are performance based and use lecture, discussion, individual and group exercises as well as case studies.</li> <li>◆ Two specialized glossaries were prepared defining specialized accounting and capital markets terms.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>◆ Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>◆ Glossary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ A standard was established by the western training consultant along with the Training Advisory Board for the appearance or content of all training materials.</li> <li>◆ All of the workshop and courses included instructor notes or leader's guides for future instructors to use (a few guides were in English only).</li> </ul>

## CAPITAL MARKETS TRAINING UNIT DESIGN CONTINUED

*Current design performance is formal and dependent upon Barents Group...*

<i>ACTION ITEM</i>	<i>CURRENT TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Course Presentation                             <ul style="list-style-type: none"> <li>◆ Instructor identification</li> <li>◆ Presentation standards</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Formal standards are used to identify, select, motivate and coach instructors.</li> <li>◆ Formal standards communicated to instructors.</li> <li>◆ Instructor evaluation consisted of questions on course evaluation form and the Instructor Skills Inventory completed by the western Training Consultant and/or Subject Matter Expert.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Conduct course and instructor evaluation. Information has been shared with Training Advisory Board. However, the Board had not conducted their first meeting to discuss the results.</li> <li>◆ Local instructors have identified percent of revision needed for existing workshop and course materials. However, no formal meetings have been conducted to begin the revision process.</li> </ul>

*The design component needs to be less dependent upon donor support...*

## CAPITAL MARKETS TRAINING UNIT IMPLEMENTATION

*Current implementation performance is formal and primarily dependent upon Barents Group for training and subject matter experts...*

<i>ACTION ITEM</i>	<i>CURRENT TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Workshop and course information along with an administrative details handout and training schedule is distributed to all potential participants prior to training. Western training consultant prepared all documents.</li> <li>◆ A listing of all the workshop and course outlines is presented to participants prior to training.</li> <li>◆ Training Manager captures requester's personal data (name, brokerage firm, address, telephone and fax) and requested information.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Registration Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ No fees are collected for workshop or courses (USAID covers fees).</li> <li>◆ Training participants identified by USAID Task Order.</li> <li>◆ Training Manager (or designee) calls brokerage firms and other key entities to solicit registrations.</li> <li>◆ Names collected by Training Manager (or other designated person) entered into Class Participant Roster. (The western training consultant had to be vigilant and keep pressure on the Training Manager to stay in constant contact with program participants to maintain their attendance and pass all post-program examinations.)</li> <li>◆ All participants are accepted for into Broker or Capital Markets Development regardless of experience level.</li> <li>◆ Participants must pass final examination for course prerequisites.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Accounting Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ No payment is collected for workshops or courses. <i>It is doubtful that the capital markets community could pay for training at this stage of their development.</i></li> <li>◆ Project accountant pays for Training Unit related expenses.</li> <li>◆ Accountant calculates and pays Training Unit staff salaries.</li> </ul>

## CAPITAL MARKETS TRAINING UNIT IMPLEMENTATION CONTINUED

*Current implementation performance is formal and dependent upon Barents Group...*

<i>ACTION ITEM</i>	<i>CURRENT TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Course Logistics</li> </ul>	<ul style="list-style-type: none"> <li>◆ Training Manager and GSE staff ensures that facilities are ready for training.</li> <li>◆ Training Manager secures and manages all workshop and course instructors. Training Schedule is presented to all instructors.</li> <li>◆ Training Manager (or designee) prepares participant roster, tent cards, sign-in sheet and evaluation forms.</li> <li>◆ Training Manager sends workshop and course materials for reproduction and binding.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Documentation exists on workshops, course and instructors. However, formal meetings have not been conducted with the Training Advisory Board to discuss the statistics.</li> </ul>

*The implementation component needs to be expanded and less dependent upon donor support...*

## CAPITAL MARKETS TRAINING UNIT MARKETING

*Current marketing performance is limited and focused on task order requirements...*

<i>ACTION ITEM</i>	<i>CURRENT TRAINING UNIT PERFORMANCE</i>
◆ Training Unit Mission	◆ The Training Advisory Board has drafted the Training Unit mission.
◆ Marketing Objectives	<ul style="list-style-type: none"> <li>◆ All licensed brokers were invited to attend the Broker Development Program.</li> <li>◆ A minimum of one broker from each brokerage firm was invited to attend the Broker Development Program.</li> <li>◆ Established no more than two participants per brokerage firm per Broker Development Program.</li> </ul>
◆ Marketing Channels	<ul style="list-style-type: none"> <li>◆ Marketing channels limited to senior personnel at brokerage firms, GSE, GSIA, GCSD, Ministries and NSCG.</li> <li>◆ Marketing mail is sent to General Director or senior personnel at various entities.</li> <li>◆ Training Manager contacted invitation recipients to collect the name of participants.</li> </ul>
◆ Marketing Activities	<ul style="list-style-type: none"> <li>◆ Solicitation letters sent out by Training Manager or Training Consultant notifying capital markets entities of planned Barents workshops and courses.</li> <li>◆ Notification letters prepared and delivered by courier three to four weeks before workshop or courses to notify participants of upcoming programs</li> <li>◆ Press invited to graduation of brokers from the Broker Development Program and GSE and NSCG staff and Journalists from Capital Markets Development Program.</li> <li>◆ Training Manager calls to verify marketing letters received and to collect names of participants.</li> </ul>
◆ Process Improvement Activity	◆ No process improvement activity has been conducted to date. However, sufficient documentation exists for the Training Advisory Board to conduct meetings to discuss process improvement.

*The marketing component needs to be formally established and expanded beyond the task order...*

## CAPITAL MARKETS TRAINING UNIT EVALUATION

*Current evaluation performance is formal and measures reaction as well as learning...*

<i><b>ACTION ITEM</b></i>	<i><b>CURRENT TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>◆ Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>◆ Training Unit Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Course/Instructor evaluation conducted by Barents. The evaluation form asks basic questions about the course, instructor and materials along with the importance of the program in meeting their learning objectives.</li> <li>◆ A six point Likert scale is used to define participant reaction.</li> <li>◆ Evaluation activity conducted prior to certificate presentation.</li> <li>◆ No dialogue is conducted with workshop or course participants to clarify ratings or comments.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Reaction – The Training Unit measures the participant’s “reaction” level to the course and instructor.</li> <li>◆ Learning – All workshop and courses include pre and post examinations.</li> <li>◆ Behavior/Results – For select programs, a follow-up consulting checklist was built to verify command of learning objectives two to three months after program.</li> <li>◆ Certificate awarded based on performance and attendance.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Success Factors</li> </ul>	<ul style="list-style-type: none"> <li>◆ The Training Unit was just beginning discussions on the future of the Training Unit. Therefore, no formal meetings have been conducted with GSE, GSIA, NSCG, GCSD, USAID and Barents on how to manage a self-sustaining capital markets institute.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ No formal discussions have been conducted on how to improve materials or instructors. However, documentation exists for the Training Advisory Board to begin these discussions.</li> </ul>

*The evaluation component needs to be expanded to provide information on return on investment...*



**C. OPTIMAL BANKING-FINANCE ACADEMY PERFORMANCE**

## BANKING-FINANCE ACADEMY DESIGN

*The design component requires significant improvement to ensure long-term self-sustainability...*

<i>ACTION ITEM</i>	<i>OPTIMAL ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity</li> <li>◆ Training Plans</li> <li>◆ Select and Develop Training Programs</li> <li>◆ Training Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>◆ With assistance from local bankers, identify optimal knowledge and skills required in the Georgian banking industry.</li> <li>◆ Gather quantitative and qualitative information from all banks about their employee's current level of knowledge and skills.</li> <li>◆ Identify performance gaps.</li> <li>◆ Identify environmental issues.</li> <li>◆ Analyze the most effective solutions for improving the identified performance gaps and environmental issues.</li> <li>◆ Determine training priorities.</li> <li>◆ Establish curriculum to improve knowledge and skill performance.</li> <li>◆ Evaluate participants to determine if training accomplished knowledge and skill improvement.</li> </ul>

## BANKING-FINANCE ACADEMY DESIGN CONTINUED

*The design component requires significant improvement...*

<i>ACTIVITY</i>	<i>OPTIMAL ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning Objectives                                     <ul style="list-style-type: none"> <li>◆ Course</li> <li>◆ Module/Chapter</li> </ul> </li> <li>◆ Learning Methodologies                                     <ul style="list-style-type: none"> <li>◆ Lecture</li> <li>◆ Discussion</li> <li>◆ Individual and Group Exercise</li> <li>◆ Case Studies</li> <li>◆ Video and Audiotape</li> <li>◆ Simulations</li> <li>◆ Computer Based Training</li> <li>◆ Coaching</li> </ul> </li> <li>◆ Training Resources                                     <ul style="list-style-type: none"> <li>◆ References</li> <li>◆ Dictionary</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Written agreement with course developer citing course and module/ chapter learning objectives, content and other contractual agreements.</li> <li>◆ Ideal features of model performance based training materials should include:                             <ul style="list-style-type: none"> <li>◆ Pre-test;</li> <li>◆ Table of contents;</li> <li>◆ Modular/Chapter format;</li> <li>◆ Have course and module/chapter learning objectives;</li> <li>◆ Use a variety of learning methodologies;</li> <li>◆ Include individual and group exercises;</li> <li>◆ Provide recommended references for additional reading;</li> <li>◆ Precise glossary of course terms;</li> <li>◆ Action Plan; and</li> <li>◆ Post-test.</li> </ul> </li> </ul>

## BANKING-FINANCE ACADEMY DESIGN CONTINUED

*The design component requires significant improvement...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>◆ Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>◆ Glossary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Professional and uniform standards formally communicated citing Academy courses format and appearance requirements:                             <ul style="list-style-type: none"> <li>◆ Participant Guide;</li> <li>◆ Leader's Guide;</li> <li>◆ Overheads; and</li> <li>◆ Pre and Post Test Examinations.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Presentation                             <ul style="list-style-type: none"> <li>◆ Instructor Identification</li> <li>◆ Presentation Standards</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Professional and uniform standards formally communicated for identifying, selecting, motivating, coaching and evaluating Academy instructors.</li> <li>◆ Competencies and level of quality formally communicated to instructors.</li> <li>◆ Coach and mentor instructors to improve competencies and quality level.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review Training Needs Assessment Activity, Training Program Components and Design Standards to determine warranted improvements.</li> <li>◆ For first time courses, conduct module/chapter as well as course and instructor evaluation.</li> <li>◆ Discussion with course developer and instructor of improvements required in course and other contractual agreements.</li> <li>◆ Written notification to course developer and instructor on agreed upon course improvements and other contractual agreements.</li> </ul>

*Instituting a formal training needs assessment process and establishing and formally communicating course and instructor standards will greatly improve the Banking-Finance Academy's design component...*

## BANKING-FINANCE ACADEMY IMPLEMENTATION

*The implementation component requires expansion to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course information sent out three to six months in advance and a reminder sent two to four weeks in advance of a course.</li> <li>◆ Potential participants can request specific or generic course information via telephone, fax, mail, e-mail, in-person or web.</li> <li>◆ Secretary captures requester's personal data (name, bank, title, address, telephone and fax) and requested information.</li> <li>◆ Secretary updates appropriate database (participant or prospect).</li> <li>◆ Secretary sends specific or generic course information.</li> <li>◆ Secretary forwards detailed course questions to Director or Deputy Director.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Registration Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Application and payment (cash, money transfer or credit card) presented to Academy via mail, fax, telephone and in-person.</li> <li>◆ Desired experience level of course participants verified.</li> <li>◆ Applications entered into appropriate database (participant or potential).</li> <li>◆ Confirmation letter with course receipt sent to course or potential participants.</li> <li>◆ Secretary prints Course Attendance Report once a week for Director.</li> <li>◆ Secretary handles participant course inquires.</li> <li>◆ Upon notification from course participant and Director's confirmation, Secretary prepares refund request and forwards to Accountant for payment.</li> </ul>

## BANKING-FINANCE ACADEMY IMPLEMENTATION

*The implementation component requires expansion...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Accounting Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accountant processes payment and updates appropriate spreadsheet.</li> <li>◆ Accountant sends receipt that cites specific course payment to participant and gives to Secretary.</li> <li>◆ Secretary sends receipt along with course pre-work (if applicable) to participant.</li> <li>◆ Accountant deposits cash in bank.</li> <li>◆ Account verifies money transfer.</li> <li>◆ Accountant prepares full or partial refunds and sends to bank.</li> <li>◆ Accountant pays for Academy bills.</li> <li>◆ Accountant calculates and pays Academy staff salaries.</li> <li>◆ Accountant calculates all required taxes and presents to Director for approval.</li> <li>◆ Accountant pays all required taxes.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Logistics</li> </ul>	<ul style="list-style-type: none"> <li>◆ Academy staff verifies meeting facilities needed for courses (space, equipment, food and beverage) via checklist with instructor.</li> <li>◆ Director formally secures instructor and back-up instructor and documents relationship.</li> <li>◆ Instructors formally notified of performance standards.</li> <li>◆ Director prepares break-even analysis to determine number of students needed to cover course development expenses.</li> <li>◆ Secretary (or designee) copies course materials based on number of participants.</li> <li>◆ Secretary prepares Instructor Course Packet (participant roster, tent cards, sign-in sheet and evaluation forms).</li> </ul>

**BANKING-FINANCE ACADEMY IMPLEMENTATION CONTINUED**

*The implementation component requires expansion...*

<i>ACTION ITEM</i>	<i>OPTIMAL ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review administrative, registration and accounting activity as well as course logistics and seek ways to improve overall quality of the process and methods as well as customer service.</li> <li>◆ Using data collected in module/ chapter, course and instructor evaluation forms prepare quantitative data for analysis.</li> <li>◆ Based on quantitative data, document required changes in module/chapter, course content and instructor.</li> <li>◆ Formally notify course developer and presenter of required changes.</li> </ul>

*Further evolving the implementation activities will greatly enhance the Banking-Finance Academy's implementation component...*

## BANKING-FINANCE ACADEMY MARKETING

*The marketing component requires improvement to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
◆ Banking-Finance Academy Mission	<ul style="list-style-type: none"> <li>◆ Banking-Finance Academy mission articulated in contractual documents between USAID and Founders.</li> <li>◆ The mission, objectives and activities of the Academy are identified and formally communicated to the current and future clients through marketing materials and signage.</li> </ul>
◆ Marketing Objectives	<ul style="list-style-type: none"> <li>◆ For each Academy product and service, marketing objectives are identified, formally documented and communicated (i.e., minimum of 15 students to conduct class).</li> <li>◆ Academy staff is evaluated to determine if they achieved marketing objectives for each Academy product and service.</li> </ul>
◆ Marketing Channels	<ul style="list-style-type: none"> <li>◆ For every Academy product and service, a comprehensive list of potential clients and the best marketing channels to reach them is determined (i.e., mail, fax, e-mail, telephone and in-person).</li> <li>◆ Clients and marketing channels are prioritized for each product and service.</li> <li>◆ A database is established and maintained to market to bank Chairman.</li> <li>◆ A database is established and maintained to market to senior bank management.</li> <li>◆ A database is established and maintained for past participants to market related products and services.</li> </ul>



## BANKING-FINANCE ACADEMY MARKETING CONTINUED

*The marketing component requires improvement...*

<i>ACTION ITEM</i>	<i>OPTIMAL ACADEMY PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Marketing Activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course information sent out three months in advance with detail about the benefits of attending the course, course content, instructor qualifications, course learning objectives, dates, duration, cost, payment instructions and registration deadlines.</li> <li>◆ A reminder sent two to four weeks in advance of a course.</li> <li>◆ Article in Bank Plus and other appropriate papers about the bank experienced return on investment by sending employee to Academy courses.</li> <li>◆ A minimum of three methods used at different intervals to announce a product and service to clients.</li> <li>◆ Responses to marketing methods are tracked to determine success of each method.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review mission, objectives, channels and activities to determine if they need modification to best meet the needs of the Academy clients.</li> <li>◆ Review marketing objectives and determine if they need modification to best meet the needs of the Academy clients.</li> <li>◆ Based on response rates to marketing activities and methods, review and update marketing channels for all Academy products and services.</li> <li>◆ Review marketing activity and seek ways to improve overall quality, customer service and attract and retain clients.</li> </ul>

*The marketing component requires improvement to ensure the Banking-Finance Academy's lifeblood (clients and participants)...*

2/5

## BANKING-FINANCE ACADEMY EVALUATION

*The evaluation component requires greater depth to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>◆ Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>◆ Banking-Finance Academy Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ All module/chapters are evaluated for first time course presentations.</li> <li>◆ The course or topical content evaluation measures the importance of the topic to participant's job and whether the course material met their learning needs.</li> <li>◆ The instructor evaluation rates the instructor's knowledge, ability to explain concepts and level of competence in relating the course to their situation.</li> <li>◆ Participants evaluate the Academy's level of customer service.</li> <li>◆ Evaluation activity measures participant reaction and learning as well as changes in their work behavior and performance results.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Reaction – The course evaluation measures the importance of the topic and whether the course material met their learning needs.</li> <li>◆ Reaction – The instructor evaluation rates the instructor's knowledge, ability to explain concepts and level of competence in relating the course to their situation</li> <li>◆ Reaction – The interpreter evaluation rates the interpreter's terminology knowledge and ability to succinctly explain concepts.</li> <li>◆ Learning – A pretest is given to determine participant's level of knowledge and skill prior to the course.</li> <li>◆ Learning – Certificate is awarded based on attendance and after participant successfully passes post-test to demonstrated predefined level of knowledge and skill.</li> <li>◆ Behavior – To ensure that learning is transferred back to the job, all participants complete an Action Plan.</li> <li>◆ Behavior – To ensure that learning is transferred back to the job, an implementation checklist is provided to the participant as well as the bank.</li> </ul>

## BANKING-FINANCE ACADEMY EVALUATION CONTINUED

*The evaluation component requires greater depth...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL ACADEMY PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels (continued)                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Results – Performance indicators are clearly define and included in the course and module learning objectives when the course is developed.</li> <li>◆ Results – Three to six months after attending a course, follow-up with the bank and participant to verify if they have been able to apply knowledge and skills and achieve the desired performance results.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Success Factors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Clearly defined and formally documented Academy activities and tasks required to achieve self-sustainability by a defined date.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review evaluation activity and levels and seek ways to improve data collection and use.</li> <li>◆ Review and update success factors to reflect the needs of the banking industry and clients.</li> <li>◆ Performance standards established and formally communicated to all involved with Academy activities.</li> <li>◆ Quantitative and qualitative data is collected on Academy activities to determine how to improve them to best meet the needs of the clients.</li> <li>◆ Academy clients notified of evaluation results and given opportunity to shape and influence products and services (i.e., Training Advisory Committee formed with clear roles and responsibilities).</li> </ul>

*The evaluation component provides critical information that will direct the founders in determining the required client driven improvements to ensure long-term self-sustainability...*

**D. OPTIMAL CAPITAL MARKETS TRAINING UNIT PERFORMANCE**

## CAPITAL MARKETS TRAINING UNIT DESIGN

*The design component requires minimal improvement to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity                             <ul style="list-style-type: none"> <li>◆ Training Plans</li> <li>◆ Select and Develop Training Programs</li> <li>◆ Training Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Revisit and update Training Needs Assessment with assistance from the Georgian capital markets community.</li> <li>◆ Revisit and update optimal knowledge and skills required in the Georgian capital markets industry.</li> <li>◆ Gather additional quantitative and qualitative information from capital markets community about their employee's current level of knowledge and skills.</li> <li>◆ Identify performance gaps.</li> <li>◆ Identify environmental issues.</li> <li>◆ Analyze the most effective solutions for improving the identified performance gaps and environmental issues.</li> <li>◆ Determine training priorities.</li> <li>◆ Establish curriculum to improve knowledge and skill performance.</li> <li>◆ Evaluate participants to determine if training accomplished knowledge and skill improvement.</li> </ul>

## CAPITAL MARKETS TRAINING UNIT DESIGN CONTINUED

*The design component requires minimal improvement...*

<i>ACTIVITY</i>	<i>OPTIMAL TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning Objectives                                     <ul style="list-style-type: none"> <li>◆ Course</li> <li>◆ Module/Chapter</li> </ul> </li> <li>◆ Learning Methodologies                                     <ul style="list-style-type: none"> <li>◆ Lecture</li> <li>◆ Discussion</li> <li>◆ Individual and Group Exercise</li> <li>◆ Case Studies</li> <li>◆ Video and Audiotape</li> <li>◆ Simulations</li> <li>◆ Computer Based Training</li> <li>◆ Coaching</li> </ul> </li> <li>◆ Training Resources                                     <ul style="list-style-type: none"> <li>◆ References</li> <li>◆ Dictionary</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Written agreement with course developer citing course and module/chapter learning objectives, content and other contractual agreements.</li> <li>◆ Ideal features of model performance based training materials should include:                             <ul style="list-style-type: none"> <li>◆ Pre-test;</li> <li>◆ Table of contents;</li> <li>◆ Modular/Chapter format;</li> <li>◆ Have course and module/chapter learning objectives;</li> <li>◆ Use a variety of learning methodologies;</li> <li>◆ Include individual and group exercises;</li> <li>◆ Provide recommended references for additional reading;</li> <li>◆ Dictionary of course terms;</li> <li>◆ Action Plan; and</li> <li>◆ Post-test.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>◆ Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>● Glossary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Continue to formally communicate and use professional and uniform standards citing Training Unit course format and appearance requirements:                             <ul style="list-style-type: none"> <li>◆ Participant Guide;</li> <li>◆ Leader's Guide;</li> <li>◆ Overheads;</li> <li>◆ Pre and Post Test Examinations; and</li> <li>◆ Glossary.</li> </ul> </li> </ul>

## CAPITAL MARKETS TRAINING UNIT DESIGN CONTINUED

*The design component requires minimal improvement...*

<i>ACTION ITEM</i>	<i>OPTIMAL TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Course Presentation                             <ul style="list-style-type: none"> <li>◆ Instructor identification</li> <li>◆ Presentation standards</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Continue to formally communicate and use professional and uniform standards for identifying, selecting, motivating, coaching and evaluating Training Unit instructors.</li> <li>◆ Continue to formally communicate competencies and level of quality to instructors.</li> <li>◆ Coach and mentor instructors to improve competencies and quality level.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review Training Needs Assessment Activity, Training Program Components and Design Standards to determine warranted improvements.</li> <li>◆ For first time courses, conduct module/ chapter as well as course and instructor evaluation.</li> <li>◆ Discussion with course developer and instructor of improvements required in course and other contractual agreements.</li> <li>◆ Written notification to course developer and instructor on agreed upon course improvements and other contractual agreements.</li> </ul>

*Maintaining the training needs assessment process and communicating the established course and instructor standards will ensure the continuation of the Capital Markets Training Unit's design component...*

## CAPITAL MARKETS TRAINING UNIT IMPLEMENTATION

*The implementation component requires expansion to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course information sent out three months in advance and a reminder sent two to four weeks in advance of a course.</li> <li>◆ Potential participants can request specific or generic course information via telephone, fax, mail, e-mail, website or in-person.</li> <li>◆ Secretary captures requester's personal data (name, organization, title, address, telephone and fax) and requested information.</li> <li>◆ Secretary updates appropriate database (participant or prospect).</li> <li>◆ Secretary sends specific or generic course information.</li> <li>◆ Secretary forwards detailed course questions to Director (or specified person).</li> </ul>
<ul style="list-style-type: none"> <li>◆ Registration Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Application and payment (cash, money transfer or credit card) presented to TU via mail, fax, telephone and in-person.</li> <li>◆ Discount for registering and paying prior to start of course.</li> <li>◆ Desired experience level of course participants verified.</li> <li>◆ Applications entered into appropriate database (participant, standby or potential).</li> <li>◆ Confirmation letter (or standby letter) with course receipt sent to course or potential participants.</li> <li>◆ Secretary prints Course Attendance Report once a week for Director.</li> <li>◆ Secretary handles participant or standby participant course inquires.</li> <li>◆ Upon notification from course participant and Director's confirmation, Secretary prepares refund request and forwards to Accountant for payment.</li> </ul>



## CAPITAL MARKETS TRAINING UNIT IMPLEMENTATION CONTINUED

*The implementation component requires expansion...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Accounting Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accountant processes payment and updates appropriate spreadsheet.</li> <li>◆ Accountant sends receipt that cites specific course payment to participant and gives to Secretary.</li> <li>◆ Secretary sends receipt along with course pre-work (if applicable) to participant.</li> <li>◆ Accountant deposits cash in bank.</li> <li>◆ Account verifies money transfer.</li> <li>◆ Accountant prepares full or partial refunds and sends to bank.</li> <li>◆ Accountant pays for Training Unit bills.</li> <li>◆ Accountant calculates and pays Training Unit staff salaries.</li> <li>◆ Accountant calculates all required taxes and presents to Director for approval.</li> <li>◆ Accountant pays all required taxes.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Logistics</li> </ul>	<ul style="list-style-type: none"> <li>◆ Training Unit staff verifies meeting facilities needed for courses (space, equipment, food and beverage) via checklist with instructor.</li> <li>◆ Director formally secures instructor and back-up instructor and documents relationship.</li> <li>◆ Instructors formally notified of performance standards.</li> <li>◆ Director prepares break-even analysis to determine number of students needed to cover course development expenses.</li> <li>◆ Secretary (or designee) copies course materials based on number of participants.</li> <li>◆ Secretary prepares Instructor Course Packet (participant roster, tent cards, sign-in sheet and evaluation forms).</li> </ul>

