

July 3, 1959

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SCHOOL OF POLICE ADMINISTRATION
AND PUBLIC SAFETY
MICHIGAN STATE UNIVERSITY

Alfred L. Seelye, Dean
College of Business & Public Service
14 Morrill Hall
Campus

Dear Dean Seelye:

I am respectfully submitting a copy of the new ICA-MSU contract #1126 which extends the previous contract for three years from July 1, 1959 to June 30, 1962. It was signed in Washington on June 29, last. Under the terms of this contract the staff in Saigon in this the fifth year is reduced from 54 to thirty.

Sincerely,



Stanley K. Sheinbaum
Coordinator

SKS/ap

cc: Hildreth
LaPalombara
Brandstatter ✓

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND

MICHIGAN STATE UNIVERSITY

PIO/T 30-77-080-3-90239

THIS CONTRACT is made and entered into between the Government of the United States of America, as represented by the International Cooperation Administration (ICA) and Michigan State University, an educational institution chartered by the State of Michigan with its principal office in East Lansing, Michigan (the Contractor).

WHEREAS, the parties hereto entered into an Agreement dated April 19, 1955, and subsequently amended said contract on September 30, 1955, June 8, 1956, November 30, 1956, April 18, 1957, May 17, 1957, and August 26, 1958; and

WHEREAS, the parties hereto now desire to enter into a new contract to supersede the above mentioned Agreement, as amended and the Contractor is willing and able to render the technical advice and assistance requested by the Government of Vietnam (the Cooperating Country) under agreements between said Government and the Government of the United States of America;

NOW, THEREFORE, the parties hereto mutually agree as follows:

I. SCOPE. The Contractor agrees to use its best efforts to continue to render technical advice and assistance to the Cooperating Country in the field of public administration and related programs as more specifically provided for in Appendix B, "Operational Plan," attached hereto and made a part hereof. The detailed work plan developed by Contractor and USOM and submitted by the Contractor under the Contract superseded by this contract will be continued in effect under this contract but it shall be subject to review from time to time as considered necessary by USOM and the Contractor.

II. CONDITIONS GOVERNING OPERATIONS.

A. It is understood that the services provided in the cooperating country are an integral part of the United States aid and will be performed under the general policy guidance of the USOM Director; the Contractor will be responsible for all professional and technical details of the contract and shall keep the USOM Director currently informed of the progress of the project.

B. Activities under this contract shall be governed by the "Standard Provisions" set forth in Appendix A, the "Approved Budget" set forth in Appendix C, and the "Special Provisions" contained in Appendix D, all of which are attached hereto and made a part thereof.

UNIVERSITY CONTRACT - DRAFT 6-4-57

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Appendix A - Standard Provisions

I. Definitions

- A. "ICA" shall mean the International Cooperation Administration of the United States.
- B. "ICA/W" shall mean the ICA Office of Contract Relations.
- C. "Contractor" shall mean the university providing services hereunder.
- D. "Cooperating Country" shall mean the foreign country in which services are to be rendered hereunder.
- E. "Cooperating Government" shall mean the official government of the cooperating country.
- F. "USOM" shall mean the ICA mission in the cooperating country.
- G. "Contracting Officer" shall mean the Director or Assistant Director(s), Office of Contract Relations of ICA.
- H. "Staff Member" shall mean a representative of the Contractor serving in the cooperating country under the contract, whether regular or short term.
- I. "Regular Staff Member" shall mean one who serves one year or more in the cooperating country.
- J. "Short Term Staff Member" shall mean one who serves less than one year in the cooperating country.
- K. "Contractor's Chief of Party" shall mean the representative of the Contractor in the cooperating country who shall be responsible for supervision of the performance of all duties undertaken by the Contractor in the cooperating country.
- L. "Campus Coordinator" shall mean the representative of the Contractor at the Contractor's home institution, who shall be responsible for coordinating the activities carried out under the contract in the cooperating country with those carried out at the home institution. He shall not be considered

a staff member while serving in the cooperating country.

- M. "Campus Personnel" shall mean representatives of the Contractor performing services under the contract at the Contractor's home institution and shall include the campus coordinator.
- N. "Dependents" shall normally mean the spouse and unmarried children under 21 years of age of regular staff member as defined in "H" above. Other individuals who are dependent on the staff member may be considered as dependents when in the judgment of the Contractor such determination is warranted by the specific circumstances involved.
- O. "Traveler" shall mean staff members, dependents of regular staff members, campus coordinator, and Contractor's executives in travel status.
- P. "Local Currency" shall mean the currency of the cooperating country.
- Q. "Participants" shall mean nationals of the cooperating country brought to the United States for training.

II. Personnel

- A. Biographical Data. Contractor agrees to furnish to ICA, on forms provided for that purpose, biographical information on the following individuals to be employed in the performance of the contract; (1) any individual to be sent overseas, (2) campus coordinator, (3) any campus personnel hired specifically from outside sources to work directly on the contract in the United States.
- B. Approval. No individual shall be sent overseas by the Contractor without prior approval by ICA/W.
- C. Staff Appointments. All staff members will be given institutional appointments to the Contractor's staff at the appropriate rank or classification.
- D. Duration of Appointments.
 - 1. Regular staff members/^{normally}will be appointed for a minimum of two years under the contract except:

- a. When the remaining period of contract is less than two years and in the judgment of the Contractor it is deemed desirable to fill the vacancy, then appointment may be made for the remaining period of the contract provided the contract has one year or more to run, and further provided that if it is contemplated that the contract is to be extended, then the appointment will be two years subject to the actual extension being made.
 - b. When a position to be filled does not require a two-year appointment, then an appointment may be made for less than two years but in no event less than one year. If services are required for less than a year a short-term staff appointment may be made in accordance with the applicable provisions of the contract.
 - c. When the normal tour of duty established for ICA personnel at a particular post is less than two years, then a normal appointment under the contract may be of the same duration.
2. Contractor will report to ICA/W any appointment of a regular staff member which deviates from the above paragraph 1.
- E. Right to Recall. After consultation with the Contractor and on the written request of ICA/W, or of the cooperating government, the Contractor will terminate the employment under the contract of any individual serving thereunder.
- F. Leave (Vacation, Sick and Home).
1. Contractor may grant to personnel employed under this contract vacations of reasonable duration in accordance with Contractor's usual practice, but in no event shall vacation leave exceed 26 working days per annum.

