AGREEMENT

between

THE GOVERNMENT OF VIETNAM

and

MICHIGAN STATE UNIVERSITY

AGREEMENT made this date of 1955, between the Government of Vietnam, having its capital at Saigon (hereinafter referred to as the Government), and Michigan State University, an educational institution chartered by the State of Michigan, with its principal office in the City of East Lansing, State of Michigan, U.S.A. (hereinafter referred to as the University).

It is agreed as follows:

Title I. Obligation of the University

Article I. Scope of Services to be Performed by University

The University agrees to carry out, during the term of this agreement, the activities as provided in Annex I, attached hereto and hereby made a part of this agreement. It is understood that Annex I may be modified or supplemented from time to time by agreement of the parties.

Article II. Personnel to be Furnished by the University

In carrying out this agreement, the University shall maintain in residence in Vietnam a professional, technical, and administrative staff, whose numbers, qualifications, and conditions of employment shall be those specified in Annex II, attached hereto and hereby made a part of this agreement. It shall also provide such personnel in the United States as may be necessary to discharge its responsibilities under this agreement.

The University agrees to observe and cause to be observed by its personnel while in Vietnam all applicable laws and regulations of Vietnam.

Article III. Conditions Governing Operations by University

A. The University assumes full responsibility for the efficient and diligent performance of all services to be rendered by it under this agreement.

B. The University agrees to furnish supervision and direction of its personnel and activities under this agreement and to supply services and materials necessary for operations hereunder as specified in Annex I.
C. The services specified in Annex I shall be performed under the general direction of the Government, pursuant to the work plans agreed to between the Government and the University, and in close coordination with the Director of the United States Operations Mission to Vietnam (hereinafter referred to as USOM).

D. Before commencing any project covered by this agreement or any supplement or amendment thereto, the Government and the University shall agree upon a general work plan and budget, proposed by the latter. Projects shall be carried out in accordance with the agreed work plans and budgets, but appropriate modifications of the budget estimates may be made by the University in carrying out the work within the total amount specified in the budget unless otherwise limited by the agreement. These documents shall be supplemented and revised as necessary whenever the Government provides additional funds to the University, and they may be supplemented and revised by mutual agreement at any other time.

E. The University shall prepare and submit to the Government every six months a progress report, the first to be submitted however by July 31, 1955. These reports shall cover progress made, plans for the following six-month period, and recommendations concerning current needs of the Government. It shall submit a final report upon completion of activities under this agreement. These reports will be submitted at the same time to USOM and the University in the United States.

F. In order to assure continuous and co-operative planning and operations hereunder, the University shall permit authorized representatives of the Government and Foreign Operations Administration, an agency of the United States government (hereinafter referred to as "FOA"), at all reasonable times, to visit the University's facilities, and to inspect the facilities, activities, and work pertinent to this agreement, either in the United States or in Vietnam, and to interview personnel engaged in the performance of this contract to the extent deemed necessary by the Government or FOA.

G. The University agrees to use its best efforts to assure that its personnel, while in Vietnam, will abide by all applicable laws and regulations of Vietnam.

Title II. Responsibilities of the Government of Vietnam

Article IV. Facilities and Services to be Provided by the Government

A. The Government of Vietnam assumes the responsibilities specified in Annex III, attached hereto and hereby made a part of this agreement.

B. The Government agrees to make a clear assignment of responsibility to the ministries of other government establishments charged with the general direction of the projects and activities covered by this agreement.
C. The Government agrees to provide, without charge to the University, such facilities, services, and assistance in carrying out this work in Vietnam as are set forth in Annex III.

D. The Government agrees to develop, to the extent permitted by its available resources, its own personnel, facilities, programs, and activities to permit the early and effective accomplishment of the objectives of this agreement. These shall include, but not be limited to, the specific matters described in Annex III.

Title III. Budgets

Article V. Financial Provisions

A. In consideration of the services to be performed by the University, the Government will pay to University mission stationed in Vietnam such local expenses as are detailed in the budget contained in Annex IV in a total amount in local currency not to exceed the equivalent of $______.

B. It is understood that funds to be paid to the University mission by the Government are to be provided in accordance with relevant agreements between the Government of the United States and the Government of Vietnam.

C. Payments under this agreement are to be made not later than 15 days after submission of properly certified vouchers by the University mission to the Government under procedures to be established by the Government.

D. It is understood that other costs connected with this program are to be financed under separate agreement between the University and FOA.

Title IV. Provisions Relating to FOA

Article VI. Rights and Obligations of FOA

A. In consideration of the financial participation of FOA under the separate agreement referred to above, it is agreed that FOA shall participate in the disbursement and auditing of funds paid by the Government under Article V above under such procedures and regulations as are mutually agreeable to the Government and FOA.

B. It is understood that the University's staff will consult with the USOM Director and may disclose to him or his staff any information relating to the work performed under this agreement.

C. USOM shall be directly concerned in the periodic reviews of progress under this agreement as described in Paragraph 5 of Annex II.
Title V. General Provisions

Article VII. General Provisions

A. Use of Records. The recommendations furnished pursuant to Article I hereof, and all notes, memoranda, and other technical data, furnished by the University pursuant to or developed in connection with the provisions of this agreement, shall become and remain the property of the Government, and the Government shall have the right to request custody of them and to use them for any beneficial purpose without any additional compensation to the University. This provision shall not be interpreted in such a way as to jeopardize the right of members of the University's staff to make and keep their own personal and professional records and notes, such as lecture and research notes, within the limits prescribed by existing security regulations.

B. Title to Property. Title to all equipment, materials, and supplies, the cost of which is reimbursable to the University by the Government, shall be in the name of the Government but shall be available for use through the period of the agreement by University personnel; and all such equipment, materials, and supplies remaining upon completion or termination of this agreement shall be turned over to the Government. The University shall assist the Government in preparing and keeping up to date an inventory and register of such property. The University shall not be responsible for the loss or destruction of such property except in case of culpable negligence of University personnel.