**CAPITAL MARKETS TRAINING UNIT IMPLEMENTATION CONTINUED**

*The implementation component requires expansion...*

<b><i>ACTION ITEM</i></b>	<b><i>OPTIMAL TRAINING UNIT PERFORMANCE</i></b>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review administrative, registration and accounting activity as well as course logistics and seek ways to improve overall quality of the process and methods as well as customer service.</li> <li>◆ Using data collected in module/chapter, course and instructor evaluation forms prepare quantitative data for analysis.</li> <li>◆ Based on quantitative data, document required changes in module/chapter, course content and instructor.</li> <li>◆ Formally notify course developer and presenter of required changes.</li> </ul>

*Further evolving the implementation activities will greatly enhance the Capital Markets Training Unit's implementation component...*

324

## CAPITAL MARKETS TRAINING UNIT MARKETING

*The marketing component requires comprehensive improvement to ensure long-term self-sustainability...*

<i>ACTION ITEM</i>	<i>OPTIMAL TRAINING UNIT PERFORMANCE</i>
♦ Training Unit Mission	<ul style="list-style-type: none"> <li>♦ Training Unit mission articulated in contractual documents between USAID and appropriate entities (GSIA, GSE, NSCG and GCSD).</li> <li>♦ The mission, objectives and activities of the Training Unit are identified and formally communicated to the current and future clients through marketing materials and signage.</li> </ul>
♦ Marketing Objectives	<ul style="list-style-type: none"> <li>♦ For each Training Unit product and service, marketing objectives are identified, formally documented and communicated (i.e., minimum of 15 students to conduct class).</li> <li>♦ Training Unit staff is evaluated to determine if they achieved marketing objectives for each product and service.</li> </ul>
♦ Marketing Channels	<ul style="list-style-type: none"> <li>♦ For every Training Unit product and service, a comprehensive list of potential clients and the best marketing channels to reach them is determined (i.e., mail, fax, e-mail, telephone and in-person).</li> <li>♦ Clients and marketing channels are prioritized for each product and service.</li> <li>♦ A database is established and maintained to market to capital markets community.</li> <li>♦ A database is established and maintained to market to senior capital markets management.</li> <li>♦ A database is established and maintained for past participants to market related products and services.</li> </ul>

## CAPITAL MARKETS TRAINING UNIT MARKETING CONTINUED

*The marketing component requires comprehensive improvement...*

<i>ACTION ITEM</i>	<i>OPTIMAL TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Marketing Activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Course information sent out three months in advance with details about the benefits of attending the course, course content, instructor qualifications, course learning objectives, dates, duration, cost, payment instructions and registration deadlines.</li> <li>◆ A reminder sent two to four weeks in advance of a course.</li> <li>◆ Article in GSIA's Georgian Securities Market Bulletin and other appropriate papers about the experienced return on investment by sending employee to Training Unit courses.</li> <li>◆ A minimum of three methods used at different intervals to announce a product and service to clients.</li> <li>◆ Responses to marketing methods are tracked to determine success of each method.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review mission, objectives, channels and activities to determine if they need modification to best meet the needs of the Training Unit clients.</li> <li>◆ Review marketing objectives and determine if they need modification to best meet the needs of the Training Unit clients.</li> <li>◆ Based on response rates to marketing activities and methods, review and update marketing channels for all products and services.</li> <li>◆ Review marketing activity and seek ways to improve overall quality, customer service and attract and retain clients.</li> </ul>

*The marketing component requires extensive improvement to ensure the Capital Markets Training Unit's lifeblood (clients and participants)...*

## CAPITAL MARKETS TRAINING UNIT EVALUATION

*The evaluation component requires development to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>OPTIMAL TRAINING UNIT PERFORMANCE</b></i>
<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>◆ Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>◆ Training Unit Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ All module/chapters are evaluated for first time course presentations.</li> <li>◆ The course or topical content evaluation measures the importance of the topic to participant's job and whether the course material met their learning needs.</li> <li>◆ The instructor evaluation rates the instructor's knowledge, ability to explain concepts and level of competence in relating the course to their situation.</li> <li>◆ Participants evaluate the Training Unit level of customer service.</li> <li>◆ Evaluation activity measures participant reaction and learning as well as changes in their work behavior and performance results.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Reaction – The course evaluation measures the importance of the topic and whether the course material met their learning needs.</li> <li>◆ Reaction – The instructor evaluation rates the instructor's knowledge, ability to explain concepts and level of competence in relating the course to their situation</li> <li>◆ Reaction – The interpreter evaluation rates the interpreter's terminology knowledge and ability to succinctly explain concepts.</li> <li>◆ Learning – A pretest is given to determine participant's level of knowledge and skill prior to the course.</li> <li>◆ Learning – Certificate is awarded based on attendance and after participant successfully passes post-test to demonstrated predefined level of knowledge and skill.</li> <li>◆ Behavior – To ensure that learning is transferred back to the job, all participants complete an Action Plan.</li> <li>◆ Behavior – To ensure that learning is transferred back to the job, an implementation checklist is provided to the participant as well as their organization.</li> </ul>

## CAPITAL MARKETS TRAINING UNIT EVALUATION CONTINUED

*The evaluation component requires development...*

<i>ACTION ITEM</i>	<i>OPTIMAL TRAINING UNIT PERFORMANCE</i>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels (continued)                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Results – Performance indicators are clearly define and included in the course and module learning objectives when the course is developed.</li> <li>◆ Results – Three to six months after attending a course, follow-up with the organization and participant to verify if they have been able to apply knowledge and skills and achieve the desired performance results.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Success Factors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Clearly defined and formally documented Training Unit activities and tasks required to achieve self-sustainability by a defined date.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Review evaluation activity and levels and seek ways to improve data collection and use.</li> <li>◆ Review and update success factors to reflect the needs of the banking industry and clients.</li> <li>◆ Performance standards established and formally communicated to all involved with Training Unit activities.</li> <li>◆ Quantitative and qualitative data is collected on Training Unit activities to determine how to improve them to best meet the needs of the clients.</li> <li>◆ Training Unit Training Advisory Board notified of evaluation results and given opportunity to shape and influence products and services (i.e., Training Advisory Committee formed with clear roles and responsibilities).</li> </ul>

*The evaluation component provides critical information that will direct the training advisory board in determining the required client driven improvements to ensure long-term self-sustainability...*

**E. OPERATING ENVIRONMENT**

## BANKING-FINANCE ACADEMY ENVIRONMENT

*The banking environment influences and shapes the ability of the Banking-Finance Academy to offer products and services to meet client needs...*

- ◆ Banking infrastructure needs improvement (technology, policy, procedure, etc.)
- ◆ Banking laws will need to be adjusted as the economy improves
- ◆ Due to a transitional economy, it is difficult to implement international banking practices
- ◆ No university offers BA degree in Banking
- ◆ European School of Management (ESM) is going to offer undergraduate degree in Banking starting the year 2001
- ◆ Courses on banking in a market based economy started after 1993
- ◆ Georgia is over banked creating too many banks chasing too few customers
- ◆ Primarily, there is a commercial focus in banking
- ◆ Consumers have lost faith in banks due to previous bad experiences
- ◆ Consumer deposits are not protected through insurance

*Environmental issues must be acknowledged and ultimately addressed by the industry...*



## CAPITAL MARKETS ENVIRONMENT

*The capital markets environment influences and shapes the ability of the Capital Markets Training Unit to offer products and services to meet client needs...*

- ◆ Capital markets infrastructure will need improvement as the capital markets grows (laws, technology, policy, procedure, etc.)
- ◆ Laws will need to be adjusted as the economy improves
- ◆ Due to a transitional economy, it is difficult to implement international accounting practices
- ◆ No university offers a specialized degree in capital markets
- ◆ Courses on capital markets in a market based economy started after 1992
- ◆ Georgia is a small capital markets with limited product and customers
- ◆ Primarily, there is an institutional focus in capital markets (few individual investors)
- ◆ Vouchers did little to further the public's interest in investing in the capital markets
- ◆ Potential local investors have little discretionary income to invest in the capital markets

*Environmental issues must be acknowledged and ultimately addressed by the industry...*

#### IV. PERFORMANCE GAP CLOSURE

## PERFORMANCE GAP CLOSURE

*The Banking-Finance Academy and Capital Markets Training Unit have opposite component strengths and weaknesses...*

<u>Training Infrastructure Component</u>	<u>Banking-Finance Academy</u>	<u>Capital Markets Training Unit</u>
Design	-	+
Implementation	+	-
Marketing	+	-
Evaluation	-	+

**LEGEND:**

- + = Component strength
- = Component weakness

*This will allow them to share expertise with each other for their mutual improvement...*

## DESIGN GAP CLOSURE

*The design component requires improvement to ensure long-term self-sustainability...*

<i>ACTION ITEM</i>	<i>CONSULTANT COMMENTS</i>
<ul style="list-style-type: none"> <li>◆ Training Needs Assessment Activity                             <ul style="list-style-type: none"> <li>◆ Training Plans</li> <li>◆ Select and Develop Training Programs</li> <li>◆ Training Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ The Academy's training needs assessment process needs improvement. Due to time constraints, there is insufficient time to have the western training consultant conduct a formal Training Needs Assessment to define the current versus desired level of performance of select positions within the banking community. However, the Training Advisory Board could share their expertise and assist the Founders in conducting a formal Training Needs Assessment using the Capital Markets Development Project Training Needs Assessment Report as a guide.</li> <li>◆ A formal Training Needs Assessment has been conducted for the capital markets community. However, the Training Advisory Board needs to revisit the report to determine if the competencies (knowledge, skills and attitudes) established for brokers, registrars, regulator and stock exchange are still valid. The training consultant would be available to assist the Board in this activity.                             <ul style="list-style-type: none"> <li>◆ The Board needs to approve the Training Plan and begin revising or developing training programs. The training consultant would be able to assist the Board in beginning this activity.</li> <li>◆ The Board needs to examine evaluation data to determine improvements (instructors, courses and workshops and the pre and post-examinations). The training consultant would be able to assist the Board in beginning this activity.</li> </ul> </li> </ul>

## DESIGN GAP CLOSURE CONTINUED

*The design component requires improvement...*

<i><b>ACTION ITEM</b></i>	<i><b>CONSULTANT COMMENTS</b></i>
<ul style="list-style-type: none"> <li>◆ Training Program Components                             <ul style="list-style-type: none"> <li>◆ Learning Objectives                                     <ul style="list-style-type: none"> <li>◆ Course</li> <li>◆ Module/Chapter</li> </ul> </li> <li>◆ Learning Methodologies                                     <ul style="list-style-type: none"> <li>◆ Lecture</li> <li>◆ Discussion</li> <li>◆ Individual and Group Exercise</li> <li>◆ Case Studies</li> <li>◆ Video and Audiotape</li> <li>◆ Simulations</li> <li>◆ Computer Based Training</li> <li>◆ Coaching</li> </ul> </li> <li>◆ Training Resources                                     <ul style="list-style-type: none"> <li>◆ References</li> <li>◆ Dictionary</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ The Academy's training program components need to be formalized and communicated to course designers. The documentation prepared for the Training Unit by the western training consultant and approved by the Board could be shared with the Founders. The Founders could review the components to determine if they wish to use the same approach to designing and developing programs. The training consultant can facilitate this process.</li> <li>◆ Formal training program components were established for the Training Unit by the western training consultant and approved by the Board. It will be incumbent upon the Georgians to use the formal training components as they revise or create courses and workshops. The training consultant would be available to begin the revision process.</li> <li>◆ The capital markets dictionary will need to be reviewed and revised. The National Securities Commission expressed interest in managing the review process. The training consultant could provide guidance on how best to manage this activity. The Founders may also wish to receive guidance on how to manage a review process of the existing banking dictionary.</li> </ul>

## DESIGN GAP CLOSURE CONTINUED

*The design component requires improvement...*

<i><b>ACTION ITEM</b></i>	<i><b>CONSULTANT COMMENTS</b></i>
<ul style="list-style-type: none"> <li>◆ Design Standards (Templates)                             <ul style="list-style-type: none"> <li>◆ Participant Guide</li> <li>◆ Leader's Guide</li> <li>◆ Overheads</li> <li>◆ Pre and Post Test Examinations</li> <li>◆ Course Evaluation Forms</li> <li>◆ Glossary</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Formal design standards (templates) were created for the Training Unit by the training consultant and approved by the Board. It will be incumbent upon the Georgians to communicate the standards and require designers to adhere to the formal standards. The training consultant can facilitate this process.</li> <li>◆ The Academy's training design standards need to be formalized and communicated to course designers. The documentation prepared for the Training Unit by the western training consultant and approved by the Board could be shared with the Founders. The Founders could review the standards to determine if they wish to use the same approach to design and develop programs. The training consultant can facilitate this process.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Course Presentation                             <ul style="list-style-type: none"> <li>◆ Instructor Identification</li> <li>◆ Presentation Standards</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ Formal standards approved by the Board exist to identify, select and coach instructors for the Training Unit. It will be incumbent upon the Georgians to communicate the standards and require instructors to adhere to the formal standards. The training consultant can facilitate this process.</li> <li>◆ The Academy's training course presentation standards need to be formalized and communicated to instructors. The documentation prepared for the Training Unit by the western training consultant and approved by the Board could be shared with the Founders. The Founders could review the standards to determine if they wish to use the same approach to course presentation. The training consultant can facilitate this process.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Both entities need to proactively review the design component and determine warranted improvements. The training consultant can facilitate this activity.</li> </ul>

## IMPLEMENTATION GAP CLOSURE

*The implementation component requires expansion to ensure long-term self-sustainability...*

<i><b>ACTION ITEM</b></i>	<i><b>CONSULTANT COMMENTS</b></i>
<ul style="list-style-type: none"> <li>◆ Administrative Activity</li> <li>◆ Registration Activity</li> <li>◆ Accounting Activity</li> <li>◆ Course Logistics</li> </ul>	<ul style="list-style-type: none"> <li>◆ The Academy has operated with minimal western guidance for the past six months. They have mastered the basics of implementation and can share their expertise with the Training Unit. However, the implementation component of the Academy requires formalization and expansion. The training consultant could provide guidance on areas that need to be formalized and expanded. Most significantly, the local Director groomed for four years is no longer with the Academy. Therefore, it will be incumbent on the Founders and remaining staff to provide institutional memory and execute the required implementation activities until a replacement is identified and trained.</li> <li>◆ The Training Unit has operated with extensive western guidance for the past 22 months. More importantly, the local Training Manager groomed for 22 months is no longer with the program. Therefore, there is no local dedicated to training full time who is completely knowledgeable about the activities of the Training Unit. Until a replacement is identified and trained, the training consultant will provide support.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Both entities need to proactively review the implementation component and determine warranted improvements. The training consultant can facilitate this activity.</li> </ul>

## MARKETING GAP CLOSURE

*The marketing component requires comprehensive improvement to ensure long-term self-sustainability...*

<i>ACTION ITEM</i>	<i>CONSULTANT COMMENTS</i>
<ul style="list-style-type: none"> <li>◆ Banking Training Center Mission</li> <li>◆ Marketing Objectives</li> <li>◆ Marketing Channels</li> <li>◆ Marketing Activities</li> </ul>	<ul style="list-style-type: none"> <li>◆ The Academy has operated with minimal western guidance for the past six months. They have mastered the basics of marketing and can share their expertise with the Training Unit. However, the marketing component of the Academy requires formalization and expansion. The training consultant could provide guidance on areas that need to be formalized and expanded.</li> <li>◆ The Training Unit has operated with extensive western guidance for the past 22 months. Furthermore, marketing (audiences) were defined by the task order. Therefore, the Training Unit has minimal experience in marketing. The Founders and Academy staff will be able to share expertise with the Training Advisory Board.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Both entities need to proactively review the marketing component and determine warranted improvements. The training consultant can facilitate this activity.</li> </ul>



## EVALUATION GAP CLOSURE

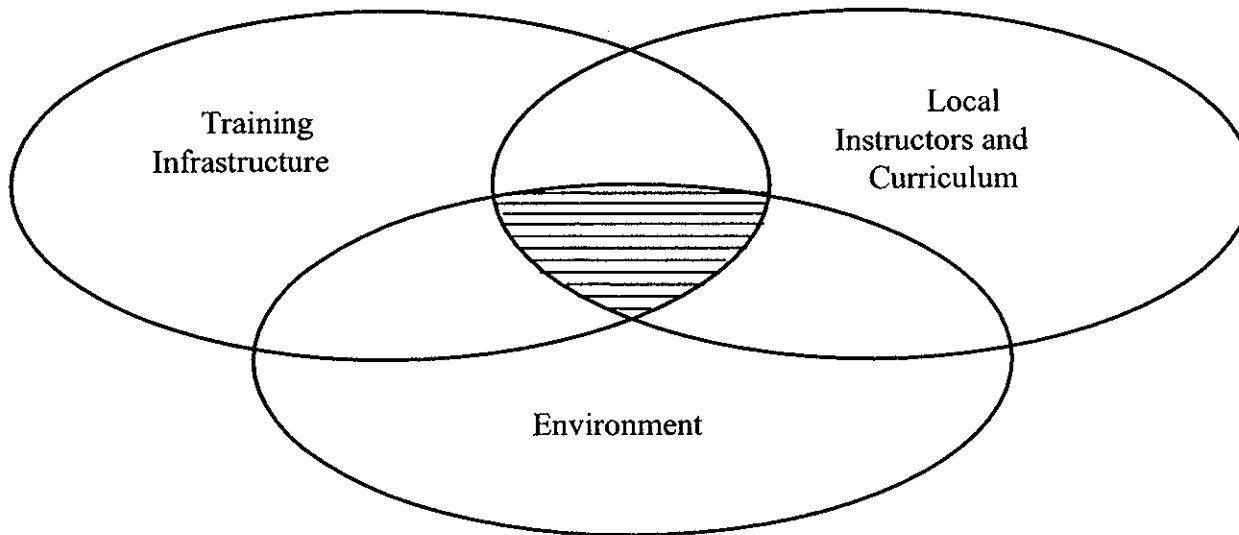
*The evaluation component requires greater depth to ensure long-term self-sustainability...*

<i>ACTION ITEM</i>	<i>CONSULTANT GAP CLOSURE</i>
<ul style="list-style-type: none"> <li>◆ Evaluation Activity                             <ul style="list-style-type: none"> <li>◆ Course Evaluation</li> <li>◆ Instructor Evaluation</li> <li>◆ Training Entity Evaluation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ The Training Unit with the guidance of the western training consultant established evaluation activity for courses and instructors. The Board approved the course and instructor evaluation forms. No evaluation form was prepared to evaluate the Training Unit (it wasn't an independent entity). The Board could share the forms with the Founders.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Evaluation Levels                             <ul style="list-style-type: none"> <li>◆ Reaction</li> <li>◆ Learning</li> <li>◆ Behavior</li> <li>◆ Results</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>◆ The Training Unit measures participant reaction and learning. The Academy measures reaction. It is critical that both entities demonstrate return on investment. A decision will need to be reached on how best to demonstrate return on investment for both communities. The training consultant can provide guidance.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Success Factors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Both entities need to proactively define the activities and tasks to achieve self-sustainability. The training consultant can facilitate this activity.</li> </ul>
<ul style="list-style-type: none"> <li>◆ Process Improvement Activity</li> </ul>	<ul style="list-style-type: none"> <li>◆ Both entities need to proactively review the evaluation components and determine warranted improvements. The training consultant can facilitate this activity.</li> </ul>

## PERFORMANCE GAP CLOSURE

*The performance gaps are not limited to infrastructure alone...*

### HIGH PERFORMING ACADEMY/TRAINING UNIT



***TRAINING (INFRASTRUCTURE AND INSTRUCTORS) + ENVIRONMENT = RESULTS***

## PERFORMANCE GAP CLOSURE

*This section highlights the necessary steps to close the gaps identified in the diagnostic on the Banking-Finance Academy and the Capital Markets Training Unit...*

- ◆ First, the primary means to close the performance gaps through improvements in training design, implementation, marketing and evaluation infrastructure are highlighted.
- ◆ Next, improvements to the local training development and delivery are mentioned.
- ◆ Finally, some high level environmental improvements are discussed.
- ◆ The improvement recommendations stated here will serve as the basis for determining ways for the Banking-Finance Academy and the Capital Markets Training Unit to cooperatively work together and design a Performance Improvement Plan given the remaining time on the project.

## PERFORMANCE GAP CLOSURE

*To begin to reduce gaps, a performance improvement plan must be developed...*

- ◆ Improvement is needed in all of the infrastructure components to ensure the self-sustainability of the Banking-Finance Academy and Capital Markets Training Unit
  - Design – Local instructors must be attracted, developed and motivated to produce quality products and services.
  - Implementation – The enrollment process must be established or upgraded and integrated with other components.
  - Marketing – New markets must be identified and new customers attracted for existing or future products and services.
  - Evaluation – The Banking-Finance Academy and Capital Markets Training Unit must prove return on investment on products and services to clients.
- ◆ It is recommended that the Founders and Training Advisory Board focus on improving the Banking-Finance Academy and Capital Markets Training Unit's ability to develop and deliver local courses
  - Instructional Systems Design – Potential local instructors should be given guidance on how to produce performance based training programs.
  - Presentation – Potential instructors must practice and master instruction delivery to maximize participant learning.

*The optimal Banking-Finance Academy and Capital Markets Training Unit performance actions stated in this diagnostic report will serve as the basis for designing the Performance Improvement Plan...*

## ENVIRONMENT GAP CLOSURE

*For training to be successful and have long-term impact on Georgia's banking and capital markets sectors, environmental changes must also be acknowledged and ultimately addressed by the industry...*

- ◆ Environmental changes must be addressed to create a high performing banking and capital markets industry
  - Laws and policies
  - Data, information systems and technology
  - Leadership and managerial practice
  - Schools (banking and capital markets curriculum)
- ◆ Psychological changes must be addressed to create high performing Georgian bankers and capital markets personnel
  - Georgian bankers and capital markets personnel must be proactive and influence the needed changes in the banking and capital markets industry
  - Georgian bankers and capital markets personnel must focus on improving their current and future banking and capital markets knowledge and skills
  - Georgian bankers and capital markets personnel must first become banking and/or capital markets generalists and then embrace becoming banking and/or capital markets specialists
  - To achieve the desired Georgian banking or capital markets industry, Georgian bankers and capital markets personnel must have a shared vision of the future for banking and capital markets in Georgia

V. NEXT STEPS

344

## NEXT STEPS

*The following steps are required to initiate action to close the identified gaps...*

- ◆ The Banking-Finance Academy Founders and Capital Markets Training Advisory Board must review the findings and recommendations of this Diagnostic Report and reach consensus with Barents.
- ◆ USAID, Barents, BFA Founders and the Capital Markets Training Advisory Board must agree on the most effective way to close the performance gaps of their respective training organizations and cooperatively work together given the remaining time on the project:
  - Improvement priorities
  - Necessary resources
  - Required personnel
  - Approved timeline
- ◆ Finally, Barents will develop and deliver a Workplan that details the improvement phases within the scope of the exiting Bankers Training Project.
  - Performance Improvement Program (Design, Implementation, Marketing and Evaluation).
  - Intense Training of Trainers Program (curriculum development and delivery).