2. Sick leave may be granted in accordance with the Contractor's usual practice up to 13 working days per annum. Additional sick leave may be granted if in the judgment of the Contractor's chief of party and the USOM director it is determined that such additional leave is in the best interest of the project.
3. For Contractor's personnel who have served two years overseas under this contract and have not taken more than 30 days leave (vacation, sick, or leave without pay) in the United States home leave of up to thirty calendar days in the United States will be allowed, provided that such personnel agree to return overseas under an additional two year appointment, or for such shorter appointment as ICA/W may approve in advance, under the contract upon completion of home leave. Salary during travel to and from the United States for home leave will be limited to the time required for travel by the most expeditious air route. The Contractor will be responsible for reimbursing ICA for salary payments made during home leave, if in spite of the undertaking of the new appointment, the staff member, except for reasons beyond his control, does not return overseas and complete the additional required service.
4. Annual statements by Contractor's chief of party of leave taken shall constitute evidence of compliance with provisions of this paragraph F.

- III. Institutional Support. Contractor shall render such services at its institution in the United States as may be required to carry out the purpose of its employment hereunder and to insure the benefit of its knowledge and experience to the cooperating government.
- IV. Reports. Contractor shall prepare and submit to ICA/W three copies, and to USOM four copies of a semi-annual progress report covering the status of its work under this contract, indicating progress made with respect thereto, setting forth plans for the ensuing half-year (or year) and including recommendations covering the current needs of the cooperating government in the fields of activity covered under the terms of this contract. At the conclusion of the assignment, Contractor will prepare and submit to ICA/W three copies and to USOM four copies of a final report which summarizes the accomplishments of the assignment and which sets forth specific recommendations for the continued successful progress and improvement of the program in the cooperating country.
- V. Use of Records. The recommendations furnished under the contract and all notes, memoranda and other technical data furnished by the Contractor pursuant to or developed in connection with the provisions of the contract, shall become and remain the property of ICA, and ICA shall have the right to use them for any beneficial purpose without any additional compensation, except for packing and shipping, to the Contractor. Any such data in the possession of the Contractor shall be treated as confidential, and shall be delivered to ICA/W or USOM whenever so requested within the term of the contract. This provision shall not be interpreted in such a way as to jeopardize the right of the Contractor or the members of his staff to make and keep copies of their own personal and professional records and notes, such as lecture and research notes, reports or data, within the limits prescribed by United States' and/or the cooperating country's existing security regulations, unless such material is

given a restrictive security classification within 90 days after its submission to USOM and/or cooperating country.

- VI. Inspection. In order to assure continuous and cooperative planning and operations hereunder, Contractor shall encourage and permit ICA or its authorized representatives, at all reasonable times, upon advance notices to visit the Contractor's facilities and to inspect the facilities, activities and work pertinent to the contract, either in the United States or abroad, and to interview personnel engaged in the performance of the contract to the extent deemed necessary by ICA.
- VII. Assignment. The Contractor shall not assign, transfer, pledge, or make other disposition of the contract without first obtaining the written consent of ICA/W.
- VIII. Subcontracts. Unless authorized in writing by ICA/W, the Contractor shall not execute subcontracts save those providing for standard commercial services and supplies and raw materials. To the extent work hereunder is subcontracted, Contractor shall require each subcontractor to agree to the relevant provisions of this contract as fully as if such subcontractor were a party hereto, and such subcontract shall be subject to the approval of ICA/W.
- IX. Officials not to Benefit. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.
- X. Covenant Against Contingent Fees. The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, ICA shall have the right to annul this contract without liability or, at its discretion, to deduct from

the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

- XI. Non-Discrimination. In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay, or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees or applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial services and supplies or raw materials.

- XII. Conformity to Laws and Regulations of Cooperating Country. Contractor agrees to use its best efforts to assure that its personnel, while in the cooperating country, will abide by all applicable laws and regulations of the cooperating country and political subdivisions thereof.

- XIII. Taxes and Customs Duties. It is understood that all salary payments made by the Contractor to its employees, other than the cooperating country's Nationals, shall be exempted from taxation by the Government of the cooperating country or any political subdivision thereof, to the extent permitted by the laws of the cooperating country or by relevant agreements between the cooperating Government and the Government of the United States now in existence or hereafter coming into existence during the life of this contract.

The foregoing principle of exemption shall also apply, with respect to employees of the Contractor and their dependents, other than cooperating country's Nationals, in regard to any/taxes or levies imposed on items imported import, export or other duties,

for their own use or consumption by the Government of the cooperating country or any political subdivision thereof during the life of this contract.

XIV. Inspection Trips by Contractor's Officers and Executives. Upon thirty days prior written notice to USOM, Contractor may send such of its officers and executives to the cooperating country as may be required to review the progress of the work under this contract. Except for the campus coordinator, no direct salary charges will be paid hereunder in respect to any such officers or executives.

XV. Compensation. The Contractor will be reimbursed for such costs incurred by it in performing services under the terms of the contract and within the limitations of the overall cost ceiling specified in Article III-A of the basic agreement and in the accompanying budget, Appendix C.

XVI. Salaries.

A. ICA will reimburse Contractor for salaries and wages, including authorized leave, paid to staff members and campus personnel performing work under the contract, provided reimbursement will not be made for any individual's salary exceeding \$15,000 a year (exclusive of the allowances provided for in paragraph XVII below) without prior written approval of ICA/W. Prior written approval of ICA/W for individual salaries exceeding \$15,000 a year (exclusive of allowances) will not be required where:

1. Such salary is within the Contractor's regular salary scale, and
2. Individual is currently employed by Contractor as a permanent faculty member, and
3. The Contractor certifies to the facts pertaining thereto.

B. Salaries paid while in travel status shall be limited to the time required except as otherwise provided in Article XVIII-A-5. by the most direct and most expeditious air route, / All time in excess of that required for such air travel may be charged to leave.