C. Taxes and Customs Duties. It is understood that all payments made to the University by the Government or by the University to its employees, other than Vietnamese nationals, shall be exempted, to the extent permitted by the laws of Vietnam or to the extent permitted by relevant agreements between the Government of the United States and the Government of Vietnam as may now or hereinafter be imposed by Vietnam or any political subdivision thereof. Members of the University's staff shall also be exempt from all other Vietnamese levies, including customs levies on goods imported by them or their dependents for their own use or consumption, to the same extent as FOA personnel of equivalent rank.

D. Privileges of University's Personnel. The Government shall accord to the members of the University's staff in Vietnam the same privileges as are accorded USOM personnel in Vietnam.

E. Transfer of Responsibilities. The University cannot transfer its responsibilities to another institution or person or change the provisions of this contract without the written consent of the Government.

Article VIII. Duration and Termination

A. Period of Agreement.

1. Effective Date. This agreement shall be effective as of date of execution by the parties hereto and upon the signing by the University and FOA of an agreement to finance part of the program.
2. Term and Termination. This agreement shall remain in force for a period of two years from the effective date hereof, unless previously terminated in accordance with the provisions set forth below.

a. In the event that FOA financing under agreement with the University shall expire or be terminated and the Government does not otherwise make available sufficient funds to continue operations under this agreement in a form acceptable to the University, the obligations of both parties hereunder shall terminate on the date of cessation of FOA financing.

b. The Government may terminate this agreement on ninety days' written notice to the College.

c. The University shall not be liable for any delay in performing its obligations hereunder, if any such delay arises from causes beyond the control of and without the fault or negligence of the University, provided that the University gives prompt notice thereof to the Government. If such causes shall prevent performance hereunder for a continuous three-month period after such notice, University may terminate this agreement on ninety days' notice to the Government.

d. If the Government is unable to fulfill its obligations as set forth in Articles IV and V above, the University may terminate this agreement upon ninety days' written notice to the Government.

3. Renewal. This agreement may be renewed, for an additional period of two years or less, by mutual agreement of the parties hereto; provided that such agreement be reached not later than thirty days before the expiration date; provided further that such a renewal shall in no way involve a financial commitment of the Government of the United States without the written concurrence of the Government of the United States in the renewal.

B. Obligations upon Termination. In the event of termination in less than two years, the University shall make every effort to maximize the usefulness to the Government of that portion of the work which has been accomplished and to minimize the Government's obligations hereunder; and the Government within the limitations of Article V:

1. Shall furnish for the University's personnel and their dependents cost-of-living allowances due them up to date of their departure.

2. Shall reimburse the University mission for all other expenditures and obligations properly incurred by the University hereunder and unpaid at the effective date of such termination.
Article IX.

The agreement is prepared and signed in English and French texts, both of which are duplicate originals and shall have equal validity. If a disagreement should arise in interpreting the texts, the correct interpretation shall be determined by a Committee, composed of the President of the Council of State of Vietnam, or his representative as chairman, a representative of the Government of Vietnam, and a representative of Michigan State University.

IN WITNESS WHEREOF, the representatives of the parties to this agreement have set their hands and seals the day and year first above written.

IN THE PRESENCE OF:

FOR THE GOVERNMENT OF VIETNAM

__________________________

His Excellency, the Ambassador of Vietnam to the United States of America

IN THE PRESENCE OF:

FOR MICHIGAN STATE UNIVERSITY OF AGRICULTURE AND APPLIED SCIENCE

__________________________

Its President

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ANNEX I

Activities to be Carried out by the University

In accordance with the provisions of this contract, the University will carry out projects and activities in the field of public administration as follows:

General Plans:

1. Beginning as soon as practicable after the execution of this agreement the University will send a staff of professional, technical and administrative personnel to Vietnam to assist the Government in establishing and operating a National Institute of Administration for the purposes of improving the training and competence of government officials and employees, offering instruction at the university level related to a degree or certificate program in public administration, developing a program of research in government, and improving the organization and technical functioning of the Presidency, the police, field administration and local units of the government. This consultative responsibility will not involve any advice to the Government with respect to policy.

2. All personnel sent to Vietnam by the University to perform duties under this agreement shall be named as members of the staff of the National Institute of Administration and shall be assigned as individuals to perform full-time or part-time services in connection with the projects enumerated in paragraph one above.

3. The University's staff shall work in close liaison with the Vietnamese personnel directly concerned with the projects covered by this agreement, imparting to the latter as much of their knowledge and experience as is practicable, to the end that the Vietnamese personnel shall be prepared to assume full charge of the institutions and projects dealt with in this agreement at the time of its termination.

4. Training of Officials - Where it seems necessary and desirable to the furtherance of the services being performed under this agreement, the University in consultation with and with the approval of the Government will select officials of the Government for training and observation in the United States or other countries. Persons so selected shall be subject to approval in advance by FOA prior to departure from Vietnam. Persons so selected may be trained at the University's institution in the United States or at other institutions selected by the University, in consultation with the Government and FOA. Unless otherwise stipulated, this training and observation shall be for a maximum of twelve months for each individual and the total obligation of the University shall not exceed 30 man years of training.

5. The University shall render advice to the Government upon the following matters in connection with the project in which the University's staff in Vietnam is participating:
a. The ordering of books, manuals, pamphlets, periodicals, instructional aids, and other publications for use in training projects or to become part of any collection of reference material.

b. The selection of books, manuals, pamphlets, or other publications for translation from one language to another and the translation and reproduction of such materials.

c. The ordering of equipment and supplies.

d. The plans for construction, repair, or improvement of premises.

e. Library management.

Teaching

6. The University's staff in Vietnam shall assist in the preparation and offering of suitable courses of study, training, and practice related to a degree or certificate program in public administration including suitable courses in public administration, political science, police administration, public relations, economics, finance and accounting, statistics, secretarial skills and courses in other social sciences in the National Institute of Administration, as may be consistent with the fields of specialization of the members of the University's staff in Vietnam.

7. The University's staff in Vietnam shall assist in providing in-service training as required in the subject areas listed in paragraph 6 of Annex I as may be consistent with the fields of specialization of the members of the University's staff in Vietnam.