**Appendix U**





**BANKERS TRAINING PROJECT  
BANKING-FINANCE ACADEMY INDUSTRY ASSESSMENT  
REPORT**

*This document is confidential and intended solely  
for the client to whom it is addressed.*

**USAID  
TBILISI, GEORGIA  
DECEMBER 2000**

I. INTRODUCTION

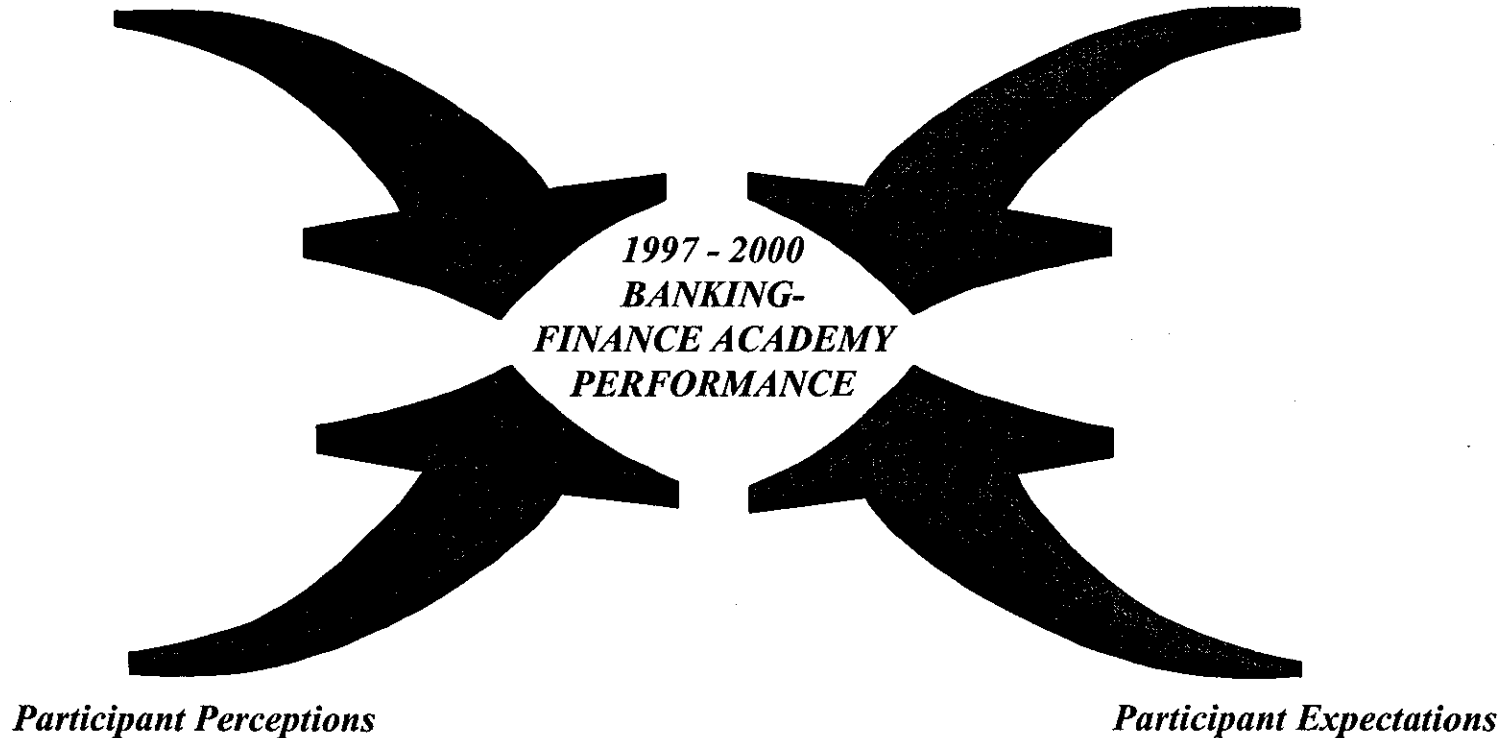
## INTRODUCTION

*THIS REPORT SUMMARIZES CURRENT CLIENT AND PARTICIPANT PERCEPTIONS AND FUTURE EXPECTATIONS OF THE GEORGIAN BANKING-FINANCE ACADEMY...*

# BANKING-FINANCE ACADEMY PERFORMANCE

*Client Perceptions*

*Client Expectations*



**II. DIAGNOSTIC APPROACH**

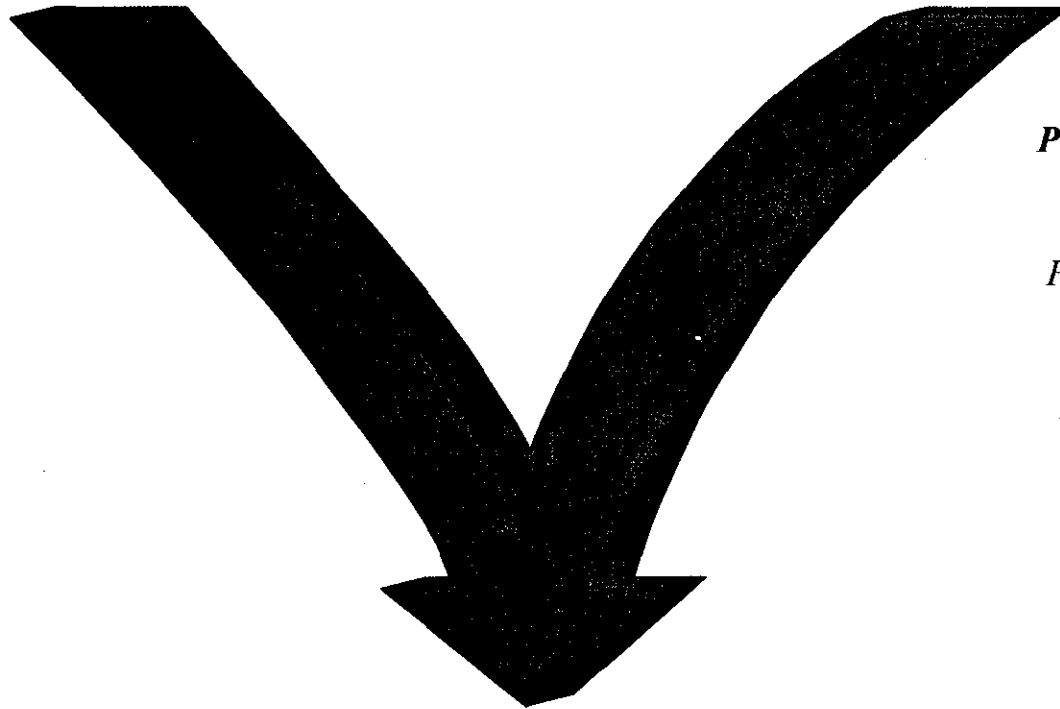
**DIAGNOSTIC APPROACH**

***THE DIAGNOSTIC APPROACH WAS DRIVEN BY THE NEED TO MEASURE CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS TO DETERMINE IMPROVEMENTS...***

**1997 - 2000 BANKING-FINANCE ACDEMY PERFORMANCE**

***PRONG 1:  
Client Perceptions  
and Expectations***

*Interviews with  
Best, Average and  
Potential Bank  
Clients*



***PRONG 2:  
Participant Perceptions  
and Expectations***

*Focus Group Meetings  
with Participants  
from Best and  
Average Bank Clients*

***FUTURE BANKING TRAINING CENTER PERFORMANCE***

## CLIENT IDENTIFICATION

**TOTAL BANK ATTENDANCE PARTICIPATION STATISTICS WERE REVIEWED TO IDENTIFY THE BEST, AVERAGE AND POTENTIAL CLIENTS...**

### ***BEST CLIENTS (58.33%)***

<u>Bank Name</u>	<u>Percentage</u>
United Georgian Bank *	11.31
TbilComBank *	8.83
TBC-Bank *	8.52
Intellectbank *	8.44
Bank of Georgia *	8.29
Republic	6.51
TbilCreditBank *	6.43

### ***AVERAGE CLIENTS (36.79%)***

<u>Bank Name</u>	<u>Percentage</u>
Absolute	5.81
ICBSB	4.42
NBG	4.42
Geo.Maritime Bank	3.95
Tbiluniversalbank	3.72
Energobank	3.18
Rossyski Credit-Cartu	2.79
Agroindustrialbank	2.01
Basisbank	1.70
Georgian Capital	1.47
Georgian Post Bank	1.24
RGBRD	1.08
Georgian Bank	1.01

### ***POTENTIAL CLIENTS (4.88%)***

<u>Bank Name</u>	<u>Percentage</u>
EaBank	.93
ABS	.54
Liberty	.46
EmlakBank	.46
MicroFinance Bank	.46
Rioni	.31
Trade-Invest Bank	.23
AgroBusinessBank	.15
Gamabank	.08

**\* 51.82% OF OUR BEST CLIENTS ARE OUR FOUNDERS...**

## CLIENT IDENTIFICATION

*BANKS WERE RANDOMLY SELECTED AND INVITATIONS WERE SENT REQUESTING A MEETING WITH THE CHAIRMEN OF THE BEST, AVERAGE AND POTENTIAL BANK CLIENTS ALONG WITH INVITATIONS FOR THE BEST AND AVERAGE BANK CLIENTS TO ATTEND ONE OF TWO FOCUS GROUP MEETINGS...*

### ***BEST CLIENTS***

#### *Bank Name*

United Georgian Bank  
TbilComBank  
TBC-Bank  
Intellect Bank  
Bank of Georgia  
Republic  
TbilCreditBank

### ***AVERAGE CLIENTS***

#### *Bank Name*

Absolute  
NBG  
Tbiluniversalbank  
Energobank  
Agroindutrialbank  
Georgian Post Bank  
Georgian Bank

### ***POTENTIAL CLIENTS***

#### *Bank Name*

EABank  
EmlakBank  
MicroFinanceBank

*THE CHAIRMEN AND THE FOCUS GROUP MEETINGS WERE CONDUCTED USING A STANDARDIZED SET OF QUESTIONS...*

**III. CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS**



## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

*CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT AND IN MOST CASES SIMILAR...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
Academy Facilities	<ul style="list-style-type: none"> <li>◆ Generally the classrooms are acceptable except for mirror-room (Classroom 3) which does not have windows making it stuffy.</li> <li>◆ Excellent facilities, very close to high standards, meeting participants expectations.</li> <li>◆ Classrooms and facilities are mainly satisfactory. However, the rooms facing the street are very noisy.</li> <li>◆ Rooms are too noisy.</li> <li>◆ Full equipped.</li> <li>◆ Chairs are uncomfortable.</li> <li>◆ Generator is noisy.</li> </ul>
Academy Location	<ul style="list-style-type: none"> <li>◆ Academy has very comfortable and easy-to-access location.</li> <li>◆ Academy has very comfortable and good for the National Bank of Georgia.</li> <li>◆ Comfortable location.</li> <li>◆ Location is very comfortable for our Bank.</li> </ul>
Certificate	<ul style="list-style-type: none"> <li>◆ The design and appearance of the certificates are very good.</li> <li>◆ The design and appearance of the certificates is acceptable.</li> <li>◆ A certificate based on attendance is quite satisfactory.</li> </ul>

*35*

## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

### *CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
Competition	<ul style="list-style-type: none"> <li>◆ Nine employees of our bank attended a 10 day free seminar on Bank Structure, Transaction and Letters of Credit in Greece organized by our shareholder bank. Probably, this will repeated because we were pleased with the results.</li> <li>◆ Our employees took part in various seminars abroad: one employee attended seminars on Customer Service in Prague; two employees attended a seminar on Foreign Exchange in Frankfurt and seminars on Information Technology in Moscow. All the seminars were quite expensive.</li> <li>◆ Academy has a lot of competitors. Our Bank has a special budget for training. The Bank readily sends interested individuals abroad for training. Employees have been sent to the following countries: England, Netherlands, Austria, Germany and Scandinavian countries.</li> <li>◆ Five bank employees were sent to a free two-week seminar on Management organized by Greek Government. Also two employees attended free Marketing Course in Egypt with per diem reimbursed.</li> <li>◆ Academy is the main provider for training. One employee was sent to a one-week free seminar on Foreign Exchange funded by Deutsche Bank in January 2000. Either the quality of the seminar or the readiness of the employee to get more information was not enough to implement changes in the bank.</li> </ul>

## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

### *CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
Cost	<ul style="list-style-type: none"> <li>◆ The cost is quite reasonable.</li> <li>◆ The cost is absolutely reasonable without any comments.</li> <li>◆ The current price is symbolic.</li> <li>◆ Acceptable.</li> <li>◆ Absolutely reasonable.</li> <li>◆ Normal price.</li> </ul>
Course Length/ Duration/Timing	<ul style="list-style-type: none"> <li>◆ The current training schedule of all day training interrupts the bank's daily procedures.</li> <li>◆ One-week seminars are too short.</li> <li>◆ The length should depend on course topic.</li> <li>◆ Course length is not sufficient to cover all the issues.</li> <li>◆ Five days is too short.</li> <li>◆ Difficult to send staff (time away from bank).</li> </ul>
Course Materials	<ul style="list-style-type: none"> <li>◆ According to specialists at the bank, the Academy course materials are one of the best and practically useful.</li> <li>◆ Materials design is of high quality.</li> <li>◆ Their quality and design are quite satisfactory.</li> <li>◆ Materials are not practical oriented.</li> <li>◆ The Russian translation is low.</li> <li>◆ Examples not applicable to Georgian law and reality.</li> </ul>

## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

### *CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
Curriculum	<ul style="list-style-type: none"> <li>◆ The bank doesn't participate in creating curricula.</li> <li>◆ The curriculum is not sent to the bank in advance to clarify topics desired.</li> <li>◆ Curriculum is not comprehensive and specified on local situation.</li> <li>◆ Training programs are not based on close cooperation with banks.</li> <li>◆ Topic and detailed plans are not negotiated with the bank's proper departments.</li> <li>◆ No query is sent to banks about the topics desired.</li> <li>◆ Curriculum is not designed to take into account different levels of participants.</li> <li>◆ General programs with general view are not specific enough for our bank.</li> </ul>
Decision Maker	<ul style="list-style-type: none"> <li>◆ Bank Director Executive Director and Chairman of Board are decision-makers separately or together. This takes about two to three hours.</li> <li>◆ The President makes all the decisions.</li> <li>◆ Usually General Director makes the decision by presenting the candidates by deputies and this procedure lasts two to three days.</li> <li>◆ Directors make most of the participant attendance decisions. There were cases when employees expressed their interest in participating and they were readily sent to attend those courses.</li> <li>◆ President makes the decision.</li> </ul>
Computer Courses	<ul style="list-style-type: none"> <li>◆ No interest because bank employees should know the basics of how to use a computer.</li> <li>◆ There is no interest towards computer classes because everybody in the bank has minimal skills in this field.</li> <li>◆ There is no interest towards computer courses.</li> </ul>

## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

### *CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
English Courses	<ul style="list-style-type: none"> <li>◆ We hired an English Teacher to conduct English courses at our bank.</li> <li>◆ We are not specifically interested in English courses.</li> <li>◆ The Bank employees were very pleased with the English courses.</li> <li>◆ The Bank has some interest in English courses.</li> </ul>
In-Bank Consulting	<ul style="list-style-type: none"> <li>◆ Not necessary.</li> <li>◆ Bank is not interested in this matter.</li> <li>◆ The bank has no demand for this service.</li> <li>◆ Consulting was not practical or skills oriented and included too much lecturing.</li> </ul>
Instructors/Local	<ul style="list-style-type: none"> <li>◆ Bank employees do not have the willingness to attend courses conducted by Georgian instructors because their qualifications are doubtful.</li> <li>◆ There is no willingness to attend seminars conducted by local instructors.</li> <li>◆ Georgian Instructors are capable of designing quality courses.</li> </ul>
Instructors/Western	<ul style="list-style-type: none"> <li>◆ Courses by Western instructors are desirable.</li> <li>◆ Interest towards Western instruction is very high.</li> <li>◆ Western instructors don't give practical or relative material.</li> </ul>
Library	<ul style="list-style-type: none"> <li>◆ The Bank does not have an information about library.</li> <li>◆ The bank is not using the library too often.</li> <li>◆ The bank does not know that the library exists.</li> </ul>

## CLIENT AND PARTICIPANT PERCEPTIONS AND EXPECTATIONS

### *CHAIRMEN AND PARTICIPANT OBSERVATIONS WERE SIGNIFICANT...*

<i>TOPIC</i>	<i>COMMENTS SUMMARY</i>
Marketing	<ul style="list-style-type: none"><li>◆ Marketing of Academy does not need to be improved because its market (the banking community) has information on Academy and its working style.</li><li>◆ There is no need to make any changes in marketing.</li><li>◆ All banks are interested in self-improvement, have information on Banking-Finance Academy and if any bank does not sent participants to attend the courses, this does not relate to bad marketing.</li><li>◆ Marketing does not contain detailed information about the course topics.</li><li>◆ Telephone is always busy. More important, I can't fax applications.</li></ul>

### *CHAIRMEN AND PARTICIPANT PERCEPTIONS ALONG WITH THEIR EXPECTATIONS WILL DETERMINE ACADEMY IMPROVEMENTS...*

**IV. RECOMMENDATIONS**

## RECOMMENDATIONS

### *THE CHAIRMEN, PARTICIPANTS AND BARENTS SHARED RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>
Academy Facilities	<ul style="list-style-type: none"> <li>◆ The rooms facing the street are very noisy. Therefore, microphones and amplifiers are highly desirable.</li> <li>◆ Move generator or hold courses away from generator.</li> </ul>
Academy Location	<ul style="list-style-type: none"> <li>◆ Would be better if the rooms are not facing the street.</li> </ul>
Certificate	<ul style="list-style-type: none"> <li>◆ It would be nice to differentiate certificates according to test results (not difficult tests).</li> <li>◆ Some kind of testing where participants will have a chance to sum up what they have been doing during the seminar would be very useful. Tests should not be very demanding and challenging.</li> <li>◆ Test would be desirable because one week is not enough to comprehend large volume of materials.</li> <li>◆ Should be based on attendance as well as performance.</li> <li>◆ Testing would be good. However, we need knowledge. Therefore, testing should not be frightening.</li> <li>◆ Testing would add value to the certificates.</li> </ul>
Competition	<ul style="list-style-type: none"> <li>◆ All the seminars we send our employees to outside of Georgia were quite expensive. It would be helpful if the Academy can assist the bank in identifying cost effective foreign seminars and courses.</li> <li>◆ Our banks collects knowledge rather than applying in bank. It would be helpful if the Academy can give us direction on how to apply the knowledge.</li> <li>◆ Either the quality of the seminar or the readiness of the employee to get more information was not enough to implement changes in the bank. We need assistance in how to determine readiness of the employees and the bank to implement changes.</li> </ul>



## RECOMMENDATIONS

### *RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>
Cost	<ul style="list-style-type: none"> <li>◆ Knowledge is expensive. Therefore, we would pay even more if find seminars useful and interesting.</li> <li>◆ The bank could pay more for courses.</li> <li>◆ Our bank is so interested in raising the employee qualification that the price does not matter. Therefore, the Academy can raise the price.</li> </ul>
Course Length/ Duration/Timing	<ul style="list-style-type: none"> <li>◆ We would appreciate it if the Academy could make seminars half-day (after lunch) and increase their duration. This would enable bankers to take a more active part in seminars without interrupting bank's daily procedures.</li> <li>◆ We would appreciate to make seminars half-day (after or before lunch)</li> <li>◆ Two-week seminars from 13:00 to 17:00 would be excellent.</li> <li>◆ Should depend on course topic. Definitely, it would be better to make courses half days and increase the course length.</li> <li>◆ Course length should be lengthened to cover all the issues.</li> <li>◆ Course length can be increased.</li> <li>◆ Courses should be offered when employees are not working (evenings, Saturday and Sunday). In addition, they should be half days taught in the afternoon.</li> <li>◆ It would be better if weekends are included while planning the courses (suggest Wednesday through Friday plus weekends).</li> </ul>

## RECOMMENDATIONS

### *RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>
Course Materials	<ul style="list-style-type: none"><li>◆ Course materials should be more practically oriented.</li><li>◆ The course materials should be designed to use after finishing the course.</li><li>◆ Materials should be designed as a self-study guides for future use.</li><li>◆ Materials should include policies and samples.</li><li>◆ Russian translation needs to be improved.</li><li>◆ Materials should be in Georgian.</li><li>◆ Examples should be applicable to the law and reality of Georgia.</li><li>◆ Should include information on what is going on outside of Georgia.</li><li>◆ Materials should be more detailed and have more explanations, exercises and handouts with more classroom discussion.</li></ul>

## RECOMMENDATIONS

### *RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>
Curriculum	<ul style="list-style-type: none"> <li>◆ Banks should participate in creating curriculum more intensively. A query could be sent to banks about the topics desired and help identify participants for seminars. This would minimize the vacancies on seminars.</li> <li>◆ Desirable if curriculum is sent to the bank in advance to clarify the topics desired.</li> <li>◆ Should have more overview courses. Specialists should deliver specialized courses.</li> <li>◆ Must be more comprehensive with less general definitions and more specified on local situation. Training programs should be developed with close cooperation with banks, i.e. topic and the detailed plan should be negotiated with banks' proper departments or query should be sent to the bank about the topics desired.</li> <li>◆ Should be of three levels: executive decision makers, departmental level employees and for employees with three to four years of experience.</li> <li>◆ Curriculum should include exposure to the policy and procedures of other countries.</li> <li>◆ Should include internships outside of Georgia.</li> <li>◆ Curriculum needs to be specific rather than general.</li> <li>◆ Curriculum should include some distance learning courses.</li> <li>◆ Adding internships would be very desirable.</li> <li>◆ We would buy course materials and self-study guides and participate in distance learning.</li> </ul>
Decision Maker	<ul style="list-style-type: none"> <li>◆ Marketing information should be sent in Georgian and English to the President of bank as well as the manager of the human resources department.</li> <li>◆ It would be highly desirable to get instructor's CV, which would help in decision making.</li> <li>◆ Need a minimum of two weeks to make decision on whom to send to courses.</li> </ul>

*205*

## RECOMMENDATIONS

### *RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>
Computer Courses	<ul style="list-style-type: none"> <li>◆ It would be helpful if the Academy would deliver next level or beyond basic computer courses.</li> </ul>
English Courses	<ul style="list-style-type: none"> <li>◆ We are not interested in English Courses.</li> <li>◆ We are not specifically interested in English courses.</li> <li>◆ Continuation of the English courses is desired.</li> <li>◆ There is some interest in conducting English courses.</li> <li>◆ Bring back the English courses.</li> </ul>
In-Bank Consulting	<ul style="list-style-type: none"> <li>◆ Not necessary.</li> <li>◆ Specific topics should be negotiated in advance.</li> <li>◆ There is no demand.</li> <li>◆ Should be more practical skills oriented. Less lecturing is preferable.</li> </ul>
Instructors/Local	<ul style="list-style-type: none"> <li>◆ Need to share Georgian instructor's qualifications to verify their competence to design, develop and conduct courses.</li> <li>◆ Need to know Georgian instructor's capabilities.</li> </ul>
Instructors/ Western	<ul style="list-style-type: none"> <li>◆ Western Instructors should be used for specific topics.</li> <li>◆ It is desirable to have courses taught by Western Instructors.</li> <li>◆ Should give more practical, relative material.</li> <li>◆ Instructor should have experience working in developing countries.</li> </ul>
Library	<ul style="list-style-type: none"> <li>◆ We desire to use it. However, we need information about the contents.</li> <li>◆ The Bank needs information about library.</li> </ul>

## RECOMMENDATIONS

### *RECOMMENDATIONS FOR IMPROVEMENT...*

<i>TOPIC</i>	<i>RECOMMENDED ACTION</i>	
Marketing	<ul style="list-style-type: none"> <li>◆ Do not need more information on Banking-Finance Academy.</li> <li>◆ Marketing should contain more detail information about the course topics and instructors.</li> <li>◆ One telephone should be dedicated for incoming calls only.</li> <li>◆ Add cellphone number for Academy staff to marketing flyer.</li> <li>◆ Desirable to inform banks directly and not through National Bank of Georgia.</li> <li>◆ Marketing announcements should be sent to banks directly, not through National Bank of Georgia.</li> <li>◆ Share rating of course and instructor (if they have taught courses for the Academy).</li> </ul>	
2001 Topics	<ul style="list-style-type: none"> <li>◆ International Accounting Standards</li> <li>◆ Bank Risk Management</li> <li>◆ Problem Loan Management</li> <li>◆ Computer Security</li> <li>◆ Credit Cards (security, process, service and management)</li> <li>◆ Credit Analysis</li> <li>◆ Plastic Cards (starting process)</li> <li>◆ Investment Project Financing</li> <li>◆ Modern Banking Products</li> </ul>	<ul style="list-style-type: none"> <li>◆ E-Commerce</li> <li>◆ Insurance</li> <li>◆ Banking and Sectors</li> <li>◆ Letters of Credit</li> <li>◆ Tax Code</li> <li>◆ Bank Ethics</li> <li>◆ Customer Service/Relations</li> <li>◆ Securities</li> <li>◆ Human Resources</li> <li>◆ Legal Department</li> </ul>

***THE RECOMMENDATIONS WILL BE THE BASIS FOR THE FOUNDERS AND THE BANKING-FINANCE ACADEMY DIRECTOR TO DETERMINE IMPROVEMENTS FOR THE ACADEMY...***

## TRAINING ADVISORY COMMITTEE

***TO GUIDE THE GEORGIAN BANKING-FINANCE ACADEMY, IT IS ESSENTIAL THAT A TRAINING ADVISORY COMMITTEE BE FORMED...***

### ◆ Purpose

The Training Advisory Committee will ensure quality and confirm that Banking-Finance Academy generated products and services are appropriate and suitable for the Georgian banking community.

### ◆ Role

The primary role of a member of the Training Advisory Committee will be as a banking industry spokesperson for the business segment they are representing. Specifically, members will help identify, shape and fine-tune the Banking-Finance Academy's products and services.

### ◆ Composition

The Banking-Finance Academy Founders will determine the selection criteria and size of the Training Advisory Committee. Specifically, the Founders should agree upon the ideal size and composition of the Committee. The Advisory Committee should be composed of a variety of bankers from a variety of bank types and sizes.

### ◆ Responsibility

The Banking-Finance Academy Founders will form the Advisory Committee and determine their responsibilities.

## NETWORKING GROUPS

***TO HELP FACILITATE THE TRANSFER AND SHARING OF BANKING KNOWLEDGE AND SKILLS, IT IS IMPERATIVE THAT NETWORKING GROUPS BE FORMED...***

### ◆ Purpose

The purpose of the Networking Groups is to provide a banking community based approach to identify and find solutions to banking and managerial challenges. Bankers would have a forum to share and collect information as well as network with colleagues in comparable positions and more proactively manage their individual development. This could include mobilizing to influence needed changes in banking legislation.

### ◆ Role

The primary role of the bankers involved in the Networking Groups would be to aid in fostering new banking and managerial knowledge, skills and attitudes. They would also develop self-sufficiency in proactively identifying and collecting information on various banking or managerial subjects.