C. In the event that an employee's services are terminated by the Contractor

for misconduct or security reasons, Contractor will be reimbursed for salary thereafter paid such employee only through the time required to promptly return him to his point of origin by the most expeditious air route, plus accrued vacation leave.

- D. Salaries will be established by the Contractor in accordance with his normal practice. However, ICA has established certain advisory guidelines set forth below, within which the Contractor is expected to operate under normal circumstances, but such guidelines are not compulsory and may be departed from to the extent the Contractor finds necessary. The Contractor will currently report any deviation from these provisions and explain to the ICA Office of Contract Relations the reasons therefor.

1. Staff Members

- a. The base salary will be the same as the Contractor would normally pay a person of similar ability and experience for service at the rank to which the person has been appointed.
- b. Base salaries may be increased in the following respects:
- (1) By annualization in cases where the Contractor's salary scale is based on less than twelve months' service a year.
 - (2) For personnel to serve overseas, by not more than an average of 10% of the annualized base salary for all persons serving under the contract.

2. Campus Personnel

- a. Salary will be in accordance with 1.a. and 1.b.(1) above.

XVII. Allowances.

- A. Overseas Differential Allowances. In areas where overseas differentials are paid to ICA employees, overseas differentials of the same percentage of salary as are provided such ICA employees in accordance with the Standardized U. S. Government Civilian Allowance Regulations (Foreign Areas), as from time to time amended, will be reimbursable hereunder for staff

members in respect to amounts earned during the time such staff members actually spend overseas on work under this contract.

- B. Quarters Allowances. The Contractor will be reimbursed for payments made to staff members for a quarters allowance to cover the amounts actually expended for rent and utilities if such facilities are not furnished. Such quarters allowances shall not exceed those paid to ICA employees of equivalent rank in the cooperating country, in accordance with the Standardized U. S. Government Civilian Allowance Regulations (Foreign Areas), as from time to time amended.
- C. Post Allowances. The Contractor will be reimbursed for payments made to staff members for post allowances not to exceed those paid ICA employees in the cooperating country, in accordance with the Standardized U. S. Government Civilian Allowance Regulations (Foreign Areas), as from time to time amended.
- D. Educational Allowances. The Contractor will be reimbursed for payments made to regular staff members, for educational allowances for their dependent children in accordance with the Standardized U. S. Government Civilian Allowance Regulations (Foreign Areas), as from time to time amended.
- E. Notice of Changes in Allowances. USOM will make every effort to keep the Contractor informed of changes in the Standardized U. S. Government Civilian Allowance Regulations (Foreign Areas). Changes in allowances shall be effective at the beginning of the Contractor's next pay period following the effective date of the amendment.

XVIII. Travel and Transportation Expenses.

A. Necessary Transportation Costs and Travel Allowances.

- 1. U. S. Travel. The Contractor shall be reimbursed for actual transportation costs and travel allowances of travelers in accordance with the established practice of the Contractor for travel within the

United States directly referable to the contract. Such travel costs and allowances shall not be reimbursed in an amount greater than the cost of and time required for first-class commercial scheduled air travel by the most expeditious route.

2. International travel. The Contractor shall be reimbursed for actual transportation costs and travel allowances of travelers from point of embarkation in the United States to post of duty in the cooperating country and return to place of debarkation in the United States upon completion of services by the staff member. Such transportation costs shall not be reimbursed in an amount greater than first class commercial scheduled air travel by the most expeditious route. Such travel allowances for such travelers shall be at the rate of \$12 per day for persons eleven years of age or over and \$6 per day for persons under eleven years of age, for not more than the travel time required by scheduled commercial air carrier using the most expeditious route.
3. Local travel. The Contractor shall be reimbursed for actual costs of transportation of travelers in the cooperating country if not provided by the cooperating government in connection with duties directly referable to the contract, including travel allowances at rates prescribed by the U. S. Standardized Government Travel Regulations, ~~XXXXXX~~ as from time to time amended, and communicated to the Contractor by USOM. Changes in such rates shall be effective on the date specified in the amendment.
4. Limitation on Travel by Dependents. Travel costs and allowances will be allowed only for dependents of regular staff members and such costs shall be reimbursed from place of abode in the United States to assigned station in the cooperating country and return, only if dependent remains in the cooperating country for at least one-half of the required tour of duty of the staff member responsible for such dependent.

5. Delays En Route. The Contractor may grant to personnel employed under this contract and their dependents reasonable delays en route, not circuitous in nature while in travel status, caused by events beyond the control of the traveler or Contractor, 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 Article II-F-2.

Additional delays en route shall be granted by Contractor to personnel if requested by ICA/W for the convenience of the Government of the United States or the cooperating government.

B. Emergency and Irregular Travel and Transportation. Actual transportation costs and travel allowances while enroute, as provided in this article, will also be reimbursed under the following conditions:

1. Subject to the approval of the USOM Director or his designated representative the costs of going from post of duty in the cooperating country to the United States or such other location for staff members and dependents, where because of reasons or conditions beyond his control, staff member has not completed his required service in the cooperating country. The USOM Director or his designated representative may also authorize the return from the United States or such other location to the cooperating country of such staff member and his dependents.

2. It is agreed that 1. next above includes but is not necessarily limited to the following:

- a. Need for medical care beyond that available within the area to which staff member is assigned;
- b. Serious effect on physical or mental health if residence is continued at assigned post of duty;
- c. Death or serious illness in the immediate family of staff member or spouse.
- d. Emergency evacuation, including, subject to the USOM Director's approval, the transportation of household effects and automobiles or storage thereof, and a per diem allowance for subsistence.

C. Transportation of Automobiles and Household/ ^{Goods and Personal} Effects. Transportation, including packing and crating costs, will be paid for shipment from point of origin in the United States to post of duty in the cooperating country and return to point of origin in the United States of one privately-owned automobile for each regular staff member, of household goods

not in excess of an average of 5,000 pounds net for all staff members of Contractor, but not exceeding 9,000 pounds net for any one staff member, and of personal effects of travelers.

- D. Storage of Household Effects. The cost of storage charges, including packing and crating costs, in the U. S. of household effects of staff members will be permitted in lieu of transportation of/such effects to the cooperating country authorized in C above.