8. In connection with its teaching duties and activities in Vietnam, the University shall assist in the development of plans, materials, aids, and devices for the constant improvement of the quality of instruction, including at least the following:

   Audio-Visual aids in instruction
   Exhibits and demonstrations
   Materials for instruction in public administration by case method
   Long-range plans for the development of university level instruction in political science and public administration
   Assessment of educational needs in fields covered by this contract
   Expansion of training facilities

Conferences

9. The University shall assist the Government in organizing and conducting frequent conferences and round tables to assemble government officials and employees for the discussion of problems of administration, management, organization, and methods of work in government offices and services.
Research

10. The University shall assist the Government in establishing and operating a comprehensive research and reference program in the problems of government in Vietnam, and in developing a reference library.

Police Administration and Training

11. The University shall assist the Government in developing sound organization and methods in the police services and in improving the training and equipment of the police. The University's staff in Vietnam shall render advice on police work to the branches of the police designated by the Government. The University shall offer courses of training in police organization and methods, and shall assist the Government in the creation and operation of a training center or school for this purpose, according to work plans prepared in advance by the University for approval by the Government.

Presidency of the Government

12. The University shall assist the Government in developing sound organization and methods in the Presidency of the Government, with a view to improving the planning, advisory, administrative, intelligence, public relations, and policy-formulating services designed to assist the President of the Council in discharging his responsibilities. Members of the University's staff assigned specifically to the project for the improvement of the Presidency shall advise the Government on those matters and also upon possible improvements in security practices, communications, record administration, and office equipment.

Regional Administration

13. The University shall assist the Government in developing sound organization and method in regional administration with a view to improving relations between regional and provincial administration. Members of the University's staff assigned to the project for the improvement of regional administration shall make a thorough survey of the regional and provincial administration and of their relations with the central government and report their findings to the Government.

Professional Associations and Publications

14. The University will provide assistance in the development of professional associations and technical publications as a means of furthering the exchange of ideas and experiences in specialized fields.
ANNEX II

Provisions Applicable to University's Personnel

Number and Qualifications of Personnel

1. The University shall furnish a regular professional, technical, and administrative staff to carry out the provisions of this agreement in Vietnam, including a Chief Advisor who shall be the representatives of the University in Vietnam and the supervisor of the other members of the University's staff in Vietnam. Said regular field staff shall not exceed 30 American personnel except by prior written agreement of the parties hereto and FOA.

2. The regular, full-time members of the Contractor's professional and technical staff in Vietnam, including the Chief Adviser, shall be chosen so that the group contain representatives, capable of performing the activities specified in Annex I.

Home Staff

3. University shall maintain at Michigan State University in Michigan, a coordinator, specifically designated by the University's President, and such secretarial and other assistance as is necessary to effectively supervise, coordinate and execute the activities under this agreement.

Short-term Staff Members and Consultants

4. With the consent of the Government, University may send to Vietnam such short-term staff members and consultants as may be needed effectively to implement the fulfilling of the purpose of this agreement, provided that the total service in Vietnam of such short-term staff members and consultants shall not exceed twenty-four man months.

Inspecting Officers and Executives

5. Upon obtaining prior written approval of the Government, University may send such of its officers and executives to Vietnam as may be required to review the progress of the work under this agreement, but not to exceed two round trips. No direct salary charges will be paid hereunder in respect to any such officers or executives.

6. The University shall send the Chief Advisor and at least one other member of its staff to Vietnam in order that they may assume their duties not later than sixty days after the effective date of this agreement.

Conditions of Employment

7. Each staff member sent to Vietnam by the University shall serve for a period of not less than two years, including orientation time in East
Lansing, Michigan, and Washington, D. C., travel to and from Vietnam, and leave taken during this period, unless otherwise stipulated in writing by the parties hereto. This provision shall not apply to short-term staff members and consultants specifically employed for shorter terms.

8. University agrees to submit to the Government and to FOA on forms provided for this purpose biographical and earnings data on any of the individuals now or hereafter employed directly on the performance of the contract provided that in respect of personnel to be sent overseas University shall obtain prior approval of FOA and the Government. On the written request of FOA or of the Government transmitted to the University through diplomatic channels or through USOM, the University will terminate the employment under the contract of any individual overseas. However, the University shall be the sole judge of the professional qualifications of its staff.

9. a. It is understood and agreed that University may grant to personnel employed under this agreement:

(1) Vacations not to exceed 30 days per year.
(2) Reasonable sick leave.
(3) Reasonable delays en route, while in travel status, caused by events beyond the control of the traveler or University (other than those caused by physical incapacitation; it is understood that for delays caused by physical incapacitation personnel shall be eligible for such sick leave as is provided under (2) next above).
(4) Home leave - Provided, that personnel must have spent at least two years outside the United States under this agreement and have agreed to return to Vietnam for at least one additional year under this contract.
(5) The term "reasonable sick leave" as used in this section shall mean leaves comparable to those granted University employees or in accordance with the established practice of the University.

b. Additional delays en route shall be granted by University to personnel if requested by the Government for the convenience of the Government.

c. Reasonable delays en route other than those authorized in paragraph 9 a. (3) of this Annex may be granted by the University to personnel traveling between Vietnam and the United States, provided that salary costs during such leaves are charged to and within the established limits of authorized vacation time, and provided further, that costs of such travel (including authorized transportation and authorized travel allowances) shall not be reimbursed beyond the amount that would have accrued had travel been direct and expeditious by scheduled commercial air carrier.

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Mode of International Travel

d. International travel shall normally be by first class commercial scheduled air carrier. However, personnel may travel by other means so long as such personnel arrive at their posts of duty upon the dates agreed upon by the parties hereto, provided that travel costs (including authorized transportation and authorized travel allowances) shall not be reimbursed in amounts in excess of that which would have accrued had travel been by the most expeditious air route.