### ◆ Composition/Frequency

The Banking-Finance Academy Founders will determine the formation criteria and the meeting frequency of the Networking Groups. Specifically, the Founders should agree upon the types of Networking Groups and how often they should meet. The Networking Groups should span a variety of banking disciplines and include managerial and non-managerial participants.

### ◆ Responsibility

The Banking-Finance Academy Founders will shape the Networking Groups and influence their responsibilities.

V. NEXT STEPS



## NEXT STEPS

### ***THE FOLLOWING STEPS ARE REQUIRED TO INITIATE ACTION TO MAKE IMPROVEMENTS IN THE GEORGIAN BANKING-FINANCE ACADEMY...***

- ◆ The Founders must review the report comments and recommendations with the Banking-Finance Academy Director.
- ◆ The Founders and the Academy Director must agree on the most effective way to make improvements in the Georgian Banking-Finance Academy for the 2001 academic year:
  - Improvement priorities
  - Necessary resources
  - Required personnel
  - Approved Timeline
- ◆ Finally, the Academy Director should develop and deliver a Workplan to the Founders for approval that details Academy improvements:
  - Training Advisory Committee/Networking Groups
  - Course/Curriculum, Content, Length/Duration/Timing and Cost
  - Course Certificates
  - Instructors/Local and Western
  - In-Bank Consulting
  - Course Marketing
  - Library
  - Facilities/Location

**VI. APPENDICES**



**A. INDUSTRY ASSESSMENT PARTICIPANTS**

## INDUSTRY ASSESSMENT CLIENT AND NON-CLIENT INTERVIEWS

<u>BANK</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
ArgoIndustrial Bank	Vasil Kamladze	Financial Director	24/10/00
United Georgia Bank	Besik Todua and	Branch Management Department Director	24/10/00
United Georgia Bank	Gulnara Marshanishvili	Branch Management Department Deputy Director	24/10/00
TBC Bank	Lela Santeladze	Head of Human Resources Management Department	24/10/00
Absolute Bank	Medea Nodia	Administrative and Personnel Department Manager	25/10/00
EaBank	Mindia Gadaev	Executive Director	28/11/00
National Bank of Georgia	Lia Koguashvili	Human Resources Management Department Director	18/12/00
Microfinance Bank	George Darsalia	Marketing Manager	20/12/00

**INDUSTRY ASSESSMENT  
PARTICIPANT FOCUS GROUP MEETINGS**

**FOCUS GROUP MEETING**

**CLIENT DESIGNATION**

**BANKS PRESENT**

October 27, 2000

Best Customers

IntellectBank

Republic

TBC Bank

TbilComBank

TbilCreditBank

October 30, 2000

Average Customers

Energobank

National Bank of Georgia

Post Bank

TbilUniversalBank

**B. INDUSTRY ASSESSMENT QUESTIONNAIRES**

## **INDUSTRY ASSESSMENT QUESTIONNAIRE BANKING-FINANCE ACADEMY CLIENTS AND NON-CLIENTS**

Listed below is the information that will be collected and the questions that will be asked during our meetings with the Best, Average and Potential Bank Clients about the Banking-Finance Academy:

### ***BANKING-FINANCE ACADEMY COMPETITION***

- ◆ In the past two years, have you sent your employees to any non-Banking-Finance Academy training courses outside your bank?
- ◆ Can you provide us with any detail about the courses?
  - ◆ Which organizations provided the courses?
  - ◆ What type of courses did they offer?
  - ◆ How many employees did you send?
  - ◆ How long did the courses last (duration and time)?
  - ◆ What did it cost to attend the courses?
  - ◆ Would you send employees again?
- ◆ Were your employees able to apply what they learned at your bank?
- ◆ How did your bank benefit from sending employees to these courses?
- ◆ Did your employees get an opportunity to share what they learned with others at the bank?

## INDUSTRY ASSESSMENT QUESTIONNAIRE CONTINUED BANKING-FINANCE ACADEMY CLIENTS AND NON-CLIENTS

### *BANKING-FINANCE ACADEMY PERCEPTIONS*

- ◆ In the past three and a half years, the Banking-Finance Academy has offered (need total of courses) courses that were sponsored by USAID and presented by Barents Group. Our records indicated that your bank sent XX employees to XX courses in 1997/1998 and XX employees to XX courses in 1999/2000, a change of XX%. What is the reason for the change?
- ◆ How did your bank learn about the courses?
- ◆ Who made the decision to send your bank employees to the courses?
- ◆ What relevant knowledge and skills did your employees learn during the courses?
- ◆ How have your employees been able to apply the knowledge and skills that they learned?
- ◆ How have your employees shared the knowledge and skills with other employees?
- ◆ Have your employees had any difficulty in applying what they learned?
- ◆ If you participated in the in-bank consulting visits, were they productive?
- ◆ Have the course materials been made available to other employees in the bank?
- ◆ How has training made a difference in your employee's performance?
- ◆ How has training made a difference in your bank's performance?
- ◆ Do you plan to send your employees again?
- ◆ Is there anything else you would like to add about your perceptions about the Banking-Finance Academy that we haven't covered?



## INDUSTRY ASSESSMENT QUESTIONNAIRE CONTINUED BANKING-FINANCE ACADEMY CLIENTS AND NON-CLIENTS

### *BANKING-FINANCE ACADEMY EXPECTATIONS*

- ◆ Taking into account the previous courses your bank sent employees and your current perception of the BFA, how do you think we can improve the Banking-Finance Academy?
  - ◆ Topics/Content (course and materials)?
  - ◆ Relevance?
  - ◆ Applicability?
  - ◆ Instruction?
- ◆ Course duration and time?
- ◆ Cost?
- ◆ Translation?
- ◆ Banking-Finance Academy facilities?
- ◆ Banking-Finance Academy staff?
- ◆ Coffee breaks?
- ◆ Where do you see the greatest training needs in your bank?
- ◆ To what extent can training help your bank with these training needs?
- ◆ What types of courses would you recommend to help your bank?
- ◆ What other courses do you think your employees should attend?
- ◆ How should we modify the in-bank consulting to best meet the needs of your bank?
- ◆ What is the best way for the Banking-Finance Academy to market their courses to your bank?
- ◆ What information is needed by your bank to make a decision to send employees for training?
- ◆ Is there anything else that we can do to better meet your bank's training needs (is there anything else you would like to add about your expectations about the Banking-Finance Academy that we haven't covered)?
- ◆ Would you be interested in working with a group of bankers to help identify and review future courses?
- ◆ Would you be interested in providing us with some basic information about your bank such as your annual report so that we can present it to the foreign instructors prior to conducting a course in Georgia?

## INDUSTRY ASSESSMENT QUESTIONNAIRE BANKING-FINANCE ACADEMY PARTICIPANTS

Listed below is the information that will be collected and the questions that will be asked during the meetings with past Banking-Finance Academy participants:

### ***BANKING-FINANCE ACADEMY COMPETITION***

- ◆ In the past two years, how many non-Banking-Finance Academy training courses have you attended outside your bank?
- ◆ Which organizations provided the courses?
- ◆ What courses did you take?
- ◆ How long did the courses last (duration and time)?
- ◆ What did it cost to attend the courses?
- ◆ What is your impression of the courses?
  - ◆ Content (course and materials)?
  - ◆ Relevance?
  - ◆ Applicability?
  - ◆ Instruction?
- ◆ How did you benefit from taking these courses?
  - ◆ What are some of the most beneficial things you learned?
- ◆ How did your bank benefit from you taking the course?
- ◆ Did you get an opportunity to share what you learned with others at your bank?
- ◆ Have you used the course materials since the course? If so, how?

## INDUSTRY ASSESSMENT QUESTIONNAIRE CONTINUED BANKING-FINANCE ACADEMY PARTICIPANTS

### *BANKING-FINANCE ACADEMY PERCEPTIONS*

- ◆ How many courses have you attended at the Banking-Finance Academy?
- ◆ How did you learn about the courses?
- ◆ Who made the decision to send you to the courses?
- ◆ What was your impression of the courses?
  - ◆ Content (course and materials)?
  - ◆ Relevance?
  - ◆ Applicability?
  - ◆ Instruction?
  - ◆ Course duration and time?
  - ◆ Cost?
  - ◆ Translation?
  - ◆ Banking-Finance Academy facilities?
  - ◆ Banking-Finance Academy staff?
  - ◆ Coffee breaks?
- ◆ What did you learn during the courses?
- ◆ How have you been able to apply what you learned in your bank?
- ◆ Have you been able to share what you learned with others in your bank?
  - ◆ If so, how many?
- ◆ Have you experienced any difficulty applying what you learned at your bank?
  - ◆ What type of difficulty did you encounter?
- ◆ Have you had an opportunity or need to refer to your course materials since the course?
  - ◆ If so, did you easily find the information you were seeking?
- ◆ How has the courses made a difference in your performance?
- ◆ How has the courses made a difference in your bank's performance?
- ◆ Is there anything else you would like to add about your perceptions about the Banking-Finance Academy that we haven't covered?

## INDUSTRY ASSESSMENT QUESTIONNAIRE CONTINUED BANKING-FINANCE ACADEMY PARTICIPANTS

### *BANKING-FINANCE ACADEMY EXPECTATIONS*

- ◆ Taking into account the previous courses you have attended and your current perception of the Banking-Finance Academy, how do you think we can improve the Academy?
  - ◆ Topics/Content (course and materials)?
  - ◆ Relevance?
  - ◆ Applicability?
  - ◆ Instruction?
  - ◆ Course duration and time?
  - Cost?
  - ◆ Translation?
  - ◆ Banking-Finance Academy facilities?
  - ◆ Banking-Finance Academy staff?
  - ◆ Coffee breaks?
- ◆ Where do you see the greatest training needs in your department or bank?
- ◆ To what extent can training help your department or bank with these needs?
- ◆ What types of courses would you recommend to help your department or bank?
- ◆ What other courses do you think you and your colleagues would attend?
- ◆ What is the best way for the Banking-Finance Academy to market their courses to you or your bank?
- ◆ What information is needed by your department or bank to make a decision to send employees for training?
- ◆ What would motivate you to pay for training?
- ◆ What is the maximum you would be willing to pay for training?
- ◆ How else can we improve (is there anything else you would like to add about your expectations about the Banking-Finance Academy that we haven't covered)?

**Appendix V**

**Board Resolutions for the Founders of the  
Banking-Finance Academy, Tbilisi Georgia**

**Founders' Meeting November 29, 2000**

1. The Founders hereby resolve, in the management of bank accounts to be pledged to the Banking-Finance Academy, that:

The Founders hereby agree to the following method of control of Account 50107055001 at IntellectBank, representing capital contributions to the Academy on the part of the Founders, and Account 815070945 at Bank Republic, representing retained earnings from Academy receipts of payment for the ongoing delivery of courses during the life of the Academy.

There will be two authorized first signers of both bank accounts, representing the Founders and hereby named in this resolution. In addition, there will be one authorized second signer of both bank accounts, representing Academy management to be named at a subsequent Founders' meeting. The signature of a Founder and representative of the Academy shall be required for all withdrawals. These authorized signatories may be changed at any time by majority vote of the Founders and evidenced by signature of each Founder in the form of a board resolution. Once a week, the authorized representative from the Academy will provide a request to one of the two first signers of the account in order to withdraw funds for ongoing Academy operation for that week. One of the two designated first signers will determine whether the amount requested is appropriate and the proposed expenditures warranted. The Academy representative will then provide monthly reports to the Founders regarding past expenditures of Academy funds.


The authorized first signers representing the Founders will be:

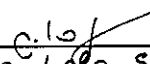
Devi Vepkhvadze, IntellectBank  
Nino Jgamadze, TbilComBank

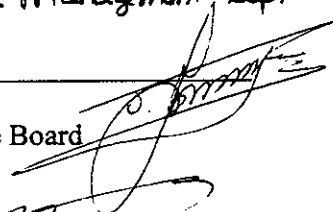
The authorized second signer representing the Academy management staff will be a representative to be selected by the Founders at a subsequent meeting of the Founders.

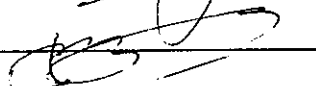
2. The Founders hereby resolve to agree, in principle, to the terms and conditions of the Agreement for the Disposition of Assets and intend to sign such Agreement upon USAID's final approval.

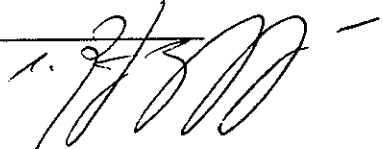
For and on behalf of the Founders:

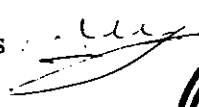
  
Nino Jgamadze  
Operations Director  
TbiliComBank

  
Vakhtang Butskhrikidze *c.10/* *Lela Santeladze*  
General Director *HR Management Dep.*  
TBC-Bank

  
Avtandil Tsereteli  
Deputy Chairman of the Board  
TbilCreditBank

  
Devi Vepkhvadze  
Member of the Supervisory Board  
IntellectBank

  
Irakli Mekvabishvili  
Deputy General Director  
United Georgia Bank

  
Yuri Lebanidze  
Director of Human Resources  
Bank of Georgia



CLOSING AMENDMENT  
TO THE MEMORANDUM OF UNDERSTANDING  
DATED APRIL 14, 1998



WHEREAS, the Government of the United States of America, acting through the U.S. Agency for International Development (USAID), and a Consortium of Commercial Banks (Consortium), hereinafter referred to as the Parties, wish to amend their Memorandum of Understanding dated April 14, 1998 (MOU) to provide for resolution of certain matters and USAID's withdrawal from involvement with respect to the Banking-Finance Academy (Academy), the Parties amend the MOU as follows:

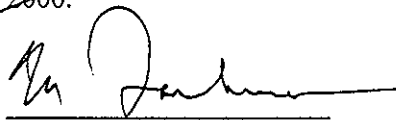
1. Annex 1 to this Amendment is hereby incorporated into the MOU. Annex 1 is a Project Assets Inventory that lists equipment and supplies provided by USAID during the course of development of the Academy (the "Fixed Assets").
2. Annex 2 to this Amendment is hereby incorporated into the MOU. Annex 2 contains copies of the most recent bank statements for: (a) account 501070550 in the amount of \$15,205.72 and account 700863 in the amount of GEL 100.30 at IntellectBank and account 107000100101251 at TbilCreditBank in the amount of \$15,740.00 representing capital contributions to the Academy; and (b) account 818070887 in the amount of \$46,336.00 at Bank Republic representing retained earnings by the Academy for courses provided during the life of the Academy. These four accounts together shall be considered "Academy Bank Accounts". The total funds currently therein shall be considered "Academy Funds". Notwithstanding any provision of the MOU to the contrary, the Parties agree that the Academy Funds and the Academy Bank Accounts are wholly owned by the Academy for Academy purposes. Each Party shall take such steps as are necessary to give the Academy sole control of the Academy Funds and the Academy Bank Accounts.
3. Paragraph 2.6 and Attachment III of the MOU are amended to reduce the total equity capital contribution requirement to the contributions actually made to date. Notwithstanding any provision of the MOU to the contrary, USAID shall, through such steps as it deems necessary, cause title to the Fixed Assets in the Project Assets Inventory to be transferred to the Academy.
4. Notwithstanding any provision of the MOU to the contrary, the Parties and the Academy agree that the Fixed Assets, the Academy Funds and the Academy Bank Accounts shall be used solely for the Academy's ongoing operations within the scope of the program purpose stated in the MOU. The Academy's management and directors are responsible for the Academy's operation. The Consortium shall ensure that any successor managers and directors assume the undertakings described in this paragraph and paragraph 5.
5. In the event that the Academy ceases operation and any Academy Funds or Fixed Assets, or both, still exist, such Academy Funds and Fixed Assets shall be donated to a non-profit training facility or, if no such institution is available in Georgia, any other non-profit organization in Georgia that is not political in nature.
6. USAID's undertakings are concluded. The MOU, as amended, shall expire five years after



the completion of the transfer of title referenced in paragraph 3 and of the steps described in the final sentence of paragraph 2.

7. The Bank of Georgia and the United Georgia Bank's undertakings are limited to those stated in paragraphs 1 through 2 and 4 through 6 of this Amendment.

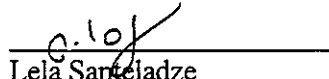
In witness whereof, the Parties, each acting through their duly authorized representatives, have caused this Amendment to be signed in their names and delivered as of this 26<sup>th</sup> of February, 2001 of December, 2000.



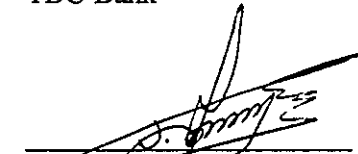
Michael Farbman  
Mission Director  
USAID/Caucasus



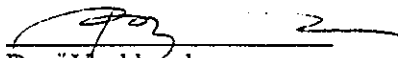
Nino Jgamadze  
Operations Director  
TbiliComBank



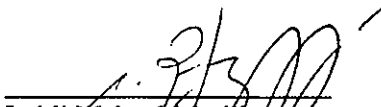
Lela Santeladze  
Head of HR Management Department  
TBC-Bank




Avtandil Tsereteli  
Deputy Chairman of the Board  
TbilCreditBank



Devi Vepkhvadze  
Member of the Supervisory Board  
IntellectBank



Irakli Mekvabishvili  
Deputy General Director  
United Georgia Bank

  
\_\_\_\_\_  
Yuri Lebandze  
Director of HR Management Department  
Bank of Georgia

## საბოლოო ცვლილება 1998 წლის 14 აპრილის ურთიერთგაგების მემორანდუმში

აშშ-ს მთავრობა, წარმოდგენილი აშშ-ს საერთაშორისო განვითარების სააგენტოს სახით (USAID), და კომერციული ბანკების კონსორციუმი (კონსორციუმი), შემდგომში მხარეებად წოდებულნი, თანახმანი არიან ცვლილება შეიტანონ 1998 წლის 14 აპრილის ურთიერთგაგების მემორანდუმში, რის საფუძველზეც გადაწყდება გარკვეული საკითხები და მომავალში USAID შეწყვეტს თავის საქმიანობას საბანკო-საფინანსო აკადემიასთან (აკადემია) დაკავშირებულ საკითხებში. მხარეებმა შემდეგი ცვლილებები შეიტანეს მემორანდუმში:

1. ამ ცვლილების დანართი I შეტანილია ურთიერთგაგების მემორანდუმში. დანართი I წარმოადგენს პროექტის ქონების ინვენტარის ნუსხას, რომელშიც ჩამოთვლილია ყველა ის აღჭურვილობა, რაც USAID-მა გადასცა აკადემიას პროექტის განხორციელების დროს („ძირითადი საშუალებები“).

2. ამ ცვლილების დანართი მე-2 შეტანილია ურთიერთგაგების მემორანდუმში. დანართი მე-2 შეიცავს ბოლო დროინდელ ბანკის ამონაწერებს:

ა) „ინტელექტბანკის“ ანგარიში №501070550, რომელზედაც ირიცხება 15,205.72 აშშ დოლარი და ანგარიში №700863, რომელზედაც ირიცხება 100.30 ლარი; „თბილკრედიტბანკის“ ანგარიში №107000100101251, რომელზედაც ირიცხება 15,740.00 აშშ დოლარი. ეს თანხები აკადემიისთვის წარმოადგენს საფონდო შეხატანებს; და ბ) ანგარიში №818070887 „ბანკი რესპუბლიკა“-ში, რომელზედაც ირიცხება 46,336.00 აშშ დოლარი. ეს თანხა წარმოადგენს აკადემიის არსებობის დროს ჩატარებული სწავლების კურსების საშუალებით გამომუშავებულ თანხებს. ეს ოთხი ანგარიში ერთად ჩაითვლება „აკადემიის საბანკო ანგარიშებად“. ამჟამად არსებული მთლიანი თანხა ჩაითვლება „აკადემიის თანხებად“. მიუხედავად ურთიერთგაგების მემორანდუმის ნებისმიერი საწინააღმდეგო დებულებისა მხარეები შეთანხმდნენ, რომ აკადემიის თანხები და აკადემიის საბანკო ანგარიშები მთლიანად ეკუთვნის აკადემიას, რომელთა განკარგვა შესაძლებელი იქნება მხოლოდ აკადემიის მიზნებისათვის. თვითოეული მხარე მიიღებს ისეთ გადაწყვეტილებას, რომელიც საშუალებას მისცემს აკადემიას დამოუკიდებლად განკარგოს აკადემიის თანხები და საბანკო ანგარიშები.

3. ურთიერთგაგების მემორანდუმის პუნქტ 2.6-სა და დანართ 3-ში ცვლილების შეტანის მიზანია შემცირდეს საწესდებო კაპიტალი აქამდე არსებული შენატანების ოდენობით. ურთიერთგაგების მემორანდუმის ნებისმიერი საწინააღმდეგო დებულების მიუხედავად, USAID, მისი აზრით მიზანშეწონილი საშუალებით, გადასცემს აკადემიას საპროექტო აქტივების ინვენტარში არსებულ ძირითად საშუალებებს.

4. ურთიერთგაგების მემორანდუმის ნებისმიერი საწინააღმდეგო დებულების მიუხედავად, მხარეები და აკადემია თანახმანი არიან, რომ ძირითადი საშუალებები, აკადემიის ფონდები და აკადემიის საბანკო ანგარიშები გამოყენებულ იქნას მხოლოდ

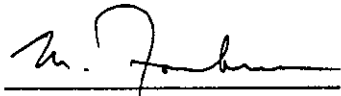
და მხოლოდ აკადემიის მიმდინარე ოპერაციებისთვის ურთიერთგაგების მემორანდუმით გათვალისწინებული პროგრამის მიზნების ფარგლებში. აკადემიის გამგეობა და დირექტორატი პასუხისმგებელი არიან აკადემიის მიერ წარმოებულ ოპერაციებზე. კონსორციუმი უზრუნველყოფს, რომ მომავალი მენეჯერები და დირექტორები იკისრებენ მე-4 და მე-5 პუნქტით გათვალისწინებულ პასუხისმგებლობას.


5. იმ შემთხვევაში, თუ აკადემია შეწყვეტს საქმიანობას და იმ დროსათვის იარსებებს აკადემიის რაიმე ფონდი თუ ფიქსირებული აქტივი, ან ორივე ერთად, აკადემიის ფონდები და ფიქსირებული აქტივები გადაეცემა მოგების მიზნის არმქონე სასწავლო დაწესებულებას, ხოლო თუ ასეთი დაწესებულება არ მოიძებნება საქართველოში, მაშინ ის გადაეცემა რაიმე სხვა არაპოლიტიკური შინაარსის მოგების მიზნის არმქონე ორგანიზაციას.

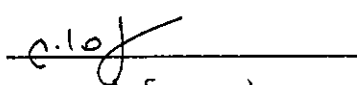
6. USAID-ის ვალდებულებები შესრულებულია. ურთიერთგაგების მემორანდუმი, მასში შეტანილი ცვლევებით, ძალაში იქნება ხუთი წლის განმავლობაში, მას შემდეგ რაც დასრულდება მე-3 პუნქტში მოტანილი ქონებაზე უფლების გადაცემა და შესრულდება ყველა ის ნაბიჯი, რომელიც აღწერილია მე-2 პუნქტის ბოლო წინადადებაში.

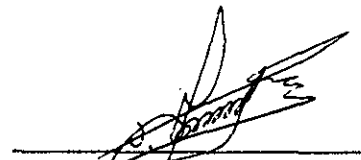
7. „საქართველოს ბანკი“-სა და „გაერთიანებული ქართული ბანკის“ პასუხისმგებლობები შემოიფარგლება ამ ცვლილების 1, - მე-2 და მე-4 - მე-6 პუნქტებით.

აღნიშნულის დასტურად, მხარეები, წარმოდგენილი შესაბამისად უფლებამოსილი წარმომადგენლების სახით, ხელს აწერენ ამ ცვლილებას ~~2000 წლის~~ ~~დეკემბერს~~  
26 Feb of February 2001

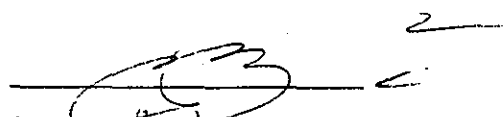
  
მაიკლ ფარშმანი  
დირექტორი  
USAID-ის კავკასიის მისია

  
ნინო ჯღამაძე  
სამეურნეო საქმიანობის დირექტორი  
თბილკომბანკი

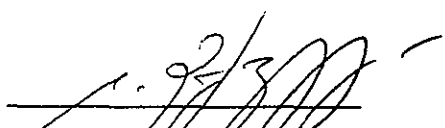
  
ლელა სანთელაძე  
კადრების განყოფილების ხელმძღვანელი  
TBC ბანკი



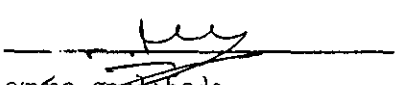
ავთანდილ წერეთელი  
საბჭოს თავმჯდომარის მოადგილე  
თბილკრედიტბანკი



დევი ვეფხვაძე  
სამეთვალყურეო საბჭოს წევრი  
ინტელექტბანკი



ირაკლი მექვაბიშვილი  
გენერალური დირექტორის მოადგილე  
გაერთიანებული ქართული ბანკი



იური ლუბანიძე  
კადრების განყოფილების ხელმძღვანელი  
საქართველოს ბანკი

**KPMG** Consulting  
Barents Group

December 21, 2000

Mr. Geoffrey Minott  
Tax and Fiscal Advisor  
Office of Economic Restructuring  
USAID  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Geoff:

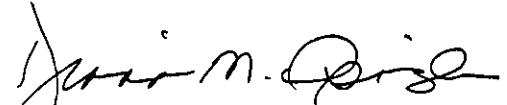
This is to inform you that Barents Group of KPMG Consulting LLC, will close its Bankers Training Project effective December 31, 2000, including termination of its support of the Banking-Finance Academy local staff on that date.