XIX. Other Direct Costs.

A. Insurance.

1. Reimbursable Premiums. Unless included in the overhead computation, Contractor will be reimbursed for the cost of premiums paid by it for:
- a. Retirement contributions, Workmen's Compensation and group insurance for personnel serving under this contract if payments for such retirement contributions, Workmen's Compensation and group insurance are made by Contractor under its normal practice.

In cases where Contractor's personnel are excluded from coverage under the Contractor's group insurance policy by reason of overseas service under this contract, term life insurance giving the same coverage as that to which the individual would be entitled as an on-campus university employee, provided reimbursement for such premiums shall be limited to the amount allocable to the period of employment under this contract.

- b. Health and accident insurance not covered by a. above, for staff members and dependents, provided such cost shall not exceed an average of \$125.00 per year per staff member. It is anticipated that ICA contractor personnel may become eligible for coverage under the U. S. Department of State's medical care program, at no cost to the Contractor. If this coverage becomes available, it may, at ICA's option, be substituted for the insurance coverage

provided in this paragraph.

2. Non-reimbursable Premiums. Life insurance premiums other than that authorized in subparagraph A-1 above and premiums for insurance on personal property will not be reimbursed, either as a direct cost or included as an indirect cost under overhead.
- B. Out-of-pocket Expenses. Reimbursement will be made for the costs of actual out-of-pocket expenses, not otherwise provided for nor prohibited elsewhere, by the Contractor in performing work under this contract. Such expenses shall include communication expenses such as costs of telephone and telegraph, postage, cables, preparation and reproduction of training and reference materials and reports, books, reference materials procured solely for the performance of work under the contract, and transportation costs thereon, from Contractor's campus or supplier's shipping point to the cooperating country and return; passport, visa, and inoculation fees, health examination for staff members and dependents, and other similar expenses incurred by the Contractor in performing work under the contract.
- C. Special Costs. Reimbursement will be made for such other costs not expressly excluded by other provisions of this contract, as should in the opinion of the contracting officer, be included in the cost of the work called for by this contract. Any such costs allowed by the contracting officer shall be specifically identified by the contracting officer as being allowable by this section.

- XX. Overhead.** Contractor will be reimbursed for overhead costs computed in accordance with one of the following bases. The determination as to which basis is to be used will be specifically set forth in Appendix D.
- A. Contractor will be reimbursed for indirect costs allocable to this contract at the fixed dollar amount specified in Appendix D of this contract, provided that salary reimbursements made in accordance with Article XVI are equal to or in excess of the amount indicated in Appendix D and provided further that to the extent that such salary reimbursements are less than the aforesaid amount, the fixed dollar payment in lieu of overhead shall be reduced proportionately.
- B. Contractor will be reimbursed for indirect cost allocable to this contract as follows:
1. On-campus overhead rates will be computed in accordance with the cost principles set forth in Section XV, part 3, Research Contracts with Non-Profit Institutions, of Armed Services Procurement Regulations.
 2. The "off-campus" rate will be computed on the same basis as the "on-campus" rate, except that the following will be excluded:
 - a. Use charges for equipment.
 - b. Use charges for buildings.
 - c. Operation and maintenance of physical plant.
 3. The amounts and percentages indicated for operation of library and use of library books, normally a part of the "on-campus" computation, will be excluded from the overhead computation unless the contract indicates use of the library for staff members overseas or for participants at the campus.
 4. Expenditures reimbursed as a direct charge will be excluded from the overhead computation.
 5. Reimbursement for overhead costs shall be made initially at the

"on-campus" and "off-campus" rates specified in Appendix D of the contract. The "on-campus" rate will be applicable to direct salaries paid to campus personnel. The "off-campus" rate will be applicable to direct salaries paid to staff members employed overseas on the contract.

6. Provisional reimbursements for overhead costs are subject to adjustment annually, as of the close of the Contractor's fiscal year, to actual overhead costs accrued during that fiscal year, such adjustments to be made on the basis of examination of the Contractor's records by a cognizant U. S. Government agency or on any other basis agreed to by both parties.
7. Following such establishment of the actual overhead rates, an appropriate adjustment will be made in the provisional reimbursements for overhead costs made for the period involved, and the rates so established shall become the provisional rates for the ensuing period. The provisional rates and payments for subsequent periods shall be computed and adjusted in the same manner.

XXI. Equipment.

A. The following costs shall be reimbursable:

1. Teaching Aids and Related Equipment. Costs of teaching aids and equipment necessary for instruction or demonstration purposes by Contractor required to conduct programs under this contract, including transportation costs.
2. Other Equipment. Costs of all equipment purchased and transportation costs (including scientific research, laboratory and educational equipment, books and related supplies for the local institutions) required to conduct programs under this contract.
3. Vehicles. Costs for the purchase of vehicles, (i.e., jeeps, carryalls and trucks) including transportation costs if necessary for the project and not furnished in kind by the cooperating Government or ICA.

- B. Limitation. No single item of equipment costing in excess of \$1,000 shall be purchased without the prior written approval of ICA. Contractor shall follow its normal procurement practices and regulations and diligently seek to obtain the maximum benefit possible to the cooperating country from its expenditure of funds under this section.
- C. Title. Title to all equipment, the cost of which is reimbursable to the Contractor by ICA or by the cooperating country, shall, at all times, be in the name of the cooperating country, or such public or private agency as the cooperating country may authorize, unless title to specified types or classes of commodities the cost of which is reimbursable to the Contractor by ICA is reserved to ICA under the terms of Appendix D of this contract. The Contractor agrees to exercise reasonable protection, care, and control of such equipment while in his custody and shall upon completion or earlier termination of the contract physically transfer such equipment to the cooperating country or to the USOM, unless actually consumed in carrying out the activities of the project, or otherwise disposed of as directed by the cooperating country or by the USOM.
- D. 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 equipment covered by this Section, Contractor, 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 placing any order in excess of Five Thousand (\$5,000) Dollars, except where a shorter time is requested of, and granted by the Office of Small Business:
1. Brief general description and quantity of commodities or services;
 2. Closing date for receiving quotations or bids;
 3. Address where invitations or specifications may be obtained.