'0. It is understood that members of the University’s staff in Vietnam shall be accorded facilities and privileges similar to those given to FOA employees in Vietnam or equivalent grade.
ANNEX III

Responsibilities of the Government

General Provisions

1. It is understood that the responsibilities of the Government described in this annex and referred to in Article IV of this agreement depend upon the facilities and resources available to the Government, including financial and other assistance rendered through project agreements between the Government and PCA. It is further understood that project agreements between the Government and PCA will be prepared before the beginning of operations under this agreement, and continued during the life of this agreement, for the purpose of assisting the Government in meeting its obligations under this agreement.

2. In the work plans, tables of organization, budgets, and other operating agreements reached between the Government and the University, the responsibility of the Government shall be stated in a precise manner and shall not be in excess of the facilities and resources of the Government.

General Plans

3. The Government shall establish by appropriate law or decree, promulgated not later than thirty days after the effective date of this agreement, the National Institute of Administration, as a part of the Presidency of the Government. The Government shall also designate the permanent official of the Presidency who shall have staff responsibility for the Institute and shall give to him attributes and responsibilities consistent with this agreement and its annexes.

4. The Government will confirm the appointment of the members of the University's staff in Vietnam as members of the staff of the National Institute of Administration.

5. The Government shall provide, or continue to provide, an adequate staff for the National Institute of Administration including the degree or certificate program, the in-service training program, the research program, the police services program, or other office or service program of the Government directly concerned with the projects covered by this agreement. The staff to be provided by the Government shall include at least the following:

- Director of the National Institute of Administration
- Professors and instructors for teaching and training
- Research assistants
- Interpreters and translators
- Secretarial and clerical personnel
- Custodial personnel
The Government shall name at least one Vietnamese official of professional or technical qualifications to serve as the counterpart or counterparts of each member of the University's professional and technical staff in Vietnam. The provision by the Government of assistants, interpreters, and secretarial personnel shall not be construed as limiting the employment of similar personnel by the University.

6. The Government shall cooperate with the University and UVDM in the choice of Vietnamese officials, and technicians to receive training in the United States or elsewhere under this agreement. It is understood that persons chosen for such training will be released from any government position which they hold for the period of training and will be re-employed in the same or a more responsible position upon the completion of training.

Teaching

7. The Government shall provide for the transfer of the National School of Administration from Dalat to Saigon and of its functions to the National Institute of Administration. The Government shall see that the curricula of the Institute shall include suitable courses of study, training, and practice in public administration and allied subjects as listed in paragraph 6 of Annex I.

Training of Officials and Employees

8. The Government shall establish a comprehensive program of training for public officials and employees already in office, providing as far as practicable for the release of officials and employees from their regularly assigned duties in order to participate in such training courses.

Conferences

9. The Government shall organize and conduct frequent conferences and round-tables to assemble government officials and employees for the discussion of problems of administration, management, organization and methods of work in government offices and services. The Government shall, insofar as it is practicable, release those chosen to participate in such conferences from their regular duties to make attendance possible.

Research

10. The Government shall make available, consistent with existing security regulations, all reports, statistics, and other information necessary for the efficient conduct of research by the staff of the National Institute of Administration in connection with projects covered by this agreement; and the Government shall instruct the heads of services to release such reports, statistics, and other information upon request.

Police Administration and Training

11. The Government shall institute a program for the improvement of organization and methods in the police services, and shall indicate to the
University the branches of the police services with respect to which advice is desired. To enable the University's staff in Vietnam to study the reorganization, equipment, materials and training of the police services, the Government shall extend the same facilities referred to in paragraph 10 (research) above.

**Presidency of the Government**

12. The Government shall institute a program for the improvement of organization and methods in the Presidency of the Government. The Government shall make available to the University under the conditions stated in paragraph 10 above all records, reports and other information necessary to enable the University's staff in Vietnam to discharge its obligations under paragraph 12 of Annex I of this agreement.

**Facilities, Equipment, Materials, Supplies and Services**

13. The Government shall provide, within the limits of its resources, the facilities, equipment, materials and supplies necessary to the accomplishment of the mission of the University's staff in Vietnam. Such assistance, to be furnished by the Government, shall include, but not be limited to: Land, buildings, housing, office and classroom furniture and equipment, books, instructional materials, motor transport, interpreting-translating services, stenographic and clerical services, mimeographing and printing services, and remodeling of premises.

In order to insure the efficient functioning of the National Institute of Administration, the Government shall assign, within thirty days after the effective date of this agreement, a suitable site or sites in or near Saigon for the location and establishment of the Institute, and the Government shall, as soon as practicable and within the limits of its resources, assign existing buildings, or proceed to construct temporary or permanent buildings, suitable for use as classrooms, reading rooms, assembly rooms, library, dispensary, or other facility designed to contribute to the purposes of the Institute; or as offices, reception rooms and living quarters for the members of the staff of the Institute, both American and Vietnamese, insofar as they are entitled under the conditions of their employment to occupy such premises.
AMENDMENT #1 TO
AGREEMENT BETWEEN THE GOVERNMENT
OF
VIETNAM
AND
MICHIGAN STATE UNIVERSITY

THIS AGREEMENT entered into this 15th day of June 1956 between the Government of Vietnam, having its capital at Saigon (hereinafter referred to as the Government), and Michigan State University, an educational institution chartered by the State of Michigan, with its principal office in the City of East Lansing, State of Michigan, United States of America, (hereinafter referred to as the University).

WHEREAS, the parties hereto entered into an agreement dated April 19, 1955 with Annexes I, II, III, IV, providing for a program of Technical Assistance in Public Administration to the Government of Vietnam.

WHEREAS, the parties now desire to amend said agreement.

NOW, THEREFORE, the parties mutually agree that said agreement shall be it is hereby amended as follows:

1. Annex II, paragraph 1, 5th line, for the number: "30", substitute the words: "54, including American citizens locally hired".

2. Annex II, paragraph 7, 8th line, following the word: "short term staff members", add: "and those American citizens locally hired".

Except as expressly hereby amended, said agreement is in all respects ratified, confirmed and continued in full force in accordance with its terms.

IN WITNESS WHEREOF, the parties have by their representatives or officers thereunder duly authorized, executed this agreement as of the day and year first above written.