All questions regarding project management issues should be addressed to Karen Westergaard's attention at the following address:

KPMG Tower  
1676 International Drive  
McLean, VA 22102  
Phone: (703) 747 7936  
Fax: (703) 747 8514  
E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

We have enjoyed the opportunity of working with you on this project, which we believe has created the infrastructure for a potentially successful financial services training institute in Georgia.

Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG** Consulting  
Barents Group

December 21, 2000

Mr. Devi Vepkhvadze  
Member of the Supervisory Board  
IntellectBank  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Mr. Vepkhvadze:

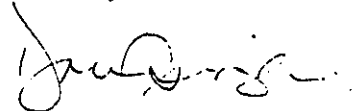
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Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG** Consulting  
Barents Group

December 21, 2000

Mr. Irakli Mekvabishvili  
Deputy General Director  
United Georgian Bank  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Mr. Mekvabishvili:

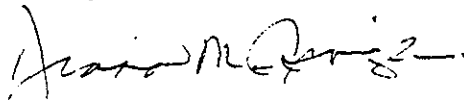
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Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC



**KPMG** Consulting  
Barents Group

December 21, 2000

Mr. Yuri Lebanidze  
Director of HR Management Department  
Bank of Georgia  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Mr. Lebanidze:

This is to inform you that Barents Group of KPMG Consulting LLC, will close its Bankers Training Project effective December 31, 2000, including termination of its support of the Banking-Finance Academy local staff on that date.

All questions regarding project management issues should be addressed to Karen Westergaard's attention at the following address:

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Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG** Consulting  
Barents Group

December 21, 2000

Ms. Lela Santeladze  
Head of HR Management  
TBC-Bank  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Ms. Santeladze:

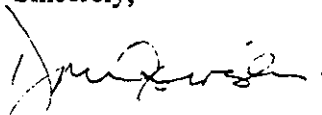
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Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG** Consulting  
Barents Group

December 21, 2000

Ms. Nino Jgamadze  
Operations Director  
TbiliComBank  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Ms. Jgamadze:

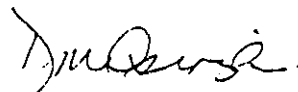
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E-mail: kwestergaard@kpmg.com

We have enjoyed the opportunity of working with you on this project, which we believe has created the infrastructure for a potentially successful financial services training institute in Georgia.

Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG** Consulting  
Barents Group

December 21, 2000

Mr. Avtandil Tsereteli  
Deputy Chairman of the Board  
TbilCreditBank  
Tbilisi, Georgia

RE: Notification of Project End

Contract: EPE-I-00-95-00070-00

Dear Mr. Tsereteli:

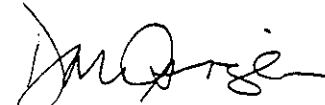
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Sincerely,



Diana M. Osinski  
Manager  
Barents Group of KPMG Consulting, LLC

**KPMG Consulting**  
**Barents Group**

2000 წლის 21 დეკემბერი

ქ-ნ: ნინო ჯღამაძე  
საოპერაციო განყოფილების დირექტორი  
თბილკომბანკი  
თბილისი, საქართველო

უწყება პროექტის დახურვის შესახებ

კონტრაქტის: EPE-I-00-95-00070-00

ქ-ნო: ნინო,

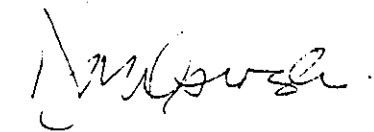
ამ წერილით გვსურს გაცნობოთ, რომ KPMG Consulting LLC/ბარენც ჯგუფი დახურავს ბანკირთა ტრეინინგის პროექტს 2000 წლის 31 დეკემბერს. ამავე დღესვე შეწყდება საბანკო-საფინანსო აკადემიის თანამშრომელთა შრომითი ხელშეკრულება.

პროექტის მართვასთან დაკავშირებული ყველანაირი შეკითხვით უნდა მიმართოთ ქერინ ვესტერგაარდს შემდეგ მისამართზე:

KPMG Tower  
1676 International Drive  
McLean, VA 22102  
Phone: (703) 747 7936  
Fax: (703) 747 8514  
E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

ჩვენთვის მეტად სასიამოვნო იყო პროექტზე თქვენთან ერთად მუშაობა. ჩვენ გეჯერა, რომ ამ პროექტმა პოტენციურად წარმატებული ფინანსური მომსახურების ტრეინინგის ინსტიტუტი შექმნა საქართველოში.

პატივისცემით,



დაიანა მ. ოსინსკი  
მენეჯერი  
Barents Group of KPMG Consulting, LLC

**KPMG Consulting**  
**Barents Group**

2000 წლის 21 დეკემბერი

ბ-ნ: დევი ვეფხვაძე  
სამეთვალყურეო საბჭოს წევრი  
ინტელექტბანკი  
თბილისი, საქართველო

უწყება პროექტის დახურვის შესახებ

კონტრაქტის N: EPE-I-00-95-00070-00

ბ-ნო: დევი,

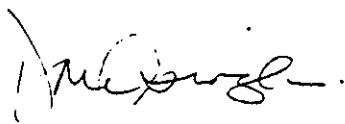
ამ წერილით გესურს გაცნობოთ, რომ KPMG Consulting LLC/ბარენც ჯგუფი დახურავს ბანკირთა ტრეინინგის პროექტს 2000 წლის 31 დეკემბერს. ამავე დღესვე შეწყდება საბანკო-საფინანსო აკადემიის თანამშრომელთა შრომითი ხელშეკრულება.

პროექტის მართვასთან დაკავშირებული ყველანაირი შეკითხვით უნდა მიმართოთ ქერინ ვესტერგარდს შემდეგ მისამართზე:

KPMG Tower  
1676 International Drive  
McLean, VA 22102  
Phone: (703) 747 7936  
Fax: (703) 747 8514  
E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

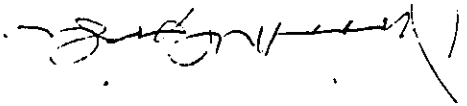
ჩვენთვის მეტად სასიამოვნო იყო პროექტზე თქვენთან ერთად მუშაობა. ჩვენ გვჯერა, რომ ამ პროექტმა პოტენციურად წარმატებული ფინანსური მომსახურების ტრეინინგის ინსტიტუტი შექმნა საქართველოში.

პატივისცემით,



დაიანა მ. ოსინსკი  
მენეჯერი  
Barents Group of KPMG Consulting, LLC

ბარენტს გ. კონსალტინგ  
Barents Group of KPMG Consulting, LLC



პატივისცემით,

ჩვენთვის მნიშვნელოვანი ინფორმაციის მიწოდებისთვის გთხოვთ, რომ გვიხატოთ კავშირს და გვიხატოთ ინფორმაციის მიწოდების შესახებ. ჩვენს მენეჯერს, რომელიც ამ ინფორმაციის მიწოდების შესახებ ინფორმაციას უზრუნველყოფს, გთხოვთ, გვიხატოთ ინფორმაციის მიწოდების შესახებ.

KPMG Tower  
1676 International Drive  
McLean, VA 22102  
Phone: (703) 747 7936  
Fax: (703) 747 8514  
E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

ამოქმედების განხორციელებისას დაგვიხატოთ ინფორმაციის მიწოდების შესახებ. გთხოვთ, გვიხატოთ ინფორმაციის მიწოდების შესახებ.

ამ დოკუმენტის მიზანშეწონილობის დასაბუთების მიზნით, გთხოვთ, გვიხატოთ ინფორმაციის მიწოდების შესახებ. ამ დოკუმენტის მიზანშეწონილობის დასაბუთების მიზნით, გთხოვთ, გვიხატოთ ინფორმაციის მიწოდების შესახებ.

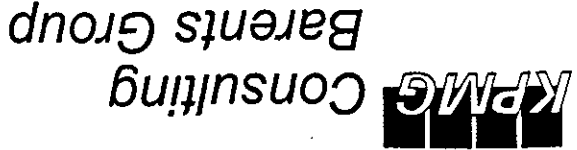
მ-ს: ავთანდილი,

კონტაქტის N: EPE-I-00-95-00070-00

უწყება ამოქმედების დასაბუთების შესახებ

მ-ს: ავთანდილი  
ავთანდილი  
ავთანდილი, საქართველო

2000 წლის 21 დეკემბერი



**KPMG Consulting**  
**Barents Group**

2000 წლის 21 დეკემბერი

ქ-ნ: ლელა სანთელაძე  
კადრების მართვის განყოფილების უფროსი  
TBC-ბანკი  
თბილისი, საქართველო

უწყება პროექტის დახურვის შესახებ

კონტრაქტის N: EPE-I-00-95-00070-00

ქ-ნო: ლელა,

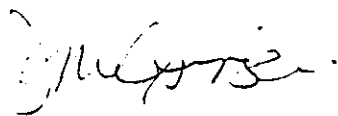
ამ წერილით გვსურს გაცნობოთ, რომ KPMG Consulting LLC/ბარენც ჯგუფი დახურავს ბანკირთა ტრეინინგის პროექტს 2000 წლის 31 დეკემბერს. ამავე დღესვე შეწყდება საბანკო-საფინანსო აკადემიის თანამშრომელთა შრომითი ხელშეკრულება.

პროექტის მართვასთან დაკავშირებული ყველანაირი შეკითხვით უნდა მიმართოთ ქერინ ვესტერგარდს შემდეგ მისამართზე:

KPMG Tower  
1676 International Drive  
McLean, VA 22102  
Phone: (703) 747 7936  
Fax: (703) 747 8514  
E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

ჩვენთვის მეტად სასიამოვნო იყო პროექტზე თქვენთან ერთად მუშაობა. ჩვენ გვჯერა, რომ ამ პროექტმა პოტენციურად წარმატებული ფინანსური მომსახურების ტრეინინგის ინსტიტუტი შექმნა საქართველოში.

პატივისცემით,



დაიანა მ. ოსინსკი  
მენეჯერი  
Barents Group of KPMG Consulting, LLC



**KPMG Consulting**  
**Barents Group**

2000 წლის 21 დეკემბერი

ბ-ნ: ირაკლი მექვაბიშვილი  
გენერალური დირექტორის მოადგილე  
გაერთიანებული ქართული ბანკი  
თბილისი, საქართველო

უწყება პროექტის დახურვის შესახებ

კონტრაქტის N: EPE-I-00-95-00070-00

ბ-ნო: ირაკლი,

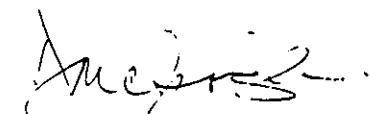
ამ წერილით გესურს გაცნობოთ, რომ KPMG Consulting LLC/ბარენც ჯგუფი დახურავს ბანკირთა ტრეინინგის პროექტს 2000 წლის 31 დეკემბერს. ამავ დღესვე შეწყდება საბანკო-საფინანსო აკადემიის თანამშრომელთა შრომითი ხელშეკრულება.

პროექტის მართვასთან დაკავშირებული ყველანაირი შეკითხვით უნდა მიმართოთ ქერინ ვესტერგაარდს შემდეგ მისამართზე:

KPMG Tower  
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ჩვენთვის მეტად სასიამოვნო იყო პროექტზე თქვენთან ერთად მუშაობა. ჩვენ გვჯერა, რომ ამ პროექტმა პოტენციურად წარმატებული ფინანსური მომსახურების ტრეინინგის ინსტიტუტი შექმნა საქართველოში.

პატივისცემით,



დაიანა მ. ოსინსკი  
მენეჯერი  
Barents Group of KPMG Consulting, LLC

**KPMG Consulting**  
**Barents Group**

2000 წლის 21 დეკემბერი

ბ-ნ: იური ლებანიძე  
კადრების მართვის დეპარტამენტის დირექტორი  
საქართველოს ბანკი  
თბილისი, საქართველო

უწყება პროექტის დახურვის შესახებ

კონტრაქტის N: EPE-I-00-95-00070-00

ბ-ნო: იური,

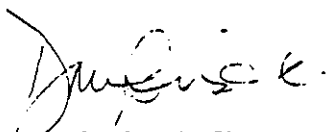
ამ წერილით გვსურს გაცნობოთ, რომ KPMG Consulting LLC/ბარენც ჯგუფი დახურავს ბანკირთა ტრეინინგის პროექტს 2000 წლის 31 დეკემბერს. ამავე დღესვე შეწყდება საბანკო-საფინანსო აკადემიის თანამშრომელთა შრომითი ხელშეკრულება.

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McLean, VA 22102  
Phone: (703) 747 7936  
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E-mail: [kwestergaard@kpmg.com](mailto:kwestergaard@kpmg.com)

ჩვენთვის მეტად სასიამოვნო იყო პროექტზე თქვენთან ერთად მუშაობა. ჩვენ გვჯერა, რომ ამ პროექტმა პოტენციურად წარმატებული ფინანსური მომსახურების ტრეინინგის ინსტიტუტი შექმნა საქართველოში.

პატივისცემით,



დაიანა მ. ოსინსკი  
მენეჯერი  
Barents Group of KPMG Consulting, LLC

**KPMG Consulting**  
**Barents Group**

December 21, 2000


This letter is to document that Georgia's Bankers Training Project has turned over to the Banking-Finance Academy the funds (revenue fees), equipment, furniture and library as described in the attached inventories. The equipment, furniture and library has been delivered and installed at the Academy.

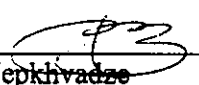
The funds, furniture, equipment and library have been procured by Georgia's Bankers Training Project funded by the U.S. Agency for International Development under contract with Barents Group of KPMG Consulting LLC and as part of an agreement between the Government of the United States and the Government of Georgia to support Bank Development. Custody, control and responsibility for maintenance and insurance of the funds, furniture, equipment and library will be passed to the Banking-Finance Academy effective January 1, 2001. However, the terms of the agreement between the two governments specify that USAID and Barents have the rights to inspect the funds, furniture, equipment and library provided at any time in the future.

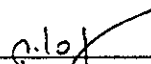
The signatures on the bottom of this letter will document that the Banking-Finance Academy has received the funds, furniture, equipment and library listed in the attached inventories and that it accepts the transfer of custody and control of all items.

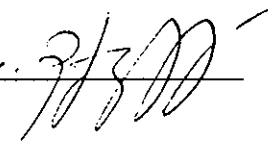
**RECEIPT OF FUNDS, EQUIPMENT, FURNITURE AND LIBRARY**

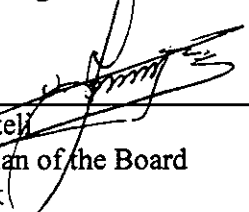
We, the Founders, Banking-Finance Academy, hereby declare that we have received from Barents Group LLC on behalf of the Banking-Finance Academy the funds, furniture, equipment and library listed in the attachments. The funds, furniture, equipment and library were acquired with funds from the U.S. Agency for International Development and will be used in support of the operations of the Banking-Finance Academy. The funds, furniture, equipment and library are released from customs under consignment to the Banking-Finance Academy and are not subject to secondary distribution.

  
\_\_\_\_\_  
Nino Jgamadze  
Operations Director  
TbiliComBank

  
\_\_\_\_\_  
Devi Vepkhvadze  
Member of the Supervisory Board  
IntellectBank

  
\_\_\_\_\_  
Lela Santeladze  
Head of HR Management  
TBC-Bank

  
\_\_\_\_\_  
Irakli Mekvabishvili  
Deputy General Director  
United Georgia Bank

  
\_\_\_\_\_  
Avtandil Tsereteli  
Deputy Chairman of the Board  
TbilCreditBank

  
\_\_\_\_\_  
Yuri Lebanidze  
Director of HR Management Department  
Bank of Georgia

**Confirming the Existence of Funds on Diana M. Oskinski's Personal Bank Account, Training Consultant at the "Representative Office of Barents Group LLC in Georgia"**

Tbilisi

December, 19, 2000

Meggy Ajiashvili, Director and Auditor, and Zurab Khachidze, Expert Auditor, "Audit & Financial Consulting", Ltd. (License # C №003 issued by the Auditor's Council, Parliament of Georgia) confirmed the existence of funds on Diana M. Oskinski's, Training Consultant at the "Representative Office of Barents Group LLC in Georgia" (The legal address - 123, Agmashenebeli Ave; Branch office of KPMG Peat Marwick. The legal address of the Head Office – 2001 M Street, Washington DC) personal Bank Account.

On the basis of the statement of bank account, confirmed by Bank "Republic" on December 19, 2000 and presented by Diana M. Osinski, we are confirming existance of \$46, 336.00 US credit balance on Diana M. Osinski's personal USD Bank account, as of December 19, 2000. Account # 818070887.

The Act has been executed in 3 identical copies: two copies have been submitted to Diana M. Osinski, Training Consultant at the "Representative Office of Barents Group LLC in Georgia". One copy is kept by "Audit & Financial Consulting," Ltd.

"Audit & Financial Consulting," Ltd.

Director: /M. Ajiashvili/

Expert/Auditor: /Z. Khachidze/

2000 წლის 21 დეკემბერი


ეს წერილი არის იმის დასტური, რომ საქართველოს ბანკირთა ტრეინინგის პროექტმა მოახდინა ფონდის (აკადემიის საქმიანობიდან მიღებული შემოსავლების), აღჭურვილობის, ავეჯის და ბიბლიოთეკის განკარგვა საბანკო-საფინანსო აკადემიაზე, როგორც ეს მითითებულია თანდართულ ინვენტარიზაციის სიაში. აღჭურვილობა, ავეჯი და ბიბლიოთეკა განთავსებულ იქნა აკადემიაში.


ამერიკის შეერთებული შტატების და საქართველოს მთავრობების შეთანხმების საფუძველზე, რომელიც ითვალისწინებს საბანკო სისტემის ხელშეწყობას, აშშ-ს საერთაშორისო განვითარების სააგენტომ KPMG Consulting LLC-ის ბარენცის ჯგუფის კონტრაქტის მეშვეობით დააფინანსა საქართველოს ბანკირთა ტრეინინგის პროექტი. აკადემიის საქმიანობიდან მიღებულ იქნა შემოსავლები, შეძენილ იქნა ავეჯი, აღჭურვილობა და ბიბლიოთეკა. ფონდზე, ავეჯზე, აღჭურვილობასა და ბიბლიოთეკაზე კონტროლის, პასუხისმგებლობისა და მეურვეობის უფლება 2001 წლის 1 იანვარს გადაეცემა საბანკო-საფინანსო აკადემიას. თუმცა, ორ მთავრობას შორის დადებული შეთანხმების პირობები ითვალისწინებს, რომ USAID და ბარენცის ჯგუფი მომავალშიც ისარგებლებენ ფონდის, ავეჯის, აღჭურვილობის და ბიბლიოთეკის ინსპექციის უფლებით ნებისმიერ დროს.

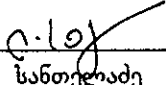
ამ გვერდზე მოცემული ხელმოწერები ამოწმებს, რომ საბანკო-საფინანსო აკადემიამ მიიღო ფონდი, ავეჯი, აღჭურვილობა და ბიბლიოთეკა, როგორც ეს თანდართულ ინვენტარიზაციის სიებშია მოცემული, და რომ ის თავის თავზე იღებს მათ მეურვეობას და კონტროლს.

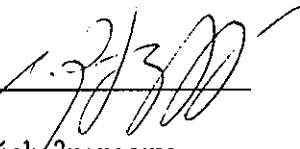
**ფონდის, აღჭურვილობის, ავეჯისა და ბიბლიოთეკის მიღება**


ჩვენ, საბანკო-საფინანსო აკადემიის დამფუძნებლები, ვაცხადებთ, რომ საბანკო-საფინანსო აკადემიის სახელით Barents Group LLC-ისგან მივიღეთ ფონდი, ავეჯი, აღჭურვილობა და ბიბლიოთეკა, როგორც ეს მითითებულია თანდართულ ინვენტარიზაციის სიაში. ფონდის, ავეჯის, აღჭურვილობის და ბიბლიოთეკის შექმნა მოხდა USAID-ს დაფინანსების საფუძველზე და ის გამოყენებულ იქნება საბანკო-საფინანსო აკადემიის საქმიანობისათვის. აღნიშნული ფონდი, ავეჯი, აღჭურვილობა და ბიბლიოთეკა გათავისუფლებულია საბაჟო გადასახადისაგან და არ ექვემდებარება ხელმეორედ გაყიდვას.

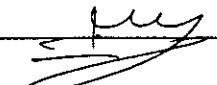
  
\_\_\_\_\_  
ნინო ჯლამაძე  
საოპერაციო განყოფილების დირექტორი  
თბილკომბანკი

  
\_\_\_\_\_  
დევი ვეფხვაძე  
სამეთვალყურეო საბჭოს წევრი  
ინტელექტბანკი

  
\_\_\_\_\_  
ლელა სანთელაძე  
კადრების მართვის განყოფილების უფროსი  
თბილისი ბანკი

  
\_\_\_\_\_  
ირაკლი მექვაბიშვილი  
გენერალური დირექტორის მოადგილე  
გაერთიანებული ქართული ბანკი

  
\_\_\_\_\_  
ავთანდილ წერეთელი  
საბჭოს თავმჯდომარის მოადგილე  
თბილკრედიტბანკი

  
\_\_\_\_\_  
იური ლებანიძე  
კადრების მართვის დეპარტამენტის დირექტორი  
საქართველოს ბანკი



ფინანსური კონსალტინგი

2, L. Asatiani St, Tbilisi, Georgia; E-Mail: amirani@ip.osgf.ge; Fax: (995 32) 989183  
საქართველო, თბილისი, ლ. ასათიანის ქ. №2; Tel: (995 32) 984347; 989183; 983757

*Amirani*

საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობის, თრეინინგის  
კონსულტანტის, დაიანა მ. ოსინსკის მიერ წარმომადგენელი, პირად საბანკო ანგარიშზე  
რიცხვული თანხების არსებობის დამადასტურებელი  
აქტი

ქ. თბილისი

19 დეკემბერი 2000 წელი

შპს „აუდიტი და ფინანსური კონსალტინგი“-ს (საქართველოს პარლამენტთან არსებული  
აუდიტორული საქმიანობის საბჭოს ლიცენზია ს №003) დირექტორმა, აუდიტორმა მეგი აჭიაშვილმა  
და ექსპერტმა, აუდიტორმა ზურაბ ხაჩიძემ მოვახდინეთ, საქართველოში BARENTS GROUP LLC-ის  
წარმომადგენლობის, (იურიდიული მისამართი – ქ. თბილისი, დ. აღმაშენებლის გამზ. 123; KPMG  
Peat Marwick-ის ფილიალი, სათაო ოფისის მისამართი – 2001 M Street, Washington DC)  
თრეინინგის კონსულტანტის დაიანა მ. ოსინსკის პირად საბანკო ანგარიშზე რიცხვული თანხების  
არსებობის დადასტურება.

დაიანა მ. ოსინსკის მიერ წარმოდგენილი, სს „ბანკი რესპუბლიკა“-ს მიერ 2000 წლის 19  
დეკემბერს დამოწმებული, საბანკო ანგარიშიდან ამონაწერის საფუძველზე ვადასტურებთ, რომ  
დაიანა მ. ოსინსკის პირად, სავალუტე №818070887 ანგარიშზე, სს „ბანკი რესპუბლიკა“-ში 2000  
წლის 19 დეკემბრის მდგომარეობით ერიცხება საკრედიტო ნაშთი – 46 336.00 აშშ დოლარი.

აქტი შედგენილია სამ ეგზემპლარად: ორი გადაეცა „საქართველოში BARENTS GROUP LLC-  
ის წარმომადგენლობა“-ს თრეინინგის კონსულტანტს დაიანა მ. ოსინსკის, ერთი ინახება აუდიტორულ  
ფირმაში.

შპს „აუდიტი და ფინანსური კონსალტინგი“



დირექტორი: მეგი აჭიაშვილი

*მ. აჭიაშვილი*  
მეგი აჭიაშვილი /  
*ზ. ხაჩიძე*  
ზ. ხაჩიძე /

## Confirming the Existence of Funds on Georgia's Banking-Finance Academy Bank Account

Tbilisi

December, 19, 2000

Meggy Ajiashvili, Director and Auditor, and Zurab Khachidze, Expert Auditor, "Audit & Financial Consulting", Ltd. (License # Z №003 issued by the Auditor's Council, Parliament of Georgia) confirmed the existence of funds on "Georgia's Banking-Finance Academy" bank account (The legal address - 123, Agmashenebeli Ave; registered by Didube District Court, Tbilisi, on November, 1998. Registration # 2/9-42).