E. Marking. All commodities and their shipping containers, furnished to cooperating countries under ICA financing (whether from the U. S. or other source country), must carry the official ICA emblem designed for the purpose. This identification shall be affixed by metal plate, decalcomania, stencil, label, tag, or other means, depending upon the type of commodity or shipping container and the nature of the surface to be marked. The emblems placed on the commodities must be approximately as durable as the trade mark or company or brand name affixed by the producer; the emblems on the shipping containers must be legible until they reach the consignee.

The size of the emblem may vary depending upon the size of the commodity, package or shipping container to be marked, but must be large enough to be clearly visible at a reasonable distance. In addition, the shipping container will indicate clearly the last set of digits of the ICA PA, PIO or other authorization number in characters at least equal in height to the shipper's marks.

The emblem will appear in the colors shown on the samples available in the Office of Small Business, International Cooperation Administration, Washington 25, D. C., or in the offices of the USOMs in the respective cooperating countries.

Raw materials (including grain, coal, petroleum, oil and lubricants) shipped in bulk, vegetable fibers packaged in bales, and semi-finished products which are not packaged in any way are, to the extent compliance is impracticable, excepted from the marking requirements of this section. However, the emblem will be prominently displayed on all ships during loading and unloading when their cargoes consist entirely of ICA-financed goods. Instructions relating to display of the emblem by ships will be furnished by the charterers to the carriers with their charter parties.

If compliance with the provisions of this section is found to be impracticable with respect to other commodities, the cooperating country or supplier will promptly request the Office of Small Business, International Cooperation Administration, Washington 25, D. C. for an exception from the requirements of this section.

XXII. Participant Training Programs

- A. Whenever the operational plan provides for a participant training program, the Contractor shall be reimbursed for the costs involved in providing training and observation in the United States to the participants in accordance with the following:
1. Customary tuition and fees of institution in which training takes place.
 2. Typing of papers and allowances for required textbooks. Titles to be approved by the Contractor.
 3. Travel within the United States as approved by the Contractor, including the cost of travel from port of entry into U.S. to Contractor's campus and from Contractor's campus to port of embarkation from U.S.
 4. Subsistence while in the United States not to exceed maximum ICA rates established in the applicable ICA manual orders, furnished to the Contractor, as from time to time amended.
 5. Other direct necessary costs.
 6. No charge for international transportation or for insurance for participants will be made against this contract.
- B. In addition to the costs provided for in paragraph A next above, ICA will pay to the Contractor a service charge of \$25.00 per semester per regular participant. In the event that the Contractor's institution is on the quarter system or the period of training of the regular participant does not coincide with semesters, the service charge will be \$6 per month.
- C. It is understood that the handling of participants will require special attention of the Contractor beyond that usually afforded to students in general and additional services from the Contractor including but not limited to (1) general program management and processing, (2) administration of subsistence payments, (3) purchase of books and equipment,

(4) planning of itineraries, and special counseling.

XXIII. Unallowable Costs. Payment for representation, entertainment, gratuities, separation and zone transfer allowances and other items not ordinarily reimbursable under United States Government contracts will not be reimbursed.

XXIV. Facilities and Services to be Arranged by ICA.

- A. In order to assure full local benefits from the work as well as its expeditious conduct, ICA agrees to arrange with appropriate authorities in the cooperating country for a clear assignment of responsibility to the appropriate officials for the development of this undertaking and a clear assignment of responsibilities to the Contractor.
- B. ICA will arrange with the officials of the cooperating country to develop, to the extent permitted by their available resources, their own personnel, facilities, programs, and activities to permit the early and effective accomplishment of the objectives of the contract.

XXV. Method of Payment.

- A. Dollar Payment. ICA will upon request from the Contractor in accordance with paragraph XXVII below make an initial advance to said Contractor in the amount stated in Article III-C of the basic agreement and thereafter will reimburse the Contractor an amount equal to reported expenditures in order to replenish the advance fund on an imprest basis. ICA will replenish the fund on a quarterly basis (or other agreed interval) upon submission of documents prescribed in paragraph XXVII below until such time as the total of reimbursements effected added to the initial advance equals the amount of the ICA commitment stated in Article III-A of the basic agreement. Thereafter, vouchers for expenditures submitted by the Contractor will not be reimbursed but will be applied to liquidate the remaining outstanding advance. In the event the total amount of subsequent vouchers are insufficient to liquidate the amount of the outstanding

advance, the Contractor will refund the difference to the Controller of ICA in accordance with Article XXVI below.

- B. Local Currency Payments. Local currency funds provided by USOM or cooperating country shall be paid to the Contractor in a manner adapted to the local situation and agreed to by USOM and Contractor. Local currency costs to be borne by the cooperating government are set forth in Appendix D to the Contract. Only in the event that the cooperating government does not make such reimbursements will ICA be responsible therefor.

XXVI. Refund of Unexpended Funds. The Contractor shall, as prescribed in Article XXVII below, make a repayment to ICA of all unexpended portions of the advanced dollar funds not otherwise obligated under the contract for a legally binding transaction. The Contractor shall make a repayment to USOM of all unexpended portions of the advanced local currency funds not otherwise obligated under the contract for a legally binding transaction. In the event there are any outstanding obligations at the time of filing the final voucher required by Paragraph XXVII-C below, a subsequent accounting pertaining thereto will be made in the same manner as required by said paragraph.