In the Presence of:

FOR THE GOVERNMENT OF VIETNAM

His Excellency, the Ambassador of Vietnam to the United States of America

In the Presence of:

FOR MICHIGAN STATE UNIVERSITY of Agriculture and Applied Science

Its President
This Agreement entered into this 19th day of April, 1955 between the Government of the United States of America, represented by the International Cooperation Administration (hereinafter called "University"), and educational institution chartered by the State of Michigan having principal offices in the City of East Lansing, State of Michigan, United States of America, witnesseth:

WHEREAS, the parties hereto entered into and agreement, dated April 19, 1955, and amended September 30, 1955, June 8, 1956, November 30, 1956, April 18, 1957 and May 17, 1957, providing for a program of Technical Assistance in Public Administration to the Government of Vietnam; and

WHEREAS, the Government of Vietnam has requested the aid of the University in the training of Vietnamese in public administration and related programs, and

WHEREAS, the Government of Vietnam and the University have entered into an agreement which is hereunto attached and hereafter referred to as the corollary agreement, and

WHEREAS, it is the policy of the Government of the United States to utilize inter-university contractual relationships financed by ICA as an integral part of the U. S. aid program; and

WHEREAS, ICA deems that the personnel and facilities of the University are especially well suited for participation in the activities contemplated by the terms of said reference agreement, and

*This is a revised copy of the original Agreement which incorporates all changes made in said Agreement in Amendments 1, 2, 3, 4, and 5 to said Agreement.
NOW, THEREFORE, the University by and through its duly authorized representative, and the Government of the United States, by and through the authorized representative of ICA, mutually agree as follows:

I.

ICA agrees to finance dollar operations encompassed in the corollary agreement in accordance with the terms and conditions set forth in this Article I and in Articles II, III, IV and V below. It is estimated that the total dollar costs under this agreement shall be approximately $4,533,940 for the period from the date of execution of this agreement to June 30, 1959, and in no event in excess of this amount unless otherwise agreed to in writing by the parties hereto; provided, that the total dollar costs, during the period of this agreement, ending April 30, 1958, shall not exceed $3,240,106, and provided further, that any dollar costs subsequent to the period ending April 30, 1958, which cannot be covered by funds unused as of that date, shall be subject to the availability and allocation of additional funds to this agreement by ICA, or, in the event additional funds are not available, to Congressional action making funds available and allocation of such funds to this agreement by ICA.

II.

The University will organize a staff for the overseas mission and undertake operations as provided for in the agreement with the Government of Vietnam and related annexes as soon as possible and the ICA will provide funds for the payment of the following costs:

A. Cost of University Personnel

1. In the performance of the specific services authorized under this agreement, University shall, subject to and within the limitations of other applicable provisions of this agreement and effective as of the execution of Amendment No. 5 employ staff members not to exceed a total of 54 at any one time, including U. S. citizens employed locally in Saigon. Such personnel will be given regular appointments to University's staff, except the above-mentioned U. S. citizens employed locally. Base annual salaries shall include:

a. Customary university salaries for the rank being filled and within the maximum currently paid by the University in each rank on its campus plus adjustment for annualization, if appropriate, in accordance with the University's regular practice, without reference to or approval by ICA. Where necessary to effect recruitment for overseas service, such annualized salaries may be increased by not to exceed an average of 10% for all staff members and administrative staff members employed under the agreement. It is understood that the customary University practice in regard to salaries for specific professional and administrative personnel, salary increases, and annualization of salaries for overseas employment is as follows:
(1) Minimum academic yearly (approximately 9 months) salary for Instructors, $4,500; Assistant Professors, $5,500; Associate Professors, $6,500; Professors, $7,500. Maximum salaries may vary according to the individual's education, experience, and professional standing.

(2) Salaries for administrative personnel shall be determined in accordance with salaries paid by the University to its own administrative staff personnel with comparable duties and responsibilities.

(3) Over-all salary increases (cost-of-living, merit, promotion, and longevity) shall be determined in accordance with University-wide policies applied by the governing body of the University according to conditions existing at the time. Administrative promotions and individual salary increases shall be determined by standard established by the Administrative Board for all University personnel.

(4) Annualization of academic salaries for overseas employment shall be at the rate of 4/3 academic salaries where such salaries are paid on the basis of an academic year (approximately 9 months). No salary exceeding $15,000 per annum (excluding overseas differential and allowances) will be paid without the prior written approval of ICA.

b. Longevity, merit increments and academic promotions in accordance with the customary practices of the University as indicated in II-A-1-a (3) above; provided that the University submits at the time of each increase a written statement to the ICA which includes a certification to the effect that such increases conform with the customary policy and practice of the University.

c. If over-all general increases in salary levels for various ranks are adopted by the University during the course of the agreement, these increases will be permitted under the agreement to coincide with the effective date of the new salary levels adopted by the University.

d. Administrative promotions during the life of the agreement shall be authorized only when a staff member or administrative staff member appointed to one position under the agreement succeeds to another position with a higher rank and salary under the agreement.

2. In areas where overseas differentials are paid to ICA employees, overseas differential to staff members, (excluding locally employed U. S. citizens as defined in Article II-I) and to short-term staff members and consultants in Vietnam over sixty days of
the same percentage of base salary as is provided such ICA employees, pursuant to the Standardized U. S. Government Civilian Allowance Regulations, (Foreign Areas). Changes in U. S. Government Civilian Allowance Regulations (Foreign Areas) shall be effective for staff members at the beginning of the next pay period subsequent to receipt by the University Controller of notification from ICA of such changes in regulations. It is understood that the differentials shall be paid to such personnel only while employed in Vietnam under this agreement.

3. Salaries paid to short-term staff members by Contractors, normally at rates not in excess of maximum salaries received by such persons during the three years immediately preceding employment under this agreement. All such salaries shall be subject to prior written approval of ICA.

