

## Agency for International Development

731.205-70

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SOURCE: 49 FR 13250, Apr. 3, 1984, unless otherwise noted.

### Subpart 731.1—Applicability

#### 731.109 Advance agreements.

Advance agreements on selected costs may be negotiated with USAID contractors by the Overhead and Special Cost and Contract Close-Out Branch, Office of Procurement. Such advance understandings will be applicable to all USAID contracts with that contractor.

[49 FR 13250, Apr. 3, 1984, as amended at 50 FR 50302, Dec. 10, 1985; 51 FR 20651, June 6, 1986]

### Subpart 731.2—Contracts With Commercial Organizations

#### 731.205-6 Compensation for personal services.

(a) *General.* When establishing the workweek for employees overseas the contractor will take local and USAID Mission practice into account and will insure that the workweek is compat-

ible with that of those USAID Mission and Cooperating Country employees with whom the contractor will be working.

(b) *Reasonableness.* ADS Chapter 302.5.3 states USAID policy regarding personnel compensation exceeding the maximum annual rate for an Executive Service level ES-6. Consistent with this policy, any employee's or consultant's base salary plus overseas recruitment incentive, if any (see 731.205-70), subject to this policy will be allowable under USAID-direct contracts only if approved in accordance with the essential procedures in ADS chapter E302.5.3. USAID policies on compensation of third country national or cooperating country national employees are set forth in AIDAR 722.170.

(d)-(1) [Reserved]

(m) *Fringe benefits.* USAID's policies on certain fringe benefits related to overseas service, including but not limited to leave, holidays, differentials and allowances, etc. are set forth in the appropriate contract clauses in AIDAR subpart 752.70.

[57 FR 5235, Feb. 13, 1992, as amended at 60 FR 11913, Mar. 3, 1995; 62 FR 40468, July 29, 1997; 64 FR 5008, Feb. 2, 1999]

#### 731.205-46 Travel costs.

It is USAID policy to require prior written approval of international travel by the Contacting Officer. See AIDAR 752.7032 for specific requirements and procedures.

[57 FR 5236, Feb. 13, 1992]

#### 731.205-70 Overseas recruitment incentive.

(NOTE: the term *employee* as used in this section means an employee who is a U.S. citizen or a U.S. resident alien.)

(a) If a contractor employee serving overseas under a contract does not qualify for the exemption for overseas income provided under section 911 of the U.S. Internal Revenue Code (26 U.S.C. 911), such employee is eligible to receive an overseas recruitment incentive (ORI), to the extent the ORI: Is authorized by the contractor's normal policy and practice; is deemed necessary by the contractor to recruit and retain qualified employees for overseas services; and does not exceed 10% of