XXVII. Documentation Requirements.

- A. Initial Advance. Contractor will submit to the Controller of ICA Voucher Form SF-1146 (original) and SF-1146(a) three copies, properly executed, requesting advance of funds in the agreed upon amount required to establish the working fund. Voucher Form SF-1034 and SF-1034(a) may be used in lieu of the aforementioned forms.
- B. Replenishment Vouchers. Contractor will submit to the Controller of ICA Voucher Form SF-1146 (original) and SF-1146(a) three copies, (or SF-1034 and SF-1034(a) in lieu thereof) properly executed, in the amount of expenditures made during the period covered, which voucher forms shall be supported by:

1. Original and two copies of a certified fiscal report rendered by the Contractor in the form and manner satisfactory to ICA substantially as follows:

<u>Category</u>	<u>Firm Budget Amount</u>	<u>Total Expenditures To Date</u>	<u>This Period</u>
Salaries	\$ xxx	\$ xxx	\$ xxx
Allowances	xxx	xxx	xxx
Travel and Transportation	xxx	xxx	xxx
Other Direct Costs	xxx	xxx	xxx
Overhead	xxx	xxx	xxx
Equipment	xxx	xxx	xxx
Participant Costs	<u>xxx</u>	<u>xxx</u>	<u>xxx</u>
Grand Total	<u>\$ xxx</u>	<u>\$ xxx</u>	<u>\$ xxx</u>

2. The fiscal report shall include a certification signed by an authorized representative of the Contractor as follows:

"The undersigned hereby certifies: (1) That payment of the sum claimed under the cited contract is proper and due and that appropriate refund to ICA will be made promptly upon request of ICA in the event of non-performance, in whole or in part, under the contract or for any breach of the terms of the contract; and (2) that information on the fiscal report is correct and such detailed supporting information as the ICA may require will be furnished at the Contractor's home office or base office as appropriate promptly to ICA on request.

By: _____

Title _____ Date _____"

3. Vendor's invoice or photostat appropriately detailed as to quantity, description and price for each individual item of equipment purchased in excess of \$1,000.

4. Supplier's Certificate, ICA Form 280, in duplicate, executed by the vendor for each individual item of equipment purchased in excess of \$5,000.

C. Final Voucher. Voucher Form SF-1146 (original) and SF-1146(a) three copies, (or SF-1034 or SF-1034(a) in lieu thereof) properly executed, marked "NO PAY" and "FINAL VOUCHER" to be submitted to the Controller of ICA within ninety (90) days following the end of the quarter in which services were completed or terminated and supported by:

1. Original and two copies of a certified fiscal report rendered by the Contractor as in B. 1 and 2 above.
2. Vendor's invoices as in B.3 above.
3. Supplier's Certificate as in B.4 above.
4. Refund check as prescribed by Article XXVI for the balance of funds remaining on hand and not obligated by the Contractor.

XXVIII. Accounting Records. Contractor shall keep full and complete records and books of account, in accordance with generally accepted accounting principles, covering the financial details applicable to the contract and shall require all subcontractors, except those providing standard commercial services and supplies and raw materials, to maintain similar books and records. ICA and the Controller General of the United States or any of their duly authorized representatives shall, until the expiration of three years after final payment under the contract, have access to and right at all times to examine such records and books of account (and in addition any or all other attachments, correspondence, memoranda, and other reports pertaining to the contract) of the Contractor involving transactions relating to this contract.

- XXIX. Services Provided to Contractor. In the event the United States Government or cooperating government has furnished the Contractor free of charge with items or services which are covered herein as allowable costs, reimbursement may not be claimed for such items or services.
- XXX. Conflict of Interest. Other than work to be performed under this Contract for which an employee is assigned by Contractor, no staff member of Contractor shall engage, directly or indirectly, either in his own name or in the name or through the agency of another person, in any business, profession or occupation; nor shall he make loans or investments to or in any business, profession or occupation in the cooperating country or other foreign countries to which he is assigned.
- XXXI. Termination
- A. ICA may terminate the Contractor's obligation to render services hereunder on ninety days' written notice to the Contractor, and after the expiration of thirty days after the giving of such notice the Contractor shall not have any right to incur any further obligations under the contract without prior written approval of ICA/W.
 - B. The Contractor may terminate its obligations to render further services under the contract on ninety days' written notice to ICA/W, and after the expiration of said ninety days the Contractor shall not have the right to incur any further obligations under the contract, provided such termination shall not occur until after the twelfth month of the contract term.
 - C. The Contractor shall not be liable for any delay in performing its obligations hereunder if any such delay arises from causes beyond the control and without the fault or negligence of the Contractor, provided that the Contractor gives prompt notice thereof to ICA/W. If such causes shall prevent performance hereunder for a continuous three-month period after such notice, Contractor may terminate this contract on ninety days'

notice to ICA/W. Such causes include, but are not limited to, acts of God, or of the public enemy, fires, floods, epidemics, strikes, quarantine restrictions, acts of government and unusually severe weather.

XXXII. Obligation Upon Termination of Services to be Rendered.

- A. In the event of any termination under paragraph XXXI above, the Contractor shall make every effort to maximize the usefulness to the cooperating country of that portion of the work which has been accomplished and to minimize ICA's obligations hereunder, and ICA shall reimburse Contractor within the financial limitations of the contract:
1. For the Contractor's staff members and their dependents' return transportation, including authorized personal property and travel allowances for their return from point of duty in the cooperating country to their point of origin in the United States.
 2. For salary payments to staff members of salaries (excluding overseas incentive, differential and allowances) in the event Contractor's services are terminated by ICA, pursuant to the above paragraph XXXI-A, or in the event that an employee's services are terminated at the request of ICA by the Contractor for reasons other than misconduct or security reasons, to the extent Contractor is liable to make such payments under its agreements with such staff members, provided that such staff members 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 between such lesser compensation and the employee's salary (excluding overseas incentive, differential and allowances) and provided further, that such payments shall not extend beyond one year from the date of the employee's termination, or the date on which this contract would have expired but for termination, whichever is earlier.

Contractor agrees to exert its best efforts to minimize costs under this provision.

3. For the Contractor's other expenditures or obligations properly incurred hereunder and unpaid at the effective date of such termination.