4. Salary payments to field staff personnel shall begin upon the date that field staff personnel leave their home or usual place of business for their overseas post or begin their briefing in the United States for overseas work, and shall continue, unless otherwise agreed, until the return (in the most expeditious manner) of such personnel to their home or usual place of business subject to an annual vacation of not to exceed 30 calendar days and reasonable sick leave comparable to that granted other University employees but not to exceed thirty (30) calendar days per year. It is understood that this period shall cover all time used for vacations (including where applicable, home leave), sick leave, and delays en route authorized by the corollary agreement; provided, that salary payments for time spent in travel by any type of carrier or conveyance shall be limited to the amount which would accrue upon use of the most expeditious regularly scheduled commercial air route; provided further, however, that delays occasioned by events beyond the control of the University or its personnel shall not be so limited.

5. Salary payments to home staff personnel shall begin on the date of assignment to duties under this agreement. Home staff personnel shall otherwise be entitled to salary payments as provided for field personnel in 4. above. In the event that home staff personnel are assigned to work directly on this agreement on a pro rata time basis, the pro rata portions of salaries determined as being chargeable to this agreement shall be based on records kept in accordance with University's usual accounting procedures provided that costs under this provision shall not exceed $178,000 during the period of this agreement.

6. Salary payments may be made to University personnel of base salaries in the event the University's services are terminated in accordance with VI-D or in the event that an employee's services are terminated by the University for reasonable cause other than misconduct (such misconduct to be judged by the University), to the extent the University is liable to make such payments under its arrangements with such University personnel, provided that
such personnel are not otherwise gainfully employed during the compensable period following such termination, or if gainfully employed but at a lesser compensation, payments will be made to equalize the difference, and provided further, that such payments shall not extend beyond one year from the date of the employee's termination or June 30, 1959, whichever is earlier. The University agrees to use its best efforts to mitigate costs, if any, under this provision.

7. Amounts paid to consultants performing work under this agreement, subject to prior written approval of ICA. Such amounts shall not exceed their customary per diem rates and shall in no event exceed $75.00.

B. Travel and Transportation Expenses

1. Travel and transportation expenses of its personnel and the dependents (spouse and children under 21) of staff members serving for more than one year in Vietnam and household goods and personal effects, to their respective assignments in Vietnam and return to their home destinations, and such local travel within the United States as is directly related to the performance of the corollary agreement. Also cost of first-class travel between Vietnam and other countries by personnel, including consultants, but not dependents, in performance of service under this agreement by the most expeditious first-class commercial scheduled airline, and travel allowances as provided in subsection 2 next below; provided that notification of such travel must be given in advance in writing to the Government of Vietnam and the Director, USOM.

2. Except as is inconsistent with the provisions of Annex II of the corollary agreement, transportation and travel allowances shall mean transportation by the most expeditious first-class commercial scheduled airline (provided that such travel as is not connected with international travel may be made by direct rail or bus carrier as well as by air carrier) and with respect to carriage of baggage and household effects from points of origin in the United States to destinations in Vietnam and return, shall mean such transportation as accords with the following:

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<th>If Major Portion of Travel by Air</th>
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<td>Countries</td>
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<td>of Far East</td>
<td>(excluding short term staff members and consultants, but including the Chief Advisor in any event)</td>
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<td>200 pounds by 100 pounds unaccompanied by unaccompanied air and 200 pounds by air and 200 pounds by surface</td>
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and not to exceed 100 pounds of unaccompanied air baggage for each short-term staff member or consultant traveling by air under this section when time spent in Vietnam is in excess of three months, and for those in Vietnam for a lesser period and for inspecting officers 50 pounds of unaccompanied air baggage. Fifty pounds of excess accompanied baggage may be authorized for each dependent under two years of age traveling without an air ticket. Transportation will also be provided by surface for one privately-owned automobile per staff member under contract for two or more years and household effects (including not more than 500 pounds of foodstuffs) up to a maximum of 3,000 pounds net (exclusive of the automobile) per staff member under contract for one or more years; provided that return transportation from Vietnam to the United States shall not be deemed to be authorized transportation for any staff member who resigns within six months or any dependent who returns to the United States within six months except for compassionate reasons, such as serious illness or death in the immediate family; and provided further, that any travel of dependents shall be limited to travel from place of residence to duty station of responsible staff member in Vietnam and return to home in the United States. Costs of storage in the United States of privately owned household goods of staff members under contract for one or more years may be reimbursed in an amount not in excess of the difference between 3,000 pounds net and the amount of pounds net of household goods transported to Vietnam under this contract. In addition, the term "authorized transportation" shall include any other transportation hereinafter specifically provided for; and,

Travel allowance shall mean, with reference to international travel and travel in the United States, an allowance to travelers eleven years of age or over of $12.00 per day and to travelers under eleven years of $6.00 per day for travel time (which shall be the time required by scheduled commercial air carrier by the most expeditious scheduled route between points of origin and destination of trips in international travel) and with reference to travel in Vietnam or other countries on business referable to this agreement, shall mean travel allowances at such rates as are prescribed by United States Government Travel Regulations, as from time to time amended (upon 30 days notification to the Comptroller of the University by ICA of amendment) for travel in Vietnam or other countries.

C. United States Training Programs

1. The costs involved in providing training in the United States and third countries to participants from Vietnam, not to exceed the following amounts: (a) University's or other institution's customary tuition charges and fees; (b) typing of theses (not to exceed $100.00 at the U. S. institution) and allowances for required textbooks (not to exceed $150.00 per school year for each participant), titles to be approved by the University; (c) travel within the United States or a third country as approved by the University, not to exceed $500.00 per participant per annum; (d)
subsistence while in the United States or a third country not to exceed maximum ICA rates as from time to time amended (upon 30 days notification to the Comptroller of the University by ICA of amendments; and (e) any other costs as may be approved in writing by ICA. These amounts shall be subject to change by mutual agreement of the contracting parties. The total cost of the participant program shall not exceed $385,666 nor $268,613 for the period ending April 30, 1958.

2. In addition to the costs for participant training set forth in the paragraph next above of this subsection, ICA agrees to reimburse the University for such supplemental costs of participant training programs as shall be in keeping with standard ICA policies promulgated after the execution of this contract; provided, that the amount of reimbursement of such costs and the method of computing same are agreed to in writing by the University and ICA. In the event that ICA and the University cannot reach agreement on the amount of such supplemental costs and the method of computation thereof within 60 days after receipt of notice from ICA to the University of the existence of standard rates for supplemental costs of participant training, the University shall have the right to cancel participant training programs provided for in this subsection without prejudice to the rights and obligations contained in the remainder of the Contract.

