

**SECTION H - SPECIAL CONTRACT REQUIREMENTS**

752.7027

PERSONNEL

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**H.1 AIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS AND AIDAR 752.7027 PERSONNEL**

In accordance with the above clauses, the Contracting Officer hereby provides prior written approval for international travel, provided that concurrence with the assignment of individuals outside the United States is obtained by the Contractor, in writing, from the CTO prior to their assignment abroad, which must be within the terms of this contract, is subject to availability of funds, and should not be construed as authorization either to increase the estimated cost or to exceed the obligated amount (see Section B). The Contractor shall retain for audit purposes a copy of each travel concurrence.

**H.2 INSURANCE AND SERVICES**

(a) Pursuant to AIDAR 752.228-3 Worker's Compensation Insurance (Defense Base Act); USAID's DBA insurance carrier is:

Rutherford International, Inc.  
5500 Cherokee Avenue, Suite 300  
Alexandria, VA 22312

Points of Contact:  
Sara Payne or Diane Ford  
(703) 354-1616

Hours of Operation are: 8 a.m. to 5 p.m. (EST)  
Telefax: 703) 354-0370  
E-Mail: [www.rutherford.com](http://www.rutherford.com)

(b) Pursuant to AIDAR 752.228-70 Medical Evacuation (MEDEVAC) Services, USAID's Medevac service provider is:

Medex Assistance Corporation  
P.O. Box 5375  
Timonium, MD 21094-5375  
Telephone: (410) 453-6300 in Maryland;  
or (800) 537-2029 (toll-free)  
Telefax: (410) 453-6301

Applicants should request coverage in accordance with USAID Contract No. HNE-Q-00-98-00106-00

Medevac services costs are allowable as a direct cost.

**H.3 AUTHORIZED GEOGRAPHIC CODE**

The authorized geographic code for procurement of goods and services procured in support of the USAID program in the Near East under this contract is 935 (this includes all countries, excluding only the foreign policy restricted countries. There is a preference for U.S. source, origin and nationality, to the extent

practicable. **NOTE: Iraq is currently included on the list of "foreign policy restricted countries" and would need to be removed from the list in order to permit procurement from Iraq.**

#### **H.4 NONEXPENDABLE PROPERTY PURCHASES AND INFORMATION TECHNOLOGY RESOURCES**

The Contractor is hereby authorized to purchase the following equipment and/or resources:

#### **H.5 LOGISTIC SUPPORT**

The Contractor shall be responsible for furnishing all logistic support in the United States and overseas. However, USAID's logistics contractor will provide three specific services for all contractors and recipients. Those are:

1. *Warehouse and inventory support services including the requirement to "receive, store, and issue materials and supplies and maintain a daily, monthly and quarterly inventory management and control system for receipt, storage and issue in all the storage areas, maintaining documentation for all incoming cargo and outgoing shipments to the Missions and other designated places of performance resulting in a zero balance tolerance."*
2. *Arrange and implement customs clearance procedures for storage and re-export.*
3. *Provide freight forwarding services for commodities as they are requisitioned by arranging for long and short-haul trucking as needed including arrangements for straight trucks or semi-trailers, as appropriate, air and sea port freight services; and outgoing customs documentation. Contractor determines the border crossing requirements to deliver commodities to the Iraq border. Logistics contractor arranges and implements an Internet tracking control system for all shipments to ensure that commodities are not lost, misplaced or destroyed, and are able to be cleared expeditiously from customs in the receiving country.*

*USAID is requiring that all Iraq contractors with a need for these three specific services coordinate through the logistics contractor for them. **USAID is funding these three logistics requirements directly through the logistics contract for mission needs and contractor needs alike.***

The logistics contractor performs a wide-ranging variety of services, some of which your vendor may wish to access. Contractors may contact the logistics contractor directly and negotiate subcontracts with the logistics contractor for those logistic support requirements not mentioned for coverage above.

#### **H.6 PERSONNEL COMPENSATION**

(a) Limitations:

(1) Salaries and wages may not exceed the Contractor's established policy and practice, including the Contractor's established pay scale for equivalent classifications of employees, which shall be certified to by the Contractor. Nor may any individual salary or wage, without approval of the Cognizant Contracting Officer, exceed the employee's current salary or wage, or the highest rate of annual salary or wage received during any full year of the immediately preceding three (3) years.