XXXIII. Supplementary Guidance to Contractor. There has been developed, separate and apart from this contract, a supplementary guide to universities which enter into contracts with ICA with respect to implementation of ICA sponsored programs. This guide, known as the "ICA University Contractor's Guide," contains ICA policies and standards with respect to various operating problems, allowances, costs, etc., not specifically established in the contract. Said policies and standards are advisory guidelines within which the Contractor is expected to operate under normal circumstances, but such guidelines are not compulsory and may be departed from to the extent the Contractor finds necessary.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND
MICHIGAN STATE UNIVERSITY

Plan No. 1

Date of Plan: April 20, 1959

Appendix B - Operational Plan

1. Project Management and Work Relationships

It is understood that the activities authorized under this contract constitute an element of the Mutual Security Program to Vietnam requested by the Cooperating Government and are designed to contribute to the improvement of public management practices and resources. It is necessary, therefore that the Contractor's staff overseas and in the United States, the host institution and appropriate agencies of the Government of Vietnam, and the various component elements of ICA abroad and in the United States involved in this broad program establish, among themselves the kind of work relationships which make it possible to cooperate effectively and to assure that the maximum benefits are derived from services performed under this contract. It is in the light of this close coordination that the work plans and program objectives set forth under Sections II and III of this Appendix B are to be carried out and will be reviewed from time to time by ICA and the Contractor.

It is also understood that the Contractor will designate a faculty member on its campus as "Campus Coordinator" and a member of its staff assigned to duties in Vietnam as "Chief of Party", each with responsibility for the supervision of the Contractor's activities respectively on its home campus and in Vietnam. The Chief of Party, on behalf of the Contractor, and the Director USOM, and his designated technical staff, on behalf of ICA, are responsible for assuring the necessary coordination within the Mutual Security Program to Vietnam and for conformance with U. S. Foreign Policy. The Campus Coordinator, on behalf of the Contractor and the ICA Public Administration Division technician located in Washington, D. C., known as the Project Manager, on behalf of ICA, are responsible for general project management and particularly for the coordination of this project with other U. S. program activities. To successfully carry out these responsibilities it will be desirable that there be frequent exchange of information and views between the Contractor's staffs and the various component elements of ICA. Since standards of administration have been established by this contract the representatives of the Contractor and ICA will be primarily concerned with successful implementation and general project management. The Contractor's staff in Vietnam will receive general U. S. policy guidance primarily from the Director, USOM, but will not receive detailed supervision with respect to the performance of professional activities involved in this contract.

II. Scope of Work and Objectives.

A. The Contractor will continue the program of technical assistance to the Cooperating Government in public administration and related areas along the lines carried out since April 19, 1955 under agreements between the Contractor and ICA,

between the Contractor and the Cooperating Government, and between ICA and the Cooperating Government.

B. The objectives of this Contract are to provide advisory services to the Cooperating Government through the National Institute of Administration (hereinafter referred to as the "Institute") and any other agencies or organizations designated by the Cooperating Government with a view to enabling the Cooperating Government to attain the maximum efficiency in its administrative system. To this end, the Contractor will maintain in Vietnam a professional, technical, and administrative staff (hereinafter referred to as the "University Group") as expert advisors at the Institute and at such other administrative organizations as the Cooperating Government may designate.

C. The University Group will

1. participate in the academic program of the Institute by giving courses, collaborating in undergraduate and graduate curriculum development, and in preparation of textbooks and other study materials;

2. contribute to the development and expansion of in-service training programs for government officials;

3. in agreement with the Cooperating Government and USOM, select faculty and other officials of the Cooperating Government for training, advanced study, or observation in the United States or third countries, as may be desirable to achieve the objectives of this Contract;

4. carry out, at the request of the Cooperating Government, or on its own initiative with agreement of the Government, studies on problems of administration or of administrative reform and present reports and recommendations to the Cooperating Government;

5. collaborate with the Institute or other designated organizations in research of an academic character and in the organization and execution of a governmental research program;

6. advise and assist in the further development of the Institute's or other designated organizations' libraries and other research or study facilities for use by students, faculty and other governmental personnel;

7. advise and assist the Institute or other designated organizations in the further development of professional associations and publications as a means for advancing the exchange of ideas and experience in public administration and related areas;

8. advise and assist the Government in the training and development of training centers and in improving the organization and methods of those branches of the police services that are designated by the Government.

III. Personnel

A. Overseas Staff

To attain the objectives of this contract the Contractor will employ a staff of professional technical advisors, and administrative personnel in Vietnam as follows:

1. Contractor's Chief of Party to supervise operations under this contract;

2. Regular staff members not to exceed thirty (including the Chief of Party) without prior approval of ICA/W and the Cooperating Government, the exact number to be the minimum necessary, in the opinion of the Contractor, to accomplish the objectives set forth in this Appendix. It is understood that, because of the personnel limit of fifty-four prior to July 1, 1959, the irregularities of phasing down require that the thirty staff member limit not be enforced until after December 31, 1959. It is also understood that approximately ten of the thirty staff members shall be directly involved in the police administration activity.

3. Short-term staff members in addition to the regular staff members, not to exceed ninety-six (96) man-months since April, 1955, with the concurrence of USOM and the Cooperating Country.

B. Home Staff

The Contractor may employ a Campus Coordinator and such secretarial and other assistance as is necessary to effectively perform activities under this contract. The Campus Coordinator shall be responsible for assisting in planning and supervising the participant training program and serving as general coordinator of the services to be rendered under the contract, and as liaison officer between Contractor's field staff and home institution and ICA.

CONTRACT BETWEEN THE UNITED STATE OF AMERICA AND
 MICHIGAN STATE UNIVERSITY

Budget No. 1

Appendix C - Approved Budget

Line Item No.	Actual and Estimated Expenditures Fr: 4/19/55 To: 6/30/59	Firm Budget Fr: 7/1/59 To: 6/30/60	Projected Budget Fr: 7/1/60 To: 6/30/62	Total Budget Fr: 4/19/55 To: 6/30/62
I. Salaries	\$1,641,395	\$ 414,150	\$ 528,520	\$2,584,065
II. Allowances	317,622	77,930	100,544	496,096
III. Travel and Transportation	767,496	492,694	191,620	1,451,810
IV. Other Direct Costs	204,355	58,163	78,757	341,275
V. Overhead	311,625	75,806	98,225	485,656
VI. Equipment	189,281	24,000	55,000	268,281
VII. Participant Costs	283,923	240,520	225,400	749,843
GRAND TOTAL . . .	\$3,715,697	\$1,383,263	\$1,278,066	\$6,377,026

SPECIAL PROVISIONS

1. The firm budget represents the total funds authorized to be expended by the Contractor during the period indicated. Within the grand total of the firm budget the Contractor may increase or decrease, in an amount not to exceed 15%, any of the line items contained in the firm budget without obtaining ICA/W approval, except that the budget item for overhead may not be increased if payment of a lump sum in lieu of overhead is provided in Appendix D.