D. Insurance

The cost of premiums paid by the University for:

1. Life insurance if such premiums for such life insurance are paid by the University under its normal practice.

2. Health and accident insurance not covered by 1 above for personnel and their dependents accompanying them abroad, provided that such cost shall not exceed $150.00 per year per staff member.

3. Other special insurance, with prior written approval of ICA.

E. Out-of-pocket Expenses

The costs of actual out-of-pocket expenses in addition to those mentioned above including cables, passport and inoculation fees, health examinations for staff members and dependents, and other similar dollar expenses incurred by the University in performing work under the agreement, not to exceed $38,674.

F. Purchase of Equipment

The costs of purchasing library books and equipment, demonstration equipment, teaching aids and equipment necessary to the furtherance and development of the services being performed under this agreement other than that furnished by the Government of Vietnam and for the purchase of vehicles necessary to the support of the staff, provided that the
purchase of any single item costing in excess of $1,000 is approved in advance in writing by ICA. All purchases under this provision shall be made pursuant to the regular practices and procedures used by the University in order to assure best purchasing results, total costs of purchases made under this section shall not exceed $205,950. Title to all equipment, materials and supplies, the cost of which is reimbursable to the University by ICA, shall be in the name of the Government of Vietnam but shall be available for use through the period of the agreement by University personnel; and all such equipment, materials and supplies remaining upon completion or termination of the agreement shall be turned over to the Government of Vietnam. The University is in no way responsible for the loss or destruction of such property except in case of culpable negligence on the part of University personnel.

G. U. S. Small Business Provision

To permit ICA, in accordance with the Small Business provisions of the Mutual Security Act, to give U. S. small business firms an opportunity to participate in supplying commodities covered by this contract, the University shall to the maximum extent possible provide the following information to the Office of Small Business, ICA, Washington 25, D. C. at least 30 days prior to the placing any order in excess of $5,000, except where a shorter time is requested of, and granted by, the Office of Small Business, ICA, Washington 25, D. C.

(a) Brief general description and quantity of commodities or services.
(b) Closing date for receiving quotations.
(c) Address where invitations or specifications may be obtained.

Further, no purchase of any single item costing in excess of $500 will be made without prior written approval of ICA.

H. Retirement and Social Security

The cost of retirement and social security benefits for University personnel assigned to and paid from funds provided under this agreement.

I. Locally Employed U. S. Citizens

Salaries of U. S. citizens locally employed in Saigon, Vietnam as staff members when such locally employed staff members cannot be paid in local currency. Such locally employed staff members shall not receive (a) benefit of home leave provision in Corollary Agreement, (b) overseas differential provided in Article II, Section A-1-c, (c) travel and transportation expenses provided in Article II-B, (d) insurance provided in Article II-D, nor (e) any other contract benefits except those that they may be entitled to because of their status as dependents of other U. S. citizen contract employees. All such U. S. citizens locally employed shall be subject to the same rules of employment as are applicable to non-U. S. citizens locally employed by the Government of Vietnam for work in connection with the agreement.
J. Costs of office supplies for use of the University in Vietnam, if such supplies are not available locally, not to exceed a total of $10,000 nor $5,000 for the period ending April 30, 1958.

III.

Subject to the provisions of Article I, the University, in addition to the costs reimbursable under Article II, above, shall be reimbursed for administrative expenses incurred in the performance of this agreement at the rate of 15% on the direct base salaries paid to off-campus personnel (excluding consultants) engaged in the performance of this agreement and at the rate of 36% on salaries paid to personnel assigned to work directly on this agreement at the University.

The foregoing rates are based on an analysis and evaluation by ICA or other appropriate U. S. Government agency of relevant data submitted by the Contractor relating to overhead. Effective on the first day of the month following the close of the first fiscal year, the foregoing established rate shall become a provisional rate for the next fiscal year, subject to an audit of the Contractor's records, which may be made by ICA or other appropriate U. S. Government agency. In making the audit it is understood that the principles established by the Department of Defense for determination of overhead allowances will be followed, with adjustments of certain factors to allow for the off-campus programs. The provisional rate and payments for subsequent fiscal years shall be computed and adjusted accordingly.

The allowance for overhead costs provided above is intended to cover those items of indirect costs which are normally included by the University in its indirect costs in accordance with generally accepted accounting principles (exclusive of retirement costs which will be billed as a direct cost) and such items of cost shall not be billed under other provisions of this agreement.

IV.

It is understood that local expenses in Vietnam under the terms of the corollary agreement are to be paid principally by the Government of Vietnam under procedures to be agreed upon by the Government of Vietnam and the ICA Mission Director. The maximum amount of this agreement as stated in paragraph I contains $100,000, which may be used to reimburse the University for expenses incurred in Vietnam in the event that local currency for such expenses is not promptly paid by the Government of Vietnam, and that within thirty (30) days after the failure of the Government of Vietnam to make such payments the University will have notified ICA in writing of such failure. In the event that the commitment of ICA to underwrite such expenses in the amount of $100,000 becomes inadequate, the University shall have the right to request an amendment of the agreed amount and, if such is not forthcoming, to serve notice of termination of the agreement, such termination to be effective 90 days after notice.
V.

A. ICA will advance to and maintain with the University sufficient working funds to meet expected expenses for at least 90 days of program operation.

B. Payment to the University

Payment will be made to the University quarterly or at other agreed intervals upon submission to the Office of the Controller, International Cooperation Administration, Washington 25, D. C. of documentation as follows:

1. **Voucher SF-1034 (Revised) or SF-1146** to be properly executed and submitted in original and three copies:
   
   (a) With each request for an advance of funds.