(2) In addition, there is a ceiling on the reimbursable base salary or wage paid to personnel under the Contract equivalent to the maximum annual salary rate of the USAID "ES-6" (or the equivalent daily rate of the maximum ES-6 salary, if compensation is not calculated on an annual basis), as amended from time to

time, unless an advance written waiver is granted by the USAID Procurement Executive prior to contract award

(b) Salaries During Travel

Salaries and wages paid while in travel status will not be reimbursed for a travel period greater than the time required for travel by the most direct and expeditious air route.

(c) Return of Overseas Employees

Salaries and wages paid to an employee serving overseas who is discharged by the Contractor for misconduct, inexcusable non-performance, or security reasons will in no event be reimbursed for a period which extends beyond the time required to return him promptly to his point of origin by the most direct and expeditious air route

(d) Annual Salary Increases For Full-time Employees Serving Under This Contract

Annual salary increases (includes promotional increase) may be granted after the employee's completion of each twelve month period of satisfactory services under the contract. Annual salary increases shall be consistent with the AIDAR clause at 752.7007, Personnel Compensation. Annual salary increases of any kind exceeding these limitations or exceeding the maximum salary of ES-6 may be granted only with the advance written approval of the Contracting Officer.

(e) Work Week

(1) Nonoverseas Employees. The length of the contractor's U.S., non-overseas employees workday shall be in accordance with the contractor's established policies and practices and shall not be less than 8 hours per day and 40 hours per week.

(2) Overseas Employee

The work week for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week for those employees of the USAID Mission and the Cooperation Country associated with the work of this contract.

(f) Definitions

As used herein, the terms "Salaries," "Wages," and "Compensation" mean the periodic remuneration received for professional or technical services rendered, exclusive of any of the differentials or allowances defined in the clause of this contract entitled "Differentials and Allowances" (AIDAR 752.7028), unless otherwise stated. The term "compensation" includes payments for personal services (including fees and honoraria). It excludes earnings from sources other than the individual's professional or technical work, overhead, or other charges (see also the clause of this contract entitled "Personnel Compensation" (AIDAR 752.7007).

## **H.7 SUBCONTRACTING PLAN AND THE SF 294 – SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS AND SF 295 – SUMMARY CONTRACTING REPORT**

The Contractor's subcontracting plan dated April 9, 2003 is hereby incorporated as a material part of this contract

In accordance with FAR 52.219-9, SF 294 and SF 295 should be forwarded to the following address:

U.S. Agency for International Development  
Office of Small and Disadvantaged Business Utilization  
Room 7 08 RRB  
Washington, D.C. 20523

#### **H.8 AIDAR 752.7004 EMERGENCY LOCATOR INFORMATION (JUL 1997):**

The contractor agrees to provide the following information to the Mission Administrative Officer on or before the arrival in the host country of every contract employee or dependent:

- (1) The individual's full name, home address, and telephone number.
- (2) The name and number of the contract, and whether the individual is an employee or dependent.
- (3) The contractor's name, home office address, and telephone number, including any after-hours emergency number(s), and the name of the contractor's home office staff member having administrative responsibility for the contract.
- (4) The name, address, and telephone number(s) of each individual's next of kin.
- (5) Any special instructions pertaining to emergency situations such as power of attorney designees or alternate contract persons.

#### **H.9 SECURITY REQUIREMENTS:**

(a) This contract may involve classified performance in accordance with Executive Order 12829, The National Industrial Security Program, USAID's ADS Chapter 567 "Classified Contract Security and Contractor Personnel Security Program" and, FAR Subpart 4.4 "Safeguarding Classified Information Within Industry". Consequently, this contract incorporates the minimum provisions needed to comply with the National Industrial Security Program (NISP) and ADS 567, as summarized in paragraphs (b) through (g) below. The requiring office for this contract must complete a DD 254, have it cleared by the Office of Security (SEC), and include it with the Statement of Work for the classified contract. A blank copy of the DD 254 is attached in Section J. Questions pertaining to the DD 254 are to be directed to the Office of Security.