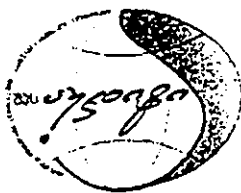
1. On the basis of the statement of bank account, confirmed by "IntellectBank" on December 19, 2000, we are confirming existence of funds on Georgia's Banking-Finance Academy USD Bank account, as of December 19, 2000:
  - USD account # 501070550 - \$12,205.75USD;
  - GEL account # 700863 - 100.30 Lari.
2. On the basis of the statement of bank account, confirmed by "TbilCredit Bank" on December 19, 2000, we are confirming existence of \$15,740.00USD on Georgia's Banking-Finance Academy Lari Bank account, as of December 19, 2000.  
USD Account # 107000100101251.

The Act has been executed in 3 identical copies: two copies have been submitted to "Georgia's Banking-Finance Academy". One copy is kept by "Audit & Financial Consulting," Ltd.

"Audit & Financial Consulting," Ltd.

Director: /M. Ajiashvili/

Expert/Auditor: /Z. Khachidze/



ფინანსური კონსალტინგი

2. L. Asatiani St. Tbilisi, Georgia; E-Mail: amirani@ip.osgf.ge; Fax: (995 32) 989183  
საქართველო, თბილისი, ლადო ასათიანის ქ. №2; Tel: (995 32) 984347; 989183; 983757

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კავშირის „საქართველოს საბანკო-საფინანსო აკადემია“ მიერ წარმოდგენილ საბანკო  
ანგარიშებზე რიცხვული თანხების არსებობის დამადასტურებელი  
აქტი

ქ. თბილისი

19 დეკემბერი 2000 წელი

შპს „აუდიტი და ფინანსური კონსალტინგი“-ს (საქართველოს პარლამენტთან არსებული  
აუდიტორული საქმიანობის საბჭოს ლიცენზია № 003) დირექტორმა, აუდიტორმა მეგი აჯიაშვილმა  
და ექსპერტმა, აუდიტორმა ზურაბ ხაჩიძემ მოვანდინეთ, კავშირის „საქართველოს საბანკო-  
საფინანსო აკადემია“ (იურიდიული მისამართი – ქ. თბილისი, დ. აღმაშენებლის გამზ. 123,  
რეგისტრირებულია ქ. თბილისის დიდუბის რაიონის სასამართლოს მიერ 1998 წლის ნოემბერს,  
რეგისტრაციის №2/9-42) საბანკო ანგარიშებზე რიცხვული თანხების არსებობის დადასტურება.

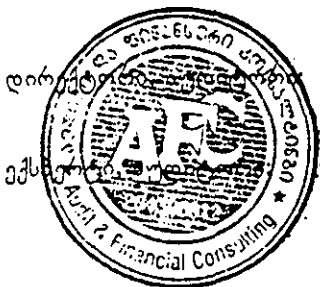
1. 2000 წლის 19 დეკემბერს სს „ინტელექტბანკი“-ს მიერ დამოწმებული საბანკო ანგარიშებიდან  
ამონაწერის საფუძველზე ვადასტურებთ, რომ კავშირის „საქართველოს საბანკო-საფინანსო  
აკადემია“ აღნიშნულ ბანკში, 2000 წლის 19 დეკემბრის მდგომარეობით ერიცხება საკრედიტო  
ნაშთები, შესაბამისად:

- სავალუტე №501070550 ანგარიშზე – 15 205. 72 აშშ დოლარი;
- სალარე №700863 ანგარიშზე – 100. 30 ლარი.

2. 2000 წლის 19 დეკემბერს სს „თბილკრედიტბანკი“-ს მიერ დამოწმებული, საბანკო  
ანგარიშებიდან ამონაწერის საფუძველზე ვადასტურებთ, რომ კავშირის „საქართველოს  
საბანკო-საფინანსო აკადემია“ აღნიშნულ ბანკში, სავალუტე №107000100101251 ანგარიშზე,  
2000 წლის 19 დეკემბრის მდგომარეობით ერიცხება საკრედიტო ნაშთი – 15 740.00 აშშ  
დოლარი;

აქტი შედგენილია სამ ეგზემპლარად: ორი გადაეცა კავშირის „საქართველოს საბანკო-საფინანსო  
აკადემია“, ერთი ინახება აუდიტორულ ფირმაში.

შპს „აუდიტი და ფინანსური კონსალტინგი“



*Handwritten signature* / აჯიაშვილი /  
*Handwritten signature* / ხ. ხაჩიძე /

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"თბილისკაპიტალბანკი"

00.12.19

107000100101251 საქ. საბანკო-საფინანსო კავშირები  
INNER REMAINDER : 0.00  
იურიდიული პირის მიმდინარე ანგ.  
CURRENCY : USD

DATE		DEBIT	CREDIT	REMAINDER
22/04/99	BANK 319100700100000	0.00	9'000.00	9'000.00
22/04/99	COMMISSION 0	20.00	0.00	8'980.00
25/05/99	CASH DEPOSIT 306000100100000	0.00	6'800.00	15'780.00
	ანგ-ზე თანხის შევსება ფაქტურის მიხედვით			
23/12/99	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'775.00
23/12/99	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'770.00
23/12/99	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'765.00
28/01/00	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'760.00
28/02/00	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'755.00
28/03/00	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'750.00
27/04/00	BANK 396002800100000 თანხმად ტარიფისა	5.00	0.00	15'745.00
28/09/00	BANK 39600 00100000 თანხმად ტარიფისა	5.00	0.00	15'740.00
SUM:		60.00	15'800.00	

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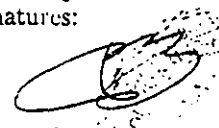
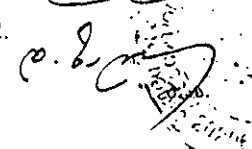
თბილისკრედიტბანკი  
TbilCreditBank

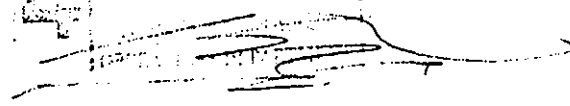
განაცხადი უცხოური ვალუტის გადარიცხვაზე  
Application for Foreign Currency Transfer

თარიღი: "20" ნოემბერი 2000 წ.  
Date:

გადამხდელი ორგანიზაცია Payer	საქართველო სპონსორ-სერვისების ცენტრი Banking-Finance Academy of Georgia
თანხა, ვალუტის სახე Amount, Currency	ციფრებით: /by figures: =15692,92 ₾= სიტყვიერად/written out: =თხუთმეული ათასი და 92 ცენტი= მაბრმეო თხუთსი ათასი და 92 ცენტი=
ბენეფიციარის /მიმღების/ ბანკი Bank of Beneficiary	ინტელექტბანკი ანგ. № 00737304 ISS INTELLECTBANK Acc/N:00737304 TBILISI GEORGIA SWIFT: IBTBGE2X Correspondent Bank: AMERICAN EXPRESS BANK LTD. NEWYORK. SWIFT: AEIBUS33
ბენეფიციარი /მიმღები/ Beneficiary	დასახელება/Name: საქართველო სპონსორ-სერვისების ცენტრი Banking-Finance Academy of Georgia ანგ. №/Acc. №: 50107055001
გადარიცხვის დანიშნულება Details of payment	საშენიანო პროექტი

გადარიცხვასთან დაკავშირებული ხარჯები გთხოვთ და ვართ ჩვენი ანგარიშსწორების ანგარიშიდან № 01251  
Please cover the charges connected with the transactions from our account No. ....

ხელმოწერები:  
Signatures:  
1.   
2. 

მიღებულია  
Accepted  
20 NOV 2000  


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ნაშთი პირად ანგარიშებზე

თარიღი: 19/12/00

ბანკის კლიენტის კოდი 814

ინტელექტბანკი  
INTELLECTBANK

ანგარიში	სახელი	ნაშთი ვალუტაში	ლარებში
825705 0	საბანკო-საფინანს.აკადემია	0.00	0.00
700863 0	საქ.საბანკო-საფინანს.აკადემ.	100.30 CR	100.30 CR
501070550 1	საბანკო-საფინანს.აკადემია	15,205.72 CR	30,107.32 CR

ს.ს. ინტელექტბანკი  
ცენტრალური ფილიალი  
220101933  
INTELLECTBANK  
CENTRAL BRANCH

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413

# ნაშთები 19/12/2000

ანგ. #	ISO	ტიპი	დასახელება	ნაშთი (ლვ)	ნაშთი (კრვლ)
818070887	US	კ	ლიანა მარიანა ოსინსკი 17.10.96. PASP. #Z 7727473 U. S. A.	0.00	46,336.00
სულ	US			0.00	46,336.00

საბანკო  
ს.ა.ს.  
BANK  
Code: 2201

62

## Statement 06/10/2000 - 19/12/2000

Account : 818070887/USD DIANA MARIANNA OSINSKI

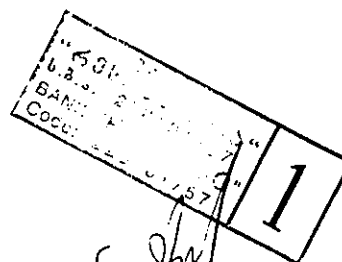
Opening Balance : 0.00 ()

Date	Corr. acc	No	Code	Debit	Credit	Balance	Other information
09/10/2000	815070945	1			39,731.00	39,731.00	თან. განც. 09.10.00.
12/10/2000	60401	3	29		2,200.00	41,931.00	სწავლასა შემოსავლები
19/10/2000	64601	1	29		518.00	42,449.00	პირად ანგარიშზე თანხის შემოტანა
24/10/2000	64601	1	29		1,700.00	44,149.00	პირად ანგარიშზე თანხის შემოტანა
06/11/2000	64601	1	29		489.00	44,638.00	პირად ანგარიშზე თანხის შემოტანა
17/11/2000	64601	1	29		277.00	44,915.00	სწავლასა შემოსავლები
12/12/2000	64601	2	29		874.00	45,789.00	სწავლასა შემოსავლები
19/12/2000	64601	1	29		547.00	46,336.00	პირად ანგარიშზე თანხის შემოტანა

Total : 0.00 46,336.00

Closing Balance : 46,336.00 ჯ

კურსი (19/12/2000) : 1 USD = 1.9800 ლარი



## Barents Group LLC, Georgia Assets Confirming Act

Tbilisi

December, 18. 2000

Meggy Ajiashvili, Director and Auditor, "Audit & Financial Consulting", Ltd. (License # Z №028 issued by the Auditor's Council, Parliament of Georgia.) confirms the existence of the assets and the library at the "Representative Office of Barents Group LLC in Georgia". (The legal address - 123, Agmashenebeli Ave; Branch office of KPMG Peat Marwick. The legal address of the Head Office - 2001 M Street, Washington DC).

The assets have been priced to match the current market prices:

- 9 IBM PII-266 Computers, 14" Monitor, Operational Memory - 32 Mb, Hard Drive - 4.2 Gb, Video Card - 2Mb, CD-Rom - 12 Speed, with network and multimedia cards. Price per item - 800 (eight hundred) Lari. 7200 (seven thousand two hundred) Lari in all.
- 1 IBM PII-266 Computer, 14" Monitor, Operational Memory - 32 Mb, Hard Drive - 4.2 Gb, Video Card - 2Mb, CD-Rewriter - 4x4x16 Speed, with network and multimedia cards. Price per item - 900 (nine hundred) Lari.
- 1 HP Vectra -V, P133 Computer, 14" Monitor, Operational Memory - 48 Mb, Hard Drive - 4 Gb, Video Card - 1Mb, CD-Rom - 12 Speed, with network card. Price per item - 350 (three hundred and fifty) Lari;
- 1 Server, HP PC Server-325, IBM PII-266, LG Studio works -44m -14". Monitor (damaged), Operational Memory -128 Mb, Hard Drive - 8.5 Gb, Video Card - 4 Mb, CD-ROM -12 Speed, with network card. Priced at 1000 (one thousand) Lari;
- 1 Laptop Computer TOSHIBA-Satelite-220CDS, P-133, 12"- color Monitor, operational Memory - 16Mb, Hard Drive - 1,9.Gb, Video Card - 1Mb, CD-ROM. Priced at 800 (eight hundred) Lari;
- 1 Scanner Mustek Scanexpress 12000sp. Priced at 200 (two hundred) Lari;
- 5 HP Laser Jet 6p Printers, 700 (seven hundred) Lari per item. 3500 (three thousand and five hundred) Lari in all;
- 4 Oil radiators, Made in Germany, DBK, with 12 sections, price per item - 200 (two hundred) Lari. 800 (eight hundred) Lari in all;
- 1 Modem US Robotics Courier. Priced at 400 (four hundred) Lari;

- 1 Hub, 3Com-Super Stack II-PC Hub 40. Priced at 600 (six hundred) Lari;
- 1 Hub, CNet-CN800 TPC. Priced at –150 (one hundred and fifty) Lari;
- 5 Stabilisers UPS, Elteco EM 600VR. Price per item –200 (two hundred) Lari. 1000 (one thousand) Lari in all;
- 1 Stabiliser UPS, Elteco EM 250A VR. Priced at –150 (one hundred and fifty) Lari;
- 1 Stabiliser UPS, Sandon –1000. Priced at 300 (three hundred) Lari;
- 4 Projector Screens – DeltaScreen-Quartet. Priced at 600 (six hundred) Lari. 2400 (two thousand and four hundred) Lari in all;
- 2 Whiteboards. Price per item 150 (one hundred and fifty) Lari. 300 (three hundred) Lari in all;
- 1 Flip-chart. Priced at 200 (two hundred) Lari;
- 1 Whiteboard. Priced at 100 (one hundred) Lari;
- 2 Table on wheels, plastic. Price per item 350 (three hundred and fifty) Lari;
- 2 Kerosene Heaters, TOYO-set-Omni 230. Price per item 350 (three hundred and fifty) Lari. 700 (seven hundred) Lari in all;
- 2 Boards with hangers. Price per item – 100 (one hundred) Lari. 200 (two hundred) Lari in all;
- 42 desks, locally made, laminated. Price per item 130 (one hundred and thirty) Lari. 5460 (five thousand and sixty) Lari in all;
- 3 Office desks, made in Italy, VALENTINO, laminated. Price per item 300 (three hundred) Lari. 900 (nine hundred) Lari in all;
- 70 Soft chairs, locally made. Price per item 50 (fifty) Lari. 3500 (three thousand and five hundred) Lari in all;
- 4 Soft chairs upholstered in artificial leather. Price per item 100 (one hundred) Lari. 400 (four hundred) Lari in all;
- 6 Book shelves with hangers. Price per item 15 (fifteen) Lari. 90 (ninety) Lari in all;
- 1 Air Conditioner – BK –1800. Made in Azerbaijan. Priced at 100 (one hundred ) Lari;
- 1 Air Conditioner – BK –2000. Made in Azerbaijan. Priced at 100 (one hundred ) Lari;
- 9 File Cabinets with four drawers locally made, laminated. Price per item 70 (seventy) Lari. 630 (six hundred and thirty) Lari in all;
- 1 File Cabinet with three drawers. Made in Italy, VALENTINO, laminated. Priced at 100 (one hundred) Lari;
- 1 File Cabinet with two drawers. Made in Italy, VALENTINO, laminated. Priced at 100 (one hundred) Lari;

- 6 File Cabinets (big) with three drawers, price per item 70 (seventy) hundred Lari. 420 (four hundred and twenty) Lari in all;
- 6 Book shelves, with three shelves, locally made, laminated. Price per item – 600 (six hundred) Lari. 3600 (three thousand and six hundred) Lari in all;
- 6 Book shelves, with four shelves, locally made, laminated. Price per item – 700 (seven hundred) Lari. 4200 (four thousand and two hundred) Lari in all;
- 3 Lecterns, locally made, laminated. Price per item 200 (two hundred) Lari. 600 (six hundred) Lari in all;
- 4 Clocks, Quarts. Price per item 15 (fifteen) Lari. 60 (sixty) Lari in all;
- 5 Desk Lamps. Price per item 20 (twenty) Lari. 100 (one hundred) Lari in all;
- 1 Pencil Sharpener, electric, Stanley BPS-10, price per item 30 (thirty) Lari;
- 1 Projector BUHL 2900. Priced at 300 (three hundred)Lari;
  
- 1 Projector BUHL 90. Priced at 100 (one hundred)Lari;
- 1 Multimedia Projector Proxima Ovation 944. Priced at 500 (five hundred) Lari;
- 8 Partitions, locally made. Price per item 40 (forty) Lari. 320 (three hundred and twenty) Lari in all;
- 5 Hangers, Made in Iran. Priced at 100 (one hundred) Lari;
- 1 Air Conditioner – HITACHI (Winter/Summer). Priced at 3000 (three thousand) lari;
- 1 Air Conditioner – Fujitsu (Winter/Summer). Priced at 1100 (one thousand and one hundred) lari;
- 1 Air Conditioner – Fujitsu (Winter/Summer). Priced at 1300 (one thousand and three hundred) lari;
- 3 Ash trays, Black. Priced at 45 (forty five) Lari;
- 1 Air Conditioner – BK –2500, Made in Azerbaijan. Priced at 130 (one hundred and thirty) lari;
- 1 Generator for Gas, Eelemax SH-4000DX, 3,7 kvh/hr. Priced at 1000 (one thousand) Lari;
- 1 Generator for Gas, Eelemax SH-6000DX, 5,5 kvh/hr. Priced at 1400 (one thousand and four hundred) Lari;
- 1 Generator for Gas, Eelemax SH-7000DX, 6,1 kvh/hr. Priced at 1600 (one thousand and six hundred) Lari;
- 2 Stabilisers, locally made. 2kvh/hr. Price per item 200 (two hundred) Lari. 400 (four hundred) Lari in all;



- 2 Stabilisers, locally made. 3kvt/hr. Price per item 300 (three hundred) Lari. 600 (six hundred) Lari in all;
- 1 Stabiliser, locally made. 6kvt/hr. Priced at 600 (six hundred) Lari in all;
- 1 Copy Maker - Xerox 5343. Priced at 3000 (three thousand) Lari;
- 1 Copy Maker - Canon-FC-220. Priced at 700 (seven hundred) Lari;
- 1 Binding machine GBC – 4000. Priced at 300 (three hundred) Lari;
- 1 Paper Cutter - Boston – 2615. Priced at 300 (three hundred) Lari;
- 1 Collapsible Ladder, made of Aluminum, Priced at 50 (fifty) Lari;
- 1 TV-set DAEWOO –21. Priced at 350 (three hundred and fifty) Lari;
- 1 VCR TOSHIBA –VX445. Priced at 150 (one hundred and fifty) Lari
- 1 Video Camera Sony-Handycam-CCD-TR 506E. Priced at 1000 (one thousand) Lari;
- 1 Tripod for Video Camera GIOTTOSO –VT 809. Priced at 300 (three hundred) Lari;
- 1 Radio2-Cassette Recorder Sony-CFS-W3385. Priced at 100 (one hundred) Lari;
- 1 Radio Cassette Recorder SHarp-QT-100Z(GY) Priced at 40 (forty) Lari;
- 2 Easels. Price per item 70 (seventy) Lari. 140 (one hundred and forty) Lari in all;
- 1 Vacuum Cleaner, SANYO-SC-53-A. Priced at 100 (one hundred) Lari;
- 2 Fire Extinguishers, OY-2. Priced at 40 Lari;
- 2 Desk Fans, Philips. Priced at 40 (forty) Lari;
- 1 Desk Fan, Philips. Damaged. Priced at 20 (twenty) Lari;
- 1 Telephone –Panasonic KX-TS-20-W. Priced at 100 (one hundred) Lari;
- 1 Wireless Telephone. Panasonic KX-TC281BX. Priced at 150 (one hundred and fifty) Lari;
- 1 Fax Machine, Panasonic KX-F130BX. Priced at 300 (three hundred) Lari;
- 1 Fax Machine, SHarp-FO-1460. Priced at 250 (two hundred and fifty) Lari;
- 1 Desk Clock. Priced at 15 (fifteen) Lari.
- 1 Gas Lamp. Priced at 30 (thirty) Lari;
- 1 2 lt. electric water boiler. Priced at 15 (fifteen)Lari;
- 1 4 lt. electric water boiler. Priced at 25 (twenty-five)Lari;
- 1 Label Maker. Priced at 100 (one hundred) Lari.
- 1 Printer HP Desk Jet 340. Priced at 150 (one hundred and fifty);
- 1 Water Cooler SAMSUNG WC-410 D – Priced at 500 (five hundred) Lari;
- 1 Refrigerator – LG –GR 1515. Priced at 400 (four hundred) Lari;

- 44 Calculators, Texas Instrument TI-1795+, Price per item 15 (fifteen) Lari. 660 (six hundred and sixty) Lari in all;
- 1 Mobile phone, Ericsson GF788. Priced at (one hundred and fifty) Lari;

The Act has been executed in 3 identical copies: two copies have been submitted to the "Representative Office of Barents Group LLC in Georgia". One copy is kept by "Audit & Financial Consulting," Ltd.

"Audit & Financial Consulting," Ltd.

Director: /M. Ajiashvili/



- სკანერი Mustek Scanexpress 12000sp, 1 ცალი, შეფასებულია – 200 (ორასი ათასი) ლარად;
- პრინტერი HP Laser Jet 6p, 5 ცალი, 1 ცალი შეფასებულია 700 (შვიდასი) ლარად, სულ შეფასებულია – 3500 (სამი ათას ხუთასი) ლარად;
- ზეთის რადიატორი გერმანული წარმოების DBK, 12 სექციანი, 4 ცალი, 1 ცალი შეფასებულია – 200 (ორასი) ლარად, სულ – 800 (რვაასი) ლარად;
- მოდემი US Robotics Courier, 1 ცალი, შეფასებულია – 400 (ოთხასი) ლარად;
- ჰაბი, 3Com-Super Stack II-PC Hub 40, 1 ცალი, შეფასებულია – 600 (ექვსასი) ლარად;
- ჰაბი, CNet-CN800 TPC, 1 ცალი, შეფასებულია – 150 (ასორმოცდაათი) ლარად;
- სტაბილიზატორი UPS, Elteco EM 600VR, 5 ცალი, 1 ცალი შეფასებულია – 200 (ორასი) ლარად, სულ – 1000 (ერთი ათასი) ლარად;
- სტაბილიზატორი UPS, Elteco EM 250A VR, 1 ცალი შეფასებულია – 150 (ასორმოცდაათი) ლარად;
- სტაბილიზატორი UPS, Sandon-1000, 1 ცალი შეფასებულია – 300 (სამასი) ლარად;
- პროექტორის დაფა – DeltaScreen-Quartet-ის ფირმის, 4 ცალი, 1 ცალი შეფასებულია 600 (ექვსასი) ლარად, სულ შეფასებულია – 2400 (ორი ათას ოთხასი) ლარად;
- დაფა კედლის, თეთრი ფერის, 2 ცალი, 1 ცალი შეფასებულია 150 (ასორმოცდაათი) ლარად, სულ შეფასებულია 300 (სამასი) ლარად;
- დაფა საპრეზენტაციო, 1 ცალი შეფასებულია 200 (ორასი) ლარად;
- დაფა კედლის, თეთრი ფერის, 1 ცალი, შეფასებულია 100 (ასი) ლარად;
- მაგიდა გორგოლაჭებიანი, პლასტიკური, 2 ცალი, 1 ცალი შეფასებულია 50 (ორმოცდაათი) ლარად, სულ შეფასებულია 100 (ასი) ლარად;
- ნავთქურა, TOYOset-Omni 230, 2 ცალი, 1 ცალი შეფასებულია 350 (სამას ორმოცდაათი) ლარად, სულ შეფასებულია 700 (შვიდასი) ლარად;
- დაფა შტატივით – 2 ცალი, 1 ცალი შეფასებულია – 100 (ასი) ლარად, სულ შეფასებულია 200 (ორასი) ლარად;
- საწერი მაგიდა, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოქოვანი ფილებისაგან, 42 ცალი, 1 ცალი შეფასებულია – 130 (ასოცდაათი) ლარად, სულ შეფასებულია 5460 (ხუთი ათას ოთხას სამოცი) ლარად;
- საოფისე მაგიდა, იტალიური წარმოების, VALENTINO, დამზადებულია ლამინირებული, მერქან ბოქოვანი ფილებისაგან, 3 ცალი, 1 ცალი შეფასებულია – 300 (სამასი) ლარად, სულ შეფასებულია 900 (ცხრაასი) ლარად;