   (b) With a "No Payment" voucher evidencing disposition of all advances. The "No Payment" voucher is to be submitted within thirty days after the first quarter from (________________) through (________________) and each quarter thereafter. The "No Payment" voucher accounting for the final quarter under the agreement is to be submitted no later than sixty days following the end of the quarter. In the event the funds expended included an individual purchase of equipment or material in excess of $1,000, this voucher must be supported by a copy or photostat of the vendor's invoice appropriately detailed as to the quantity, description and price.

2. **Supplier's Certificate, ICA Form 280**, in duplicate:
   
   (a) To be executed by the University for each "No Payment" voucher.

   (b) To be executed by the vendor for each individual equipment or material purchase in excess of $1,000.

3. **Original and one copy of a fiscal report prepared and rendered by the University**:
   
   (a) Stating the estimated requirements for funds requested to be advanced for the quarter, based upon the approved budget established for the agreement.

   (b) Listing the expenditures of funds under previous advance(s), indicating the manner in which the funds were expended under the approved budget categories.

   (c) Upon completion or termination of the agreement, the University will submit a final fiscal report within 120 days, detailed by budget categories, of all activities performed under the agreement from inception.
C. The detailed listing or expenditures referred to in paragraph B above will be by object expenditure classification of the budget as detailed in Appendix I of this agreement. It is understood, however, that nothing contained herein is to be construed as limiting the rights of the University to adjust budget classifications within the total amount of this agreement unless otherwise limited by this agreement.

D. The University shall keep full and complete records and books of account in accordance with generally accepted accounting principles covering the financial details applicable to the University and shall require all subcontractors to maintain similar books and records (except under subcontracts for standard commercial supplies and raw materials). ICA and the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of five years after final payment under the agreement, have access to and the right at all times to examine and audit such records and books of account (and in addition any or all other attachments, correspondence, memoranda, and other records pertaining to the agreement) of the University or any of his subcontractors (except under subcontracts for standard commercial supplies and raw materials) engaged in the performance of, and involving transactions relating to, the agreement or any subcontract.

VI.

This agreement shall be effective subject to execution of the corollary agreement when signed by the appropriate representatives of both parties and shall remain in force and effect subject to the provisions of Paragraph I until June 30, 1959 unless otherwise terminated in accordance with the agreement. This agreement shall be subject to renewal for an additional year upon written notice of renewal given by ICA to the University at least 90 days prior to June 30, 1959 if such renewal is authorized by law.

A. This agreement may be cancelled by ICA upon the giving of written notice to the University at least 60 days prior to the effective date of such termination.

B. In addition to the termination rights provided in the reference agreement, the University may cancel this agreement upon the giving of written notice to ICA at least 60 days prior to the 13th month of the agreement.

C. Either the University or ICA may terminate this contract immediately upon written notice to the other in case of war, civil disturbance, or other emergency which in the bona fide opinion of either the University or ICA, immediately or seriously endangers the safety of the University staff in Vietnam or prevents performance by the University hereunder.

D. In the event this agreement is terminated, under sections A or C of the paragraph VI, ICA shall reimburse the University for salaries paid to staff members performing work under this agreement.
for the agreed period of service with the University to the extent that the University is liable to make such payments under its arrangements with its employees; provided that such staff members are not otherwise gainfully employed during the compensable periods following such termination, or if gainfully employed but at a lesser compensation, payments will be made to equalize the difference and, provided further, that such payments shall not extend beyond one year from the date of the employee's termination or the original expiration date of this agreement, whichever is earlier.

E. Assignment - The University shall not assign, transfer, pledge, subcontract, or make disposition of the agreement without first obtaining the written consent of ICA.

F. Subcontracts - To the extent work hereunder is subcontracted, University shall require each subcontractor to agree to the relevant provisions of the agreement as fully as if such subcontractor were a party hereto.

G. Covenant Against Contingent Fees - The University warrants that no person or selling agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the University for the purpose of securing business. For breach or violation of this warranty, ICA shall have the right to annul this agreement without liability, or, in its discretion, to deduct from the agreement price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

H. Non-Discrimination - The University agrees that in the performance of this agreement, the University will not discriminate against any employees or applicant for employment because of race, creed, color or national origin.

I. It is understood that ICA is presently reviewing its policies with regard to University Contracts which it finances with a view to devising a standard form of contract which will permit more efficient administration of the contracts and the programs which they implement. ICA has requested the Contractor to execute this Amendment prior to final decision on the pending policy considerations in order to avoid delay in furnishing the technical advice and assistance requested by the Government of Vietnam, and Contractor has agreed to execute the same with the understanding that if an when a contract of the type contemplated is finalized and offered generally to other universities, the Contractor shall be offered a contract with the same provision for the balance of the term hereof by way of an amendment or supplement hereto. Both parties reserve the right to vary the terms of any provision of said contract through mutual agreement so as to prevent inequities which might otherwise result to either party.
VII.
A. The University agrees to confer on ICA, the same rights and authority as provided the Government of Vietnam under Articles I and III of corollary agreement and Annexes I and II thereof.

B. The University agrees to require personnel assigned to work under this agreement, except locally hired United States citizens who may be employed by the University in Saigon, to receive orientation from the ICA at Washington, D. C., and by the Director of the United States Overseas Mission at Saigon.

C. The University agrees to carry out operations in Vietnam under corollary agreement in accordance with the general policies of the Director, United States Operations Mission to Vietnam.

VIII.

The University shall return to ICA within 90 days any balance of funds made available to the University which is unused in accordance with the agreement and unobligated prior to June 30, 1959 or such earlier termination date as may be agreed upon under termination provisions of this agreement.

IX.

ICA shall grant to University personnel the same facilities and privileges that are granted to ICA employees in Vietnam of equivalent grade insofar as feasible including educational allowance for dependents of University staff in Vietnam.

X.

No member or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement or to any benefit that may arise therefrom unless it be made with a corporation for its general benefit.

Appendix I attached to the agreement is hereby superseded by Appendix I-Revised attached hereto.

IN WITNESS WHEREOF, the parties have executed this agreement as of the 17th day of May 1957.

IN THE PRESENCE OF: 

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

IN THE PRESENCE OF: FOR MICHIGAN STATE UNIVERSITY OF AGRICULTURE AND APPLIED SCIENCE

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