(b) In order to be considered for this classified contract, the contractor must obtain and maintain a "Facility Clearance" at the level specified on the accompanying Contract Security Classification Specification, DD Form 254. If after award of this contract the contractor fails to obtain and maintain a facility clearance at the level identified on the DD Form 254 this contract will be terminated in accordance with the applicable clauses as set forth in the FAR. Any requirement for a "Secret facility clearance must be justified and approved by the Office of Security prior to the issuance of this contract at this level and before a company is sponsored for the required investigation by the Defense Security Service. (Note: The time necessary to process an un-cleared company for a facility clearance may delay performance). The CTO from the office sponsoring the contract is responsible for coordinating with SEC in taking any actions ADS 567 requires to request the facility clearance from the Defense Security Service (DSS). The CTO is responsible for managing the clearance requirements for this contract.

**At the time of award, the contractor does [ X ] does not [ ] have a Secret level facility clearance.**

(c) If DSS grants an interim clearance but then subsequently revokes the interim clearance after contract award and denies a final clearance, the contract may be terminated, depending on the reasons DSS denied the clearance.

(d) Employees of the Contractor working under this contract and requiring access to classified national security information and/or to areas under the control of USAID deemed "Restricted" by USAID's Office of Security must have been subject to an appropriate level background investigation by the Defense Security Service (DSS). DSS must issue either an "Interim" or "Final" security clearance for each tasked employee before USAID will grant him or her unescorted access to USAID's restricted spaces(s) or permit him or her access to classified national security information. If DSS issues an interim personnel security clearance but subsequently denies a final clearance for an employee of a cleared contractor, the contractor must immediately remove the employee from USAID-restricted space and prevent him or her from having access to or handling classified or administratively controlled materials. The contractor is responsible for providing properly cleared personnel to work on the contract and for ensuring that performance is not jeopardized.

(e) The contractor's Facility Security Officer (FSO) must forward a valid "Visit Request" identifying their representatives/employees and the required security clearance information to the USAID Office of Security, Room 2.06A, 1300 Pennsylvania Ave., N.W., Washington, D.C. 20523-8800.

(f) In the event the contractor subcontracts any work to be performed under this contract, the contractor is responsible for issuing the security guidance provided by USAID to any subcontractor and ensuring that subcontractors comply with security requirements of the contract.

(g) The USAID Office of Security will issue RRB facility passes to individual contractor representatives/employees upon receipt and verification of the security data contained in the "Visit Authorization Request". The contractor must ensure that any passes issued are returned upon termination of employment or completion of the contract, whichever occurs first."

(h) Implementation in Iraq will not take place until an appropriate security environment exists and USAID instructs the contractor to proceed. Currently there are several statutory restrictions on assistance to Iraq. No assistance under this contract shall be provided to Iraq until USAID has determined that it is consistent with U.S. foreign policy and permitted by law. In particular, the contractor shall not proceed with any payments to local consultants until instructed by USAID. In addition, the contractor is subject to the requirements of the Office of Foreign Assets Control (OFAC) and is responsible for compliance with all applicable UN sanctions against Iraq.

**H.10. INITIAL SALARIES AND CONSULTANT RATES**

The initial starting salaries of all personnel (employees and consultants, including those of subcontractors) serving full-time under this contract and whose salaries are charged as a direct cost to this contract must be approved, in advance in writing, by the Contracting officer. Any initial starting salaries included in the contractor's best and final offer and accepted during negotiations, including those used to calculate blended rates, are deemed approved upon contract execution.

Further, the contractor need not seek Contracting Officer approval when the proposed salary does not exceed: (1) the highest rate of annual compensation received by the individual during any full year of the immediately preceding three years, plus an additional recruitment incentive for assignments in Iraq not to exceed 5%, or 2) the prevailing maximum daily salary rate of ES-6, whichever is less. Proposed rates exceeding this limitation must be approved, in advance and in writing, by the Contracting Officer as required in the preceding paragraph.

2) H.6(f) Daily Rate Calculation, RTI uses a 250-day work year to calculate daily rates (vs. 260, derived from 2080/8). RTI recovers 10 paid holidays from the labor rate rather than in its fringe benefit pool. This methodology has been approved by RTI's cognizant audit agency, DHHS. RTI's fringe pool includes: Personal Time Off, Other Leave and Adjustments (Reserve Sick Leave, Jury Duty Leave, Funeral Leave, Employee Assistance Insurance (Hospitalization, Dental), Life Insurance, Retirement, Retiree Medical Expense, FICA (Social Security), Disability Insurance, Unemployment Insurance Tax, Severance Pay. This does not include paid holidays.