- სკამი, რბილი დასახჯდომით, სამამულო წარმოების, 70 ცალი, 1 ცალი შეფასებულია – 50 (ორმოცდაათი) ლარად, სულ შეფასებულია 3500 (სამი ათას ხუთასი) ლარად;
- სკამი, იტალიური წარმოების, VALENTINO, ხელოვნური ტყავის რბილი დასახჯდომით და საზურგით, 4 ცალი, 1 ცალი შეფასებულია – 100 (ასი) ლარად, სულ შეფასებულია 400 (ოთხასი) ლარად;
- წიგნების თარო, კედლის, 6 ცალი, 1 ცალი შეფასებულია – 15 (თხუთმეტი) ლარად, სულ შეფასებულია 90 (ოთხმოცდაათი) ლარად;
- კონდინციონერი, აზერბაიჯანული წარმოების – BK-1800, 1 ცალი, შეფასებულია 100 (ასი) ლარად;
- კონდინციონერი, აზერბაიჯანული წარმოების – BK-2000, 1 ცალი, შეფასებულია 100 (ასი) ლარად;
- მაგიდის ტუმბო, ოთხ უჯრიანი, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 9 ცალი, 1 ცალი შეფასებულია – 70 (სამოცდაათი) ლარად, სულ შეფასებულია 630 (ექვსას ოცდაათი) ლარად;
- მაგიდის ტუმბო, სამ უჯრიანი, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 5 ცალი, 1 ცალი შეფასებულია – 70 (სამოცდაათი) ლარად, სულ შეფასებულია 350 (სამას ორმოცდაათი) ლარად;
- მაგიდის ტუმბო, სამ უჯრიანი, იტალიური წარმოების, VALENTINO, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 1 ცალი, შეფასებულია – 100 (ასი) ლარად;
- მაგიდის ტუმბო, ორ უჯრიანი, იტალიური წარმოების, VALENTINO, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 1 ცალი, შეფასებულია – 100 (ასი) ლარად;
- ტუმბო ფაელებისათვის, სამ უჯრიანი, 6 ცალი, 1 ცალი, შეფასებულია – 70 (სამოცდაათი) ლარად, სულ შეფასებულია – 420 (ოთხას ოცი) ლარად;
- წიგნების კარადა, სამ თაროიანი, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 6 ცალი, 1 ცალი შეფასებულია – 600 (ექვსასი) ლარად, სულ შეფასებულია 3600 (სამი ათას ექვსასი) ლარად;
- წიგნების კარადა, ოთხ თაროიანი, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 6 ცალი, 1 ცალი შეფასებულია – 700 (შვიდასი) ლარად, სულ შეფასებულია 4200 (ოთხი ათას ორასი) ლარად;
- კათედრა, სამამულო წარმოების, დამზადებულია ლამინირებული, მერქან ბოჭკოვანი ფილებისაგან, 3 ცალი, 1 ცალი შეფასებულია – 200 (ორასი) ლარად, სულ შეფასებულია 600 (ექვსასი) ლარად;

- კელის საათი, კვარცული, 4 ცალი, 1 ცალი შეფასებულია - 15 (თხუმეტი) ლარად, სულ შეფასებულია 60 (სამოცი) ლარად;
- მაგიდის ნათურა, 5 ცალი, 1 ცალი შეფასებულია - 20 (ოცი) ლარად, სულ შეფასებულია 100 (ასი) ლარად;
- ფანქრების სათლელი, ელექტრო Stanley BPS-10, 1 ცალი შეფასებულია - 30 (ოცდაათი) ლარად;
- პროექტორი BUHL 2900, 1 ცალი შეფასებულია - 300 (სამასი) ლარად;
- პროექტორი BUHL 90, 1 ცალი შეფასებულია - 100 (ასი) ლარად;
- მულტიმედია პროექტორი Proxima Ovation 944, 1 ცალი შეფასებულია - 500 (ხუთასი) ლარად;
- ტიხრები სამამულო წარმოების, დამზადებულია მერქან ბოჭკოვანი ფილებისაგან, 8 ცალი, 1 ცალი შეფასებულია - 40 (ორმოცი) ლარად, სულ შეფასებულია 320 (სამას ოცი) ლარად;
- ტანსაცმელის საკიდი, ირანული წარმოების, 5 ცალი, სულ შეფასებულია 100 (ასი) ლარად;
- კონდინციონერი - HITACHI (Winter/Summer), 1 ცალი, შეფასებულია 3000 (სამი ათასი) ლარად;
- კონდინციონერი - Fujitsu (Winter/Summer), 1 ცალი, შეფასებულია 1100 (ერთი ათას ასი) ლარად;
- კონდინციონერი - Fujitsu (Winter/Summer), 1 ცალი, შეფასებულია 1300 (ერთი ათას სამასი) ლარად;
- ურნა-საფერფლე, შავი ფერის, 3 ცალი, სულ შეფასებულია 45 (ორმოცდახუთი) ლარად;
- კონდინციონერი, აზერბაიჯანული წარმოების - BK-1500, 2 ცალი, 1 ცალი შეფასებულია შეფასებულია - 50 (ორმოცდაათი) ლარად, სულ შეფასებულია 100 (ასი) ლარად;
- კონდინციონერი, აზერბაიჯანული წარმოების - BK-2500, 1 ცალი, შეფასებულია 130 (ას ოცდაათი) ლარად;
- გენერატორი-ბენზინის, Elemax SH-4000DX, 3,7კვტ/სთ, 1 ცალი, შეფასებულია - 1000 (ერთი ათასი) ლარად;
- გენერატორი-ბენზინის, Elemax SH-6000DX, 5,5კვტ/სთ, 1 ცალი, შეფასებულია - 1400 (ერთი ათას ოთხასი) ლარად;
- გენერატორი-ბენზინის, Elemax SH-7000DX, 6,1კვტ/სთ, 1 ცალი, შეფასებულია - 1600 (ერთი ათას ექვსასი) ლარად;
- ცვლადი დენის სტაბილიზატორი, სამამულო წარმოების, 2კვტ, 2 ცალი, 1 ცალი შეფასებულია - 200 (ორასი) ლარად, სულ შეფასებულია 400 (ოთხასი ოცი) ლარად;

- 6300 (სამსახური) ლაზერული მანქანის მარკაა;
- 300 (სამსახური) ლაზერული მანქანის მარკაა, 6300, 1 ცალი შეფასებულია - 600
- 6300 (სამსახური) ლაზერული მანქანის მარკაა, 6300, 2 ცალი შეფასებულია - 600
- (მედიკალინა) ლაზერული მანქანის მარკაა;
- 3000 (სამსახური) ლაზერული მანქანის მარკაა;
- 700 (მედიკალინა) ლაზერული მანქანის მარკაა;
- 4000 GBC-4000, 1 ცალი შეფასებულია - 300 (სამსახური) ლაზერული მანქანის მარკაა;
- Boston-2615, 1 ცალი შეფასებულია - 300 (სამსახური) ლაზერული მანქანის მარკაა;
- 50 (სამსახური) ლაზერული მანქანის მარკაა;
- DAEWOO-21, 1 ცალი შეფასებულია - 350 (სამსახური) ლაზერული მანქანის მარკაა;
- TOSHIBA-VX445, 1 ცალი შეფასებულია - 150 (სამსახური) ლაზერული მანქანის მარკაა;
- Sony-Handycam-CCD-TR 506E, 1 ცალი შეფასებულია - 1000 (სამსახური) ლაზერული მანქანის მარკაა;
- GIOTTO-809, 1 ცალი შეფასებულია - 300 (სამსახური) ლაზერული მანქანის მარკაა;
- Sony-CFS-W3385, 1 ცალი შეფასებულია - 100 (სამსახური) ლაზერული მანქანის მარკაა;
- Sharp-QT-100Z(GY), 1 ცალი შეფასებულია - 40 (სამსახური) ლაზერული მანქანის მარკაა;
- 2 ცალი შეფასებულია - 70 (სამსახური) ლაზერული მანქანის მარკაა;
- 140 (სამსახური) ლაზერული მანქანის მარკაა;
- SANYO-SC-53-A, 1 ცალი შეფასებულია - 100 (სამსახური) ლაზერული მანქანის მარკაა;
- OY-2, 2 ცალი, სულ შეფასებულია - 40 (სამსახური) ლაზერული მანქანის მარკაა;
- Philips, 1 ცალი, დანახარჯი შეფასებულია - 20 (სამსახური) ლაზერული მანქანის მარკაა;
- Panasonic KX-TS-20-W, 1 ცალი შეფასებულია - 100 (სამსახური) ლაზერული მანქანის მარკაა;
- Panasonic KX-TC281BX, 1 ცალი შეფასებულია - 150 (სამსახური) ლაზერული მანქანის მარკაა;
- Panasonic KX-F130BX, 1 ცალი შეფასებულია - 300 (სამსახური) ლაზერული მანქანის მარკაა;
- Sharp-FO-1460, 1 ცალი შეფასებულია - 250 (სამსახური) ლაზერული მანქანის მარკაა;
- 1 ცალი შეფასებულია - 15 (სამსახური) ლაზერული მანქანის მარკაა;





Barents Group LLC, Georgia  
Assets Confirming Act

Tbilisi  
2000

December, 18,

Meggy Ajiashvili, Director and Auditor, "Audit & Financial Consulting", Ltd. (License # Z №028 issued by the Auditor's Council, Parliament of Georgia.) confirms the existence of the assets and the library at the "Representative Office of Barents Group LLC in Georgia". (The legal address - 123, Agmashenebeli Ave; Branch office of KPMG Peat Marwick. The legal address of the Head Office – 2001 M Street, Washington DC).

I confirm existence of the assets as of December 15, 2000 at the "Representative Office of Barents Group LLC in Georgia", 123 Agmashenebeli Ave. Tbilisi.

See attached the Inventory list (Appendix #1). The list is part of this document.

The Act has been executed in 3 identical copies: two copies have been submitted to the "Representative Office of Barents Group LLC in Georgia". One copy is kept by "Audit & Financial Consulting," Ltd.

"Audit & Financial Consulting," Ltd.

Director: /M. Ajiashvili/



ფინანსური კონსალტინგი

AF&FC

2, L. Asatiani St, Tbilisi, Georgia; E-Mail: amirani@jp.osgf.ge; Fax: (995 32) 989183  
საქართველო, თბილისი, ლადო ასათიანის ქ. №2; Tel: (995 32) 984347; 989183; 983757

საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობის მიერ  
წარმოდგენილი ქონების არსებობის დამადასტურებელი  
აქტი

ქ. თბილისი

18 დეკემბერი 2000 წელი

შპს „აუდიტი და ფინანსური კონსალტინგი“-ს (საქართველოს პარლამენტთან არსებული აუდიტორული საქმიანობის საბჭოს ლიცენზია № 028) დირექტორმა, აუდიტორმა მეგი აჩიაშვილმა მოვახდინე, „საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობის“ (იურიდიული მისამართია – მისამართზე ქ. თბილისი, დ. აღმაშენებლის გამზ. 123; KPMG Peat Marwick-ის ფილიალი, სათაო ოფისის მისამართია – 2001 M Street, Washington DC) მიერ წარმოდგენილი ქონების, ბიბლიოთეკის არსებობის დადასტურება.

ვადასტურებ, რომ 2000 წლის 15 დეკემბერს წარმოდგენილი ქონება განთავსებული იყო საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობის ოფისში, მისამართზე: ქ. თბილისი დავით აღმაშენებლის გამზირი 123.

ქონების ჩამონათვლი მოყვანილია №1 დანართში, რომელიც ითვლება წინამდებარე აქტის განუყოფელ ნაწილად.

აქტი შედგენილია სამ ეგზემპლარად: ორი გადაეცა „საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობა“-ს, ერთი ინახება აუდიტორულ ფირმაში.

შპს „აუდიტი და ფინანსური კონსალტინგი“



დირექტორი  
მ. აჩიაშვილი / აჩიაშვილი /

საქართველოში BARENTS GROUP LLC-ის წარმომადგენლობის  
მიერ წარმოდგენილი ქონების არსებობის დამადასტურებელ 2000  
წლის 18 დეკემბრის აქტზე

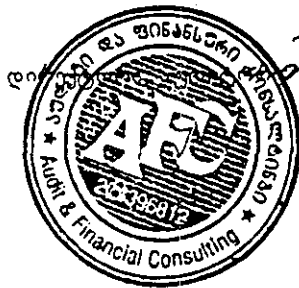
დანართი №1

№	წიგნის დასახელება	ავტორი
1	A Tract on Monetary Reform	Keynes
2	Accounting, An International Perspective	Mueller, Gernon, Meek
3	Auditing, An Integrated Approach	Arens, Loebbecke
4	Auditing Standards and Guidance for Members	
5	Bank Credit	Phillips
6	Bank Credit	Phillips
7	Bank Deregulation and Monetary Order	Selgin
8	Bank Management	Hempel, Simonson, Coleman
9	Bank Management	Hempel, Simonson, Coleman
10	Bank Management	Hempel, Simonson, Coleman
11	Banking and Finance in the US	Peat Marwick
12	Business	Griffin, Ebert
13	Capital Markets and Corp. Governance in Japan	H. Dietl
14	Central Banking in Developing Countries	Fry, Goodhart, Almeida
15	Comeback: The Restoration of American Banking Power	R. Smith
16	Commercial Bank Financial Management	J. Sinkey
17	Commercial Bank Financial Management	J. Sinkey
18	Commercial Bank Management	F. Johnson, R. Johnson
19	Commercial Lending	G. Ruth
20	Comparative Interanational Accounting	Nobes, Parker
21	Dynamic Asset Pricing Theory	Duffe
22	Dynamic Macroeconomic Theory	Sargent
23	Dynamic Macroeconomic Theory	Sargent
24	Dynamic Macroeconomic Theory	Sargent
25	Eastern European Banking	J. Essinger
26	Economics for Bankers	Seifried
27	Economics for Bankers	Seifried
28	Empirical Macroeconomics - 3	Hooper, Henderson, Bryant, Symansky
29	Empirical Macroeconomics with Supplements - 3	Hooper, Henderson, Bryant, Symansky
30	Encyclopedia of Associations (3 parts)	Mauer, Sheets
31	Encyclopedia of Banking and Finance	Woelfel
32	Essentials of Finance	Gallinger, Poe
33	European Financial Integration	Giovanni, Mayer
34	Financial Derivatives	Redhead
35	Financial Institutions and Capital Markets	Campbell, Kracaw
36	Financial Institutions Management	Saunders
37	Financial Institutions Management	Saunders
38	Financial Institutions Management	Saunders
39	Financial Management and Analysis	Peterson
40	Financial Markets Rates and Flows	Van Horne
41	Financial Markets Rates and Flows	Van Horne
42	Financial Markets Rates and Flows	Van Horne
43	Financial Markets Rates and Flows	Van Horne
44	Financial Markets Rates and Flows	Van Horne

45	Financial Systems: Principles and organizations	Neave
46	Foreign Exchange and Money Markets	Riehl, Rodriguez
47	Foreign Exchange Options	A. Hicks
48	Foundations of Financial Markets and Institutions	Fabozzi, Modigliani, Ferri
49	Foundations of Financial Markets and Institutions	Fabozzi, Modigliani, Ferri
50	GAAP	Delaney, Epstein ...
51	GAAP for Governments	Ruppel
52	Global Finance	Eng, Lees, Mauer
53	Innovation and Growth in Global Economy	Grossman, Helpman
54	Innovation and Productivity Crisis	Bailey, Chakrabarti
55	Innovation and Productivity Crisis	Bailey, Chakrabarti
56	Innovation and Productivity Crisis	Bailey, Chakrabarti
57	In Search of Excellence	Th. Peters, R.H. Waterman Jr.
58	International Accounting Standards	IAS Committee
59	International Banking: Regulation and Supervision	Norton, Chia-Jui Cheng, Fletcher
60	International Business Law	August
61	International Debt Reexamined	Cline
62	International Finance	Gibson
63	International Finance	Levi
64	International Financial Institutions	Bakker
65	International Financial Markets	Grabbe
66	International Financial Markets	Grabbe
67	Interpretation & Application of IAS - 2	Epstein, Abas Ali Mirza
68	Introduction to Econometrics	Maddala
69	Introduction to Econometrics	Maddala
70	Investing in Information Technology	Hogbin, Thomas
71	Investment Valuation	Damodaran
72	Letters of Credit	M. Rowe
73	Macroeconomics	Froyen
74	Macroeconomics	Dornbusch, Fischer, Startz
75	Macroeconomics for Managers	Mork
76	Macroeconomics for Managers	Mork
77	Managed Futures	Chandler
78	Modern Business Cycle Theory	Barro
79	Modern Business Cycle Theory	Barro
80	Modern Business Cycle Theory	Barro
81	Modern Investment Theory	Haugen
82	Modern Money and Banking	Miller, VanHoose
83	Money and Banking in Contemporary Japan	Suzuki
84	Money and Banking in Contemporary Japan	Suzuki
85	Money and Capital in Economic Development	McKinnon
86	Money and Capital in Economic Development	McKinnon
87	Money and Capital Markets	P. Rose
88	Money, the Financial Systems and the Economy	Hubbard
89	Options, Futures and Other Derivatives	J. Hull
90	Polk Directory	
91	Principles of Corporate Finance	Brealey, Mayer
92	Principles of Money, Banking & Financial Markets	Ritten, Silber, Udell

93	Private Banking in Europe	L. Bicker
94	Privatization	Ernst & Young
95	Recursive Methods in Economic Dynamics	Stokey, Lucas
96	Recursive Methods in Economic Dynamics	Stokey, Lucas
97	Recursive Methods in Economic Dynamics	Stokey, Lucas
98	Regulation, Deregulation, Regulation	Gart
99	Regulation, Deregulation, Regulation	Gart
100	Regulation, Deregulation, Regulation	Gart
101	Specification, Estimation & Analysis of Macroeconomic Models	Fair
102	Specification, Estimation & Analysis of Macroeconomic Models	Fair
103	Specification, Estimation & Analysis of Macroeconomic Models	Fair
104	The Bank Valuation Handbook	H.J. Johnson
105	The Future of American Banking	Barth, Brumbaugh, Litan
106	The Future of American Banking	Barth, Brumbaugh, Litan
107	The Handbook of Bank Accounting	Charles J. Woelfil
108	Total Quality Management	J. Oakland
109	Theory of Financial Decision Making	Ingersoll
110	Theory of Value	Debreu
111	Theory of Value	Debreu
112	Theory of Value	Debreu
113	Ulrich's International Periodicals Directory (5 Volumes)	
114	US Monetary Policy and Financial Markets	Meulendyke

შპს „აუდიტი და ფინანსური კონსალტინგი“



*Handwritten signature and text:* 15.08.2003 გ. შვილი

**Appendix W**

**IAS TRAINING SESSIONS  
TBILISI GEORGIA  
DECEMBER 2000**

**DECEMBER TRAINING SESSIONS**

- IAS Roundtable Session 2 : Completion of session begun in October
- IAS Course\*\*: Intensive introductory course scheduled in response to branch accountant training needs
- IAS Concepts and Accrual Accounting: One day overview to supply additional background information on IAS

**SUMMARY: IAS TRAINING SUMMARY OCTOBER/DECEMBER 2000**

PROGRAMS:	TERM	# PARTICIPANTS	# BANKS
1. IAS Roundtable Session 1 (October)	5 days	23	12
2. IAS Roundtable Session 2 (October)	3 days	22	8
3. IAS Roundtable Session 2 (December)*	2 days	20 (5 new*)	9(2*)
4. IAS Concepts & Financial Statement Overview	1 day	10	6
5. IAS Course**	4 days	15	3
6. IAS Concepts and Accrual Accounting	1 day	8	4

\*17 of the 22 participants who began the program in October attended and completed in December.

5 new participants joined the program in December. Course evaluations completed in December for the entire program indicate lower than normal ratings in coverage of 3 topics. These were topics discussed during the October session.

\*\*Number of branch accountants: 6    Number of branch directors: 2  
Total number of separate banks involved in IAS training (includes NBG): 18

**EVALUATIONS:**

On a scale of 1-6

Overall course evaluation of the December Roundtable session: 5.37

Overall course evaluation of the December IAS Concepts and Accrual Accounting program: 5.29

Overall course evaluation of the December IAS Course: not available at time of report preparation

## RECOMMENDATIONS:

Chief Accountants attending the December program indicated that their banks are prepared for the conversion process. However, as with undertaking any new activity, they cannot be expected to entirely "know what they don't know". Bank attendees stated that they utilize and are satisfied with the assistance of the Help Desk, so continuation of that program should be a significant source of assistance during the conversion and initial reporting periods. Continual monitoring of commercial bank training needs during the conversion period is necessary and flexibility of the Help Desk in responding to those needs.

Since not all Georgian banks attended the training programs offered in October and December, it is unknown how well prepared the non-attending banks are for conversion to IAS effective 1/1/01. An assessment should be made of which banks may require hands-on assistance during conversion or additional information prior to the conversion date. Since certain banks may have taken a passive stance towards conversion, support may have to be proactively promoted or a decision made to allow certain banks to sink or swim.

The single greatest concern expressed by program attendees regards taxes. One issue raised by the banks is that they have not received clear guidance on how to prepare tax reports. A general worksheet has been distributed, but specific identification of financial accounting vs. Tax Code differences is not yet available.

Since the same differences will apply in general to all banks, it is recommended that the IAS vs. Tax Code items be identified, listed, and appropriate forms developed and distributed to all commercial banks, along with instructions. A training session for both regulatory authorities and bank tax preparers is also recommended.

A second issue raised by the banks is concern that tax authorities do not understand the new basis of accounting and how it applies to banks. Although tax regulators have received training on IAS from the Georgian Accounting Federation, bank accounting is significantly different from accounting for other enterprises. It is recommended that short course on IAS as it applies specifically to banks be developed and presented to tax authorities as a supplemental program. If tax regulators specialize by industry the program could be targeted to that audience. Alternatively, if there is no industry specialization the program may be presented as a seminar to the same audience that earlier received general IAS training.

## ATTACHMENTS:

List of Participants for each Program  
Course Evaluation Summary for each Program (December IAS Course evaluation not yet available, evaluation was not required for the IAS Concept & Financial Statement Overview program in October)



**IAS ROUNDTABLE TRAINING SESSIONS  
TBILISI GEORGIA  
OCTOBER 2000**

**PLANNING**

The original plan called for one week of roundtable training meetings with a single group of Georgian bankers. Objective of the program was to address specific IAS questions and implementation issues faced by the banks during their IAS transition period. Anticipated attendees were Georgian bank Chief and Deputy Chief Accountants, as well as IT staff and others directly involved in the conversion process.

Prior to the consultant's arrival, founding members of the training academy requested an additional training session in order to address branch accounting staff needs.

Analysis following the consultant's arrival indicated a high level of anticipated demand for the program. In response the sessions were extended one additional week and scheduled for three separate sections. Planned maximum attendance per section of 25 to allow for group interaction.

**IMPLEMENTATION**

The majority of registrants selected the first group and including walk-ins, first day registration was 29 participants. Attendees were adamant that they wished to remain together, so all were accepted into the group. Many of the banks had apparently selected participants without regard to the prerequisite of previous IAS training. Only 7 of the attendees had received prior background training in IAS and matched the anticipated participant profile. In response to the obvious need for basic IAS/accrual basis accounting training, the consultant arranged to move the small number of group two registrants into the third group and use the freed-up time to offer an additional program. This additional session was a basic IAS/accrual concept introductory class offered at no additional charge to group participants. Registration for the third group totaled 27, with only 4 of the participants meeting the prerequisite and program profile.

Daily attendance as a percentage of registrants was high. Overall, fifteen Georgian banks were represented, many sending multiple participants. The weakest component of the program evaluation indicated that attendees did not perceive how program components were related to their positions. This result is likely due to inappropriate selection of attendees by the banks, since most of the participants were not in the necessary decision-making role envisioned by the program objectives. However, future roundtable sessions can address this issue and improve the attendee's understanding of the program/job duty relationship. Attendance, participant and evaluation data are available from the training project staff.

A list of program topics is found in the program description. The consultant cooperated closely with the TACIS implementation project, USAID accounting methodology project and USAID banking supervision project. Members of all projects were extremely helpful and generous in sharing their time and materials. The roundtable program included presentations by Tom Gordon of the accounting methodology project and Gloria Grimditch of the banking supervision project. Local staff members of the projects were also invited to attend all sessions.

## RESULTS

A primary success of the program was to identify issues that require attention by the National Bank of Georgia. With this knowledge the NBG can now, in a timely manner determine policy and disseminate direction before the likely January onslaught of calls by individual banks. This proactive means of addressing potential problems should serve to ease the transition process for all banks in the country.

Although evaluations indicated participant satisfaction with the program, the originally envisioned objective of implementation problem identification/mutual problem solving was not met in the manner anticipated. This can be attributed to a number of reasons:

- Participant banks had not progressed with the transition process sufficiently to identify and think through all implementation issues or consider how they might be resolved
- The majority of program participants did not have the necessary background training in IAS to participate in IAS related discussions
- The majority of program participants did not hold decision-making positions relating directly to the IAS conversion process
- Participants were not familiar with mutual problem-solving methods and had anticipated that the program would be a classroom-style training forum

Responding to the above, the consultant modified the planned instructional method and used a modified roundtable approach which incorporated both classroom presentation and group participation. This approach appeared to be effective as shown by the high attendance figures and more importantly, that attendees stayed through the end of program each day and were active participants.

