



January 29, 2005

USAID/Iraq A&A Notice 05-002

TO: USAID/Iraq Partners and Mission Staff

FROM: Alvera Reichert, Senior Contracting Officer Baghdad

SUBJECT: Contractor Salary Approval Threshold

Acquisition & Assistance Policy Directive (AAPD) No. 4-11 (http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd04_11.pdf) revised Contractor Salary Approval Threshold Policy/Procedures. It established the threshold, beyond which approval of the Director of the Office of Assistance and Acquisition in Washington (MIOAA) is required, which is equivalent to the Office of Personnel Management's (OPM) maximum rate for agencies without a certified Senior Executive Service (SES) performance appraisal system (AWCPAS). This rate was \$145,600 per year in 2004. The annual rate for **2005 is \$149,200.**

USAID will no longer issue annual AAPDs to publicize revised rates. The SES rate can be found under "Salary Tables" in OPM website <http://www.opm.gov/oca> and will be effective on the effective date of a new maximum rate as announced by OPM and published in the Federal Register.

Please note that an increase in the maximum SES pay rate must not be, by itself, the basis for salary increases of contractor employees. Revisions to salaries should only be considered in light of changes to the scope of work or in accordance with other contract terms. Salary increases should not be granted without corresponding increases in the quality or quantity of services rendered.