



**USAID**  
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Personnel**

**INTERIM UPDATE 06-02**

**SUBJECT:** M Bureau Approval Required for New Offshore Hire USPSC Contracts and Extensions of Existing Contracts

**NEW MATERIAL:** The Foreign Operations, Export Financing, and Related Programs Appropriations Act (the Act) of 2006 includes a new subsection, Section 577(g), which provides for a management reform pilot. The Act allows USAID to use up to \$10,000,000 in program funds to pay overseas support costs for Foreign Service Officers ranked at FS 4 or below (i.e. New Entry Professionals/NEPs and International Development Interns/IDIs). These funds can be used to pay for indirect costs such as housing and transportation-costs routinely paid from Program funds for PSCs. In using this junior officer placement authority (JOPA), USAID is expected to achieve annualized savings in administrative costs, including an estimated \$4,000,000 in FY 2006 and 2007. In order to facilitate implementation of this authority, the Office of Human Resources (M/HR) has requested each Bureau to provide a list of current and/or planned PSC positions in overseas Missions that could be appropriate for placement of junior Foreign Service Officers. M/HR has formed a working group with representation from each of the Regional Bureaus to identify appropriate PSC positions and corresponding junior officer assignments.

**EFFECTIVE DATE:** 02/14/2006

POLICY

USAID/General Notice  
M/HR/POD  
02/14/2006

**SUBJECT:** M Bureau Approval Required for New Offshore Hire USPSC Contracts and Extensions of Existing Contracts

**Background:** The Foreign Operations, Export Financing, and Related Programs Appropriations Act (the Act) of 2006 includes a new subsection, Section 577(g), which provides for a management reform pilot. The Act stipulates that the authority must only

be used to reduce USAID's reliance on overseas personal services contracts (PSCs) or other non direct-hire employment mechanisms financed with Program funds (monies appropriated for the Agency to carry out Part I of the Foreign Assistance Act of 1961, including funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States").

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In order to facilitate implementation of this authority, the Office of Human Resources (M/HR) has requested each Bureau to provide a list of current and/or planned PSC positions in overseas Missions that could be appropriate for placement of junior Foreign Service Officers. M/HR has formed a working group with representation from each of the Regional Bureaus to identify appropriate PSC positions and corresponding junior officer assignments.

New Policy and Rationale: This year's OE budget shortfall gives added significance to utilizing the Act's authority to program fund the support costs of junior Foreign Service Officers. At the same time, the intent is not to unduly disrupt Mission operations by early termination of ongoing USPSC contracts. Accordingly, all new program-funded offshore hire USPSC positions or extensions of existing contracts that meet all the following criteria MUST be submitted to M/HR for approval:

1. Positions at the GS 10-14 level
2. Positions in any of the following backstops:
  - a. Program/Project Development (02, 94, 02/94)
  - b. Economic Growth (10, 11, 12, 21 and 40)
  - c. Health (50)
  - d. Education (60)
  - e. General Development (12)
  - f. Contracts (93)
  - g. Crisis, Stabilization & Governance (76)

NOTE: These backstops are subject to revision in the future if required to accommodate the actual backstops of the Foreign Service junior officers to be placed.

3. Position is a program-funded U.S. PSC (not local hire)
4. Position is not encumbered or reserved for Eligible Family Members

The purpose of the M/HR review will be to ascertain if there is an appropriate junior Foreign Service officer available to assign to the proposed USPSC function overseas. The turnaround time for M/HR consideration will not exceed 7 working days; missions must build this time into their scheduling for USPSC recruitments.

Effectively immediately, all Mission Directors, Executive Officers and Contracting Officers are required to obtain M/HR approval BEFORE advertising new Personal Services Contracts and/or signing a contract. M/HR approval is also required for extensions of existing contracts meeting the aforementioned criteria.

Requests for approval must be made via e-mail to Gladys Brooks M/HR/POD/SP with copies to Cecilia Pitas, M/HR/POD/SP. Requests must include the title, grade and backstop equivalent of the proposed USPSC, a brief scope of work outlining the required skills (including language ability), placement within the mission organization, including to whom the employee will report, and required timing for arrival at post.

Point of Contact: Any questions concerning this Notice may be directed to Gladys Brooks, M/HR/POD/SP, (202) 712-0917, or Cecilia Pitas, M/HR/POD/SP, (202) 712-1468.

Notice 0239

<b>File Name</b>	<b>Notice Date</b>	<b>Effective Date</b>	<b>Editorial Revision Date</b>	<b>ADS CD No.</b>	<b>Remarks</b>
IU4_0602_021506_CD43.doc	02/14/2006	02/14/2006		CD 43	This IU will remain active until the policy and procedures in it are incorporated into an ADS chapter.

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