## RECOMMENDATIONS

### NEEDS IDENTIFICATION

The following training needs were identified by program participants, in conjunction with the consultant:

1. Comprehensive tax accounting, using any available worksheets and directives issued by the tax authorities and other relevant parties
2. Accrual accounting for all types of activity, including specific examples with the new chart of accounts
3. Accounting for depreciation, illustrated with examples of various depreciation methods and supporting calculations
4. Preparation of financial statements using the new chart of accounts and new financial statement formats, including presentation of a mapping guide for bank implementation
5. Accounting for repossessed assets in accordance with the new NBG asset classification regulation, utilizing the new chart of accounts and including examples of all foreseeable circumstances
6. Accounting for loan loss provisioning in accordance with the new NBG regulation, including discussion of similarities and differences with current methodology
7. NBG response to outstanding accounting methodology issues identified during the program
8. Cashflow analysis
9. Extensive training on IAS accounting for branch accountants, using specific examples and the new chart of accounts
10. Following successful transition to the new chart of accounts and financial statements, training on development, preparation and use of management reports

TRAINING RECOMMENDATIONS FOR THE PERIOD PRIOR TO JANUARY 1  
IMPLEMENTATION DEADLINE

1. Completion of the group three roundtable presentations previously scheduled (2 days).  
Note that this program must respond to participant needs by including the highest priority issues and examples listed above that will fit into the allotted time.
2. Presentation of a basic IAS/accrual concept introductory class previously scheduled, at no additional charge to group participants (1 day).
3. Presentation of an IAS accounting program for branch accountants who have received no previous introduction to accrual accounting (4 days). Note that this was identified by group participants as the highest priority training need. Indications are that this type of program may be extremely beneficial in reducing transition related problems. Training materials may be based on a previously utilized IAS program developed by the consultant and presented in early 1999, but should be updated and revised to incorporate the specific topical issues noted above.
4. Given the need for developing detailed and comprehensive examples, as well as training program updates, required training preparation time is anticipated to require 8 days offsite. Note that this includes development of a mapping guide for creation of both the new balance sheet and income statement. In addition, 3 days of preliminary onsite preparation are needed for investigation and updating. The Georgian banking environment is dynamic and these training programs are a means to disseminate accurate, up-to-the-minute information for financial institutions representing the majority of banking assets in the country.

TRAINING RECOMMENDATIONS FOR THE PERIOD FOLLOWING JANUARY 1  
IMPLEMENTATION DEADLINE

1. Roundtable sessions during the months of January , February and March 2001--to address specific implementation issues
2. Tax accounting—to be offered when worksheets and methodology are developed and approved by relevant parties
3. Following successful transition to the new chart of accounts and financial statements--training on development, preparation and use of management reports
4. Additional basic but comprehensive IAS training—dependent upon banking system needs
5. Training on complex or specialized accounting topics--as banks enter new fields of activity or recognize knowledge gaps
6. Training on new or revised IAS—as IAS is modified

**Appendix X**

## BANKER TRAINING COURSES

- |                                     |  |
|-------------------------------------|--|
| 1. Accounting for Bankers           | 24. International Accounting Standards |
| 2. Advanced Problem Loan Management | 25. Interbank Credit Risk              |
| 3. Asset/Liability Management I, II | 26. Internal Audit                     |
| 4. Bank Card                        | 27. International Banking              |
| 5. Bank Executive International     | 28. International Payment Systems      |
| 6. Bank Marketing                   | 29. International Trade Finance        |
| 7. Bank Fraud                       | 30. Investment Banking                 |
| 8. Bank Operations Management       | 31. Legal/Regulatory Environment       |
| 9. Branch Management                | 32. Letters of Credit/Trade Finance    |
| 10. Bank Supervision                | 33. Marketing Financial Services       |
| 11. Banking Terminology             | 34. Mortgage Finance                   |
| 12. Capital Markets I, II           | 35. NIS Enterprise Accounting          |
| 13. Commercial Bank Risk Management | 36. NIS Bank Accounting                |
| 14. Construction Lending            | 37. Privatization                      |
| 15. Consumer Lending/Finance        | 38. Problem Loan Management I, II      |
| 16. Corporate Finance               | 39. Project Finance                    |
| 17. Credit I, II, III               | 40. Real Estate Finance                |
| 18. Credit Management System        | 41. Risk Management                    |
| 19. Customer Service                | 42. Small + Medium Enterprise Banking  |
| 20. Financial Management            | 43. Strategic Competitive Advantage    |
| 21. Financial Institutions Analysis | 44. Strategic Planning                 |
| 22. Foreign Exchange                | 45. Train the Trainers                 |
| 23. Human Resources Management      | 46. Treasury Risk Management           |



**Bankers' Training Development Project**  
*Course and Workshop Outlines*

August 2000

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## Foreign Exchange

<b>Course Description</b>	<i>This course will introduce participants with principles and concepts of Foreign Exchange markets operation and overall FX transactions.</i>
<b>Target Audience</b>	<i>This course is primarily designed for bank FX dealers, managers and top/middle level key-staff involved in FX operations.</i>
<b>Prerequisite</b>	<i>Bank employees with understanding of FX.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>Know the history and structure of foreign exchange markets;</i></li><li>◆ <i>Understand the key mechanisms and terminology of foreign exchange markets;</i></li><li>◆ <i>Review practical examples of foreign exchange;</i></li><li>◆ <i>Define peculiarities and axioms of European foreign exchange;</i></li><li>◆ <i>Reduce risk while conducting foreign exchange operations;</i></li><li>◆ <i>Master the technology of futures exchange;</i></li><li>◆ <i>Understand the concept of and calculate SWAP operations, one of the basic components of foreign exchange market;</i></li><li>◆ <i>Learn and analyze in detail the factors influencing volatility of foreign exchange markets;</i></li><li>◆ <i>List solutions to concrete problems drawn as examples.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion, exercises and video aid.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Course Duration</b>	<i>5 days (7 hours a day/35 hours).</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Instructor Guide (English);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>

**International Payment Systems**

<b>Course Description</b>	<i>This course is an overview of all payment systems, including electronic payment, used in modern banking industry.</i>
<b>Target Audience</b>	<i>This course is primarily designed for bank employees handling incoming and outgoing payments and operating on SWIFT system.</i>
<b>Prerequisite</b>	<i>Bank employee.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>understand requirements, types and components of payment systems;</i></li><li>◆ <i>understand worldwide credit card network operation;</i></li><li>◆ <i>understand mechanisms of debit card operation;</i></li><li>◆ <i>ATM's, SWIFT, large volume wire transfers.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and visual aids.</i>
<b>Evaluation Technique</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Course Duration</b>	<i>5 days (7 hours a day/35 hours).</i>
<b>Maximum Participants</b>	<i>20 – 25 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>



## Human Resources Management

<b>Workshop Description</b>	<i>This course will acquaint participants with basic principles of personnel management, focusing on issues like hiring, recruiting, selecting, motivating staff with an ultimate goal of maximum quality performance and satisfaction.</i>
<b>Target Audience</b>	<i>This course is designed for bank personnel and training managers and their assisting teams.</i>
<b>Prerequisite</b>	<i>Bank employee in the related field.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will:</i> <ul style="list-style-type: none"><li>◆ <i>learn about organizational staffing and evaluation of job positions;</i></li><li>◆ <i>human resources information systems;</i></li><li>◆ <i>Screening, selection and placement of candidates;</i></li><li>◆ <i>job descriptions: design and analysis;</i></li><li>◆ <i>training and retraining.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and samples.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Workshop Duration</b>	<i>5 days (8 hours a day/40 hours).</i>
<b>Maximum Participants</b>	<i>15 – 20 participants.</i>
<b>Workshop Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Instructor Guide (English/Russian);</i></li><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>

**Mortgage Finance**

<b>Course Description</b>	<i>This course will provide typical and fundamental concepts and practices for prudential loan underwriting. The course will also discuss staff and administrative procedures to finance residential real estate loans.</i>
<b>Target Audience</b>	<i>This course is designed for bank loan officers and real estate appraisers.</i>
<b>Prerequisite</b>	<i>Experience in loan decision-making in Commercial Bank industry is recommended.</i>
<b>Terminal Learning Objectives</b>	<p><i>At the completion of this course, participants will be able to:</i></p> <ul style="list-style-type: none"> <li>◆ <i>understand organizational structure to assist banks to identify management and staffing needs, and procedures necessary to operate a real estate lending function;</i></li> <li>◆ <i>loan underwriting process;</i></li> <li>◆ <i>construction lending specifics and tools.</i></li> <li>◆ <i>real estate appraisal techniques.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and real estate appraisal tours around the city.</i>
<b>Evaluation Techniques</b>	<p><i>The course is evaluated on one level:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li> </ul>
<b>Course Duration</b>	<i>5 days (8 hours a day/40 hours).</i>
<b>Maximum Participants</b>	<i>15-20 participants.</i>
<b>Course Materials</b>	<p><i>The course consists of the following components:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Instructor Guide (English/Russian);</i></li> <li>◆ <i>Participant Guide (English/Russian);</i></li> <li>◆ <i>Course Evaluation Form (English/Georgian).</i></li> </ul>

<b>Letters of Credit &amp; Trade Finance</b>
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<b>Self-Study Description</b>	<p><i>This course will help participants understand basics of Letters of Credit and International Trade Finance. The course discusses summary of products that are used by banks and others to affect payment and finance, cross-broker sales and other transactions. It has a focus on the International Chamber of Commerce Uniform Customs and Practices for Documentary Credits.</i></p>
<b>Target Audience</b>	<p><i>This course is designed for loan officers and other bank employees working with trade finance transactions.</i></p>
<b>Prerequisite</b>	<p><i>Experience in credit allocation is recommended.</i></p>
<b>Terminal Learning Objectives</b>	<p><i>At the completion of this course, participants will be able to:</i></p> <ul style="list-style-type: none"> <li>◆ <i>understand mechanics of trade finance;</i></li> <li>◆ <i>documentary collections procedure;</i></li> <li>◆ <i>letters of credit overview, UCP 500;</i></li> <li>◆ <i>standby letters of credit;</i></li> <li>◆ <i>export credit agencies and their programs;</i></li> <li>◆ <i>securitized finance;</i></li> <li>◆ <i>FX in the context of trade finance.</i></li> </ul>
<b>Training Methodology</b>	<p><i>Presentation with exercises and discussions.</i></p>
<b>Evaluation Techniques</b>	<p><i>The course is evaluated on one level:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li> </ul>
<b>Program Duration</b>	<p><i>5 day (8 hours a day/40 hrs).</i></p>
<b>Maximum Participants</b>	<p><i>20-25 participants.</i></p>
<b>Program Materials</b>	<p><i>The program consists of the following components:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Participant Guide (English/Russian);</i></li> <li>◆ <i>Instructor Guide (English/Russian);</i></li> <li>◆ <i>UCP 500 (English/Russian);</i></li> <li>◆ <i>Overheads (English/Russian).</i></li> <li>◆ <i>Course Evaluation Form (English/Georgian).</i></li> </ul>

**Bank Marketing**

<b>Course Description</b>	<i>This course will introduce Georgian bankers to the role that marketing plays in a developing environment.</i>
<b>Target Audience</b>	<i>This course is primarily designed for managers and bank employees involved in developing and implementing marketing strategies for successful operation.</i>
<b>Prerequisite</b>	<i>Experience in delivery of new bank products and services.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>understand marketplace for bank's products and services using that knowledge to gain a competitive advantage;</i></li><li>◆ <i>design and price new bank products;</i></li><li>◆ <i>use effectively media to sell bank services;</i></li><li>◆ <i>develop marketing plans to improve bank profitability.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Course Duration</b>	<i>5 days (8 hours a day/40 hours).</i>
<b>Maximum Participants</b>	<i>15 - 20 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Instructor Guide (English/Russian);</i></li><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Handouts (Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>

**Problem Loan Management**

**Workshop Description**

*This course will help participants review and analyze those potential sources that turn loans into problems. The course discusses ways and techniques for identifying, restructuring and negotiating loans that are or may become a problem asset.*

**Target Audience**

*This course is designed for bank's problem loan workout department officers.*

**Prerequisite**

*Experience in credit area.*

**Terminal Learning Objectives**

*At the completion of this workshop, participants will be able to:*

- ◆ *identify and quantify credit risk;*
- ◆ *understand industry risk;*
- ◆ *construct customer cash budget and cash flow;*
- ◆ *design various loan structures;*
- ◆ *negotiate with problem customers.*

**Training Methodology**

*Participative presentation with guided discussion and exercises.*

**Evaluation Technique**

*The course is evaluated on one level:*

- ◆ *Reaction: Trainer, course materials and course evaluation.*

**Workshop Duration**

*5 days (8 hours a day/40 hours).*

**Maximum Participants**

*15 – 20 participants.*

**Workshop Materials**

*The workshop consists of the following components:*

- ◆ *Instructor Guide (English/Russian);*
- ◆ *Participant Guide (English/Russian);*
- ◆ *Overheads (English/Russian);*
- ◆ *Handouts (Russian);*
- ◆ *Exercises (English/Russian).*

<b>Asset/Liability Management I</b>
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<b>Workshop Description</b>	<i>This course is an introduction to the financial control of banks.</i>
<b>Target Audience</b>	<i>This course is designed for upper level bank managers.</i>
<b>Prerequisite</b>	<i>Basic knowledge of finance is recommended.</i>
<b>Terminal Learning Objectives</b>	<p><i>At the completion of this workshop, participants will be able to:</i></p> <ul style="list-style-type: none"> <li>◆ <i>understand bank's financial statements;</i></li> <li>◆ <i>understand and manage bank's profitability and risks;</i></li> <li>◆ <i>use bank valuation techniques;</i></li> <li>◆ <i>plan to meet bank's strategic, financial and capital objectives;</i></li> <li>◆ <i>control the acquisition and allocation of bank funds through pricing and a structured system of asset/liability management.</i></li> </ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Evaluation Techniques</b>	<p><i>The course is evaluated on one level:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li> </ul>
<b>Workshop Duration</b>	<i>5 days (8 hours a day/40 hours).</i>
<b>Maximum Participants</b>	<i>15 – 20 participants.</i>
<b>Workshop Materials</b>	<p><i>The workshop consists of the following components:</i></p> <ul style="list-style-type: none"> <li>◆ <i>Instructor Guide (English);</i></li> <li>◆ <i>Participant Guide (English/Russian);</i></li> <li>◆ <i>Overheads (English/Russian);</i></li> <li>◆ <i>Course Evaluation Form (English/Georgian).</i></li> </ul>

## Asset/Liability Management II

<b>Workshop Description</b>	<i>This course is a continuation of ALM I course. The course deals with more in-depth analysis of bank's financial control.</i>
<b>Target Audience</b>	<i>This course is designed for upper level managers who are responsible for bank's asset/liability management function.</i>
<b>Prerequisite</b>	<i>Attendance of ALM I course is recommended.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this workshop, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>analyze bank's financial statements</i></li><li>◆ <i>manage profitability and risks</i></li><li>◆ <i>apply ALM analysis tools</i></li><li>◆ <i>understand derivative instruments and their pricing mechanisms</i></li><li>◆ <i>discuss financial management goals.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Workshop Duration</b>	<i>5 days (7 hours a day/35 hours).</i>
<b>Maximum Participants</b>	<i>15 – 20 participants.</i>
<b>Workshop Materials</b>	<i>The workshop consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Instructor Guide (English);</i></li><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>

**Project Finance**

<b>Course Description</b>	<i>This course provides participants with an understanding of the concepts in the evaluation of project finance contracts and how to evaluate construction contractors; how to analyze and evaluate from a credit granting perspective whether project is a viable undertaking.</i>
<b>Target Audience</b>	<i>This course is designed for bank credit and loan officers mostly dealing with construction finance projects.</i>
<b>Prerequisite</b>	<i>Experience in credit and financial analysis is recommended.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>identify potential risks involved with a specific project;</i></li><li>◆ <i>evaluate the cost of a construction project;</i></li><li>◆ <i>evaluate potential and actual profits;</i></li><li>◆ <i>understand basic concept of "time value of money" and "true cost of capital".</i></li><li>◆ <i>develop financial analysis skills.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussions and exercises.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Course Duration</b>	<i>5 days (7 hours a day/35 hours).</i>
<b>Maximum Participants</b>	<i>15 – 20 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Instructor Guide (English);</i></li><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Overheads (English/Russian);</i></li><li>◆ <i>Exercises (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Georgian).</i></li></ul>



**Bank Cards**

<b>Course Description</b>	<i>This course is an overview of all bank cards (credit, debit, smart cards) that are being vigorously implemented in Georgia and will help participants learn about basic marketing concepts applied in promotion of bank cards.</i>
<b>Target Audience</b>	<i>This course is designed for bank marketing directors, international banking specialists and those handling bank card issuance, delivery and servicing issues.</i>
<b>Prerequisite</b>	<i>Bank employee.</i>
<b>Terminal Learning Objectives</b>	<i>At the completion of this course, participants will be able to:</i> <ul style="list-style-type: none"><li>◆ <i>organization, structure and issuance of cards;</i></li><li>◆ <i>profitability of card business;</i></li><li>◆ <i>card marketing techniques;</i></li><li>◆ <i>credit process involved with cards;</i></li><li>◆ <i>collection procedures;</i></li><li>◆ <i>administrative support;</i></li><li>◆ <i>card fraud.</i></li></ul>
<b>Training Methodology</b>	<i>Participative presentation with guided discussion and exercises.</i>
<b>Evaluation Techniques</b>	<i>The course is evaluated on one level:</i> <ul style="list-style-type: none"><li>◆ <i>Reaction: Trainer, course materials and course evaluation.</i></li></ul>
<b>Course Duration</b>	<i>5 days (7 hours a day/35 hours).</i>
<b>Maximum Participants</b>	<i>15 – 20 participants.</i>
<b>Course Materials</b>	<i>The course consists of the following components:</i> <ul style="list-style-type: none"><li>◆ <i>Instructor Guide (English/Russian);</i></li><li>◆ <i>Participant Guide (English/Russian);</i></li><li>◆ <i>Course Evaluation Form (English/Russian).</i></li></ul>

**Appendix Y**

# Course Evaluation

1. Please rate the content of this course and the modules according to its importance to your job and its helpfulness in meeting your needs and expectations. First, rate the module as a whole. Second, rate each topic of the module.

Module and Topics	Importance to your position						Met your learning needs					
	Above Expectations			Below Expectation			Above Expectations			Below Expectation		
<b>Course: Human Resources Management</b> <b>Date: October 30 – November 3, 2000</b> <b>Instructor: Mr. Don Carlson</b>	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 1: Introduction to HRM	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 2: Selection and Placement	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 3: Performance Management	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 4: Training and Development	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 5: Compensation	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 6: Creating a HRM Plan	6	5	4	3	2	1	6	5	4	3	2	1
◆ Unit 7: Summary and Planning for Line Managers	6	5	4	3	2	1	6	5	4	3	2	1

Comments and Suggestions (Please use back side of paper if necessary):

2. Please rate the instructor's abilities:

Instructor's Abilities	Above Expectations			Below Expectation		
◆ Explain concepts clearly and concisely	6	5	4	3	2	1
◆ Relate the module concepts to your position	6	5	4	3	2	1
◆ Encourage group discussion and involvement	6	5	4	3	2	1
◆ Willingness to communicate with students after class	6	5	4	3	2	1
◆ Knowledge of the subject	6	5	4	3	2	1

Comments and Suggestions (Please use back side of paper if necessary):

3. If applicable, please rate the translator's abilities:

Translator's Abilities	Above			Below		
	Expectations			Expectation		
◆ Explain concepts clearly and concisely	6	5	4	3	2	1
◆ Present correct terminology	6	5	4	3	2	1
◆ Encourage group discussion and involvement	6	5	4	3	2	1

Comments and Suggestions (Please use back side of paper if necessary):

4. Please rate the course materials, handouts and overheads:

Materials, handouts and overheads	Above			Below		
	Expectations			Expectation		
◆ Quality	6	5	4	3	2	1
◆ Amount	6	5	4	3	2	1
◆ Difficulty	6	5	4	3	2	1
◆ Value to the course	6	5	4	3	2	1

Comments and Suggestions (Please use back side of paper if necessary):

5. Please rate your overall reaction to the program:

Overall reaction	Above			Below		
	Expectations			Expectation		
◆ Course	6	5	4	3	2	1
◆ Instructor	6	5	4	3	2	1
● Translator (if applicable)	6	5	4	3	2	1
◆ Materials	6	5	4	3	2	1

Comments and Suggestions (Please use back side of paper if necessary):

# Human Resource Management

Instructor: Don Carlson

Instruction Dates: October 30 - November 3, 2000

<u>Course/Topic</u>	<u>Importance to Your Position</u>	<u>Percentage</u>	<u>Meet your Learning Needs</u>	<u>Percentage</u>
Course: Human Resource Management	4.50	75.00%	4.67	77.78%
Unit 1: Introduction to Human Resource Management	4.83	80.56%	4.33	72.22%
Unit 2: Selection and Placement	4.13	68.75%	4.38	72.92%
Unit 3: Performance Management	4.50	75.00%	5.13	85.42%
Unit 4: Training and Development	4.63	77.08%	4.88	81.25%
Unit 5: Compensation	4.00	66.67%	4.75	79.17%
Unit 6: Creating a Human Resource Management Plan	4.43	73.81%	5.00	83.33%
Unit 7: Summary and Planning for Line Managers	5.00	83.33%	5.00	83.33%
<b><u>Instructor's Abilities</u></b>				
Explain concepts clearly and concisely	5.57	92.86%		
Relate the course concepts to your position	5.29	88.10%		
Encourage group discussion and involvement	5.71	95.24%		
Willingness to communicate with students after class	4.00	66.67%		
Have knowledge of the subject	5.86	97.62%		
<b><u>Interpreter's Evaluation</u></b>				
Explain terminology clearly and concisely	5.29	88.10%		
Use precise terminology	5.43	90.48%		
Encourage group discussion and involvement	5.43	90.48%		
<b><u>Course Materials, Slides and Information Package</u></b>				
Quality	4.71	78.57%		
Quantity	4.86	80.95%		
Difficulty	4.14	69.05%		
Value to the course	5.17	86.11%		
<b><u>Overall Reaction</u></b>				
Course	5.29	88.10%		
Instructor	5.57	92.86%		
Interpreter (if any)	5.29	88.10%		
Materials	4.86	80.95%		

## **Legend**

6 = Above Expectations

1 = Below Expectations

455

**Appendix Z**

# Banking-Finance Academy Evaluation

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**Program Date:** Monday, December 11 through Wednesday, December 13, 2000

**Client:** Mark Foster, FSVC and Rob McDonough

*Instructions: In order to serve our client's better, we would appreciate it if you could take a few minutes and provide us with your evaluation of the Academy's staff, facility and service.*

1. Please rate the support you received from the Academy staff:

Academy Staff	Below Expectations			Above Expectation		
◆ Logistical handling of course arrangements	1	2	3	4	5	6
◆ Preparation of course materials	1	2	3	4	5	6
◆ Preparation of handouts	1	2	3	4	5	6
◆ Preparation of Certificates	1	2	3	4	5	6
◆ Helpfulness and responsiveness of Academy Staff	1	2	3	4	5	6

Comments and Suggestions (Please use back side of paper if necessary):

2. Please rate the classroom facilities:

Classroom Facilities	Below Expectations			Above Expectation		
◆ Room was ready for each day of teaching	1	2	3	4	5	6
◆ Equipment was as I ordered and ready for teaching	1	2	3	4	5	6
◆ Provided a comfortable training environment	1	2	3	4	5	6
◆ Other/Please specify:	1	2	3	4	5	6

457

3. If applicable, please rate the translator's abilities:

Translator's Abilities	Below			Above		
	Expectations			Expectation		
◆ Explain concepts clearly and concisely	1	2	3	4	5	6
◆ Present correct terminology	1	2	3	4	5	6
◆ Encourage group discussion and involvement heard	1	2	3	4	5	6

Comments and Suggestions (Please use back side of paper if necessary):

4. If applicable, please rate coffee breaks, lunch service and Receptions:

Coffee Breaks, Lunch Service and Receptions	Below			Above		
	Expectations			Expectation		
◆ Coffee breaks	1	2	3	4	5	6
◆ Closing Celebration	1	2	3	4	5	6
◆ Other/Please specify:	1	2	3	4	5	6

Comments and Suggestions (Please use back side of paper if necessary):

5. Please rate your overall reaction to the Academy:

Overall reaction	Below			Above		
	Expectations			Expectation		
◆ Facility	1	2	3	4	5	6
◆ Staff	1	2	3	4	5	6
◆ Translator (if applicable)	1	2	3	4	5	6

Comments and Suggestions (Please use back side of paper if necessary):



**Strategic Training**

**Instructor: Robert Mc Donough**

**Instruction Dates: December 11 - 13, 2000**

	<u>Reaction</u>	<u>Percentage</u>
<b><u>Academy Staff</u></b>		
Logistical handling of course arrangements	5.00	83.33%
Preparation of course materials	6.00	100.00%
Preparation of handouts	6.00	100.00%
Preparation of Certificates	5.00	83.33%
Helpfulness and responsiveness of academy Staff	6.00	100.00%
<b><u>Classroom Facilities</u></b>		
Room was ready for each day of teaching	5.00	83.33%
Equipment was as I ordered and ready for teaching	5.00	83.33%
Provided a comfortable training environment	4.00	66.67%
Other/Please specify:	0.00	0.00%
<b><u>Translator's Evaluation</u></b>		
Explain terminology clearly and concisely	6.00	100.00%
Use precise terminology	6.00	100.00%
Encourage group discussion and involvement	5.00	83.33%
<b><u>Coffee breaks, lunch service and Receptions:</u></b>		
Coffee breaks	5.00	83.33%
Closing Celebration	5.00	83.33%
Other /Please specify:	0.00	0.00%
<b><u>Overall Reaction</u></b>		
Facility	4.00	66.67%
Staff	6.00	100.00%
Translator (if any)	6.00	100.00%

**Legend**

6 = Above Expectations

1 = Below Expectations