2. The projected budget covers estimated costs for the period indicated of which \$101,146 has been committed by ICA for the purposes of this contract. Any expenditure of projected budget funds will be subject to prior ICA/W approval of individual items of expenditure or of a revised firm budget.

3. As soon as practical during the period covered by the firm budget, but not later than three months prior to the end of the firm budget period, the Contractor will submit to ICA/W proposals for a new budget for the ensuing year.

4. This budget reflects a combination of authorized expenditures and estimated costs under the superseded contract and this contract.

5. 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 as more fully explained in Appendix D.

#	#	#	#	#	
<u>FUNDING</u>					
		<u>TS</u>	<u>C</u>	<u>P</u>	<u>TOTAL</u>
PIO/T	59015	781,323	-0-	-0-	781,323
/C	59014	-0-	110,950	-0-	110,950
/P	59014	-0-	-0-	89,833	89,833
/T	60232	1,049,670	-0-	-0-	1,049,670
/C	60241	-0-	31,550	-0-	31,550
/P	60233	-0-	-0-	76,780	76,780
/T	70134	963,000	-0-	-0-	963,000
/C	70135	-0-	35,000	-0-	35,000
/P	70136	-0-	-0-	102,000	102,000
/T	80190	1,144,497	28,450	117,053	1,290,000
/T	90239	507,000	24,000	139,000	-0-
TOTALS		<u>4,445,490</u>	<u>229,950</u>	<u>524,666</u>	<u>5,200,106</u>

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND
MICHIGAN STATE UNIVERSITY

APPENDIX D - SPECIAL PROVISIONS

I. Previous Contract

The contract between the parties hereto dated April 19, 1955 as amended is superseded by this contract on the effective date hereof. It is understood that (1) service of personnel currently employed under the superseded contract shall be credited as service under this contract; (2) unused annual and sick leave of personnel shall be carried over from the superseded contract; and (3) longevity of service under the superseded contract shall be applicable for the determination of home leave under this contract.

Since this contract supersedes an existing contract and is intended to carry on a continuing program, all operations, personnel, unexpended funds, equipment and facilities under the superseded contract shall be continued and carried forward to and be subject to the provisions of this contract.

II. Workmen's Compensation Requirements

The following is added as paragraph G to Article II of Appendix A:

"G. The Contractor agrees that before commencing the performance of any overseas services required herein, it will (a) provide for securing to or on behalf of its employees engaged in work under this contract outside the continental United States the payment of compensation and other benefits under the provisions of the Defense Base Act (42 U. S. C. 1651), as amended, and (b) maintain during the term of this contract, or while any such employee is engaged in performing services outside the continental United States hereunder, security for the payment of such compensation and benefits. Contractor also agrees to require similar compliance with said Act from each subcontractor or subordinate contractor, if any, employed in the performance of this contract. This paragraph shall not apply to any employee of any subcontractor or subordinate contractor who is engaged exclusively in furnishing materials or supplies."

III. Insurance

Appendix A, Article XIX-A-1-b is deleted in its entirety, except that reimbursement for the cost of premiums paid for health and accident insurance for staff members appointed and employed under this contract as amended may continue at the rates established under that contract until the end of the current tour of duty now in progress for each such staff member.

IV. Source of Reimbursement of Authorized Costs

A. Obligations assumed by the Cooperating Government payable in local currency under the contract shall include the following:

1. Quarters allowances (if such facilities are not furnished) pursuant to the provisions of Appendix A - Article XVII-B.
2. Local travel costs pursuant to the provisions of Appendix A - Article XVIII-A-3.

V. Overhead

Overhead costs will be reimbursed the Contractor in accordance with the basis set forth in Appendix A - Article XX-B at the provisional "on-campus" rate of 36% and at the provisional "off-campus" rate of 16%.

VI. Replenishment of Advance of Funds

Unexpended funds have been received by the Contractor under the contract being superseded by this contract. Insofar as such unexpended funds exceed the amount specified for an advance of funds in Article III-C of the basic agreement, vouchers for expenditures hereunder submitted by the Contractor will not be reimbursed but will be applied to reduce this outstanding advance of funds until such time as this outstanding advance of funds shall be equal to the amount specified for an advance of funds. Insofar as the aforesaid unexpended funds are less than the amount specified for an advance of funds in Article III-C of the basic agreement, additional funds will be advanced to Contractor so that the total outstanding advance of funds shall be equal to the amount specified for an advance of funds. Thereafter (1) ICA will reimburse the Contractor an amount equal to reported expenditures in order to replenish the advance of funds on an imprest basis as provided for in Appendix A - Article XXV-A and (2) the replenishment of the advance of funds authorized in said Appendix A - Article XXV-A shall be made on a quarterly basis.

VII. Use of Library

With respect to the provisions of Appendix A-XX-B-3, it is understood that the Contractor will render library service to staff members overseas at the Contractor's home institution.

VIII. Other Direct Costs

It is further understood that retirement contributions made by the Contractor shall be reimbursed as a direct cost in accordance with Article XIX-A-1-a of Appendix A and therefore excluded from the overhead computation.

IX. Participant Training

Appendix A-XXII-A-6, notwithstanding the provisions of this Article international transportation for participants will be reimbursable dollar cost under this contract in an amount not to exceed the cost of first class commercial air travel by the most direct and expeditious route.

X. Facilities and Services

ICA will endeavor to arrange for commissary and other similar privileges for Contractor's staff and dependents in Vietnam on the same basis as they are available to USOM personnel and dependents.

XI. Facilities and Services arranged by the Cooperating Government

Pursuant to the agreement between the Cooperating Government and the Contractor, it is understood that the Cooperating Government agrees to continue to provide sufficient local currency for supporting staff, office space, and equipment, housing for Contractor's personnel, local travel, and other related facilities as the Contractor may incur in the operation of this project.

XII. Local Currency

For such instance where the Cooperating Government does not meet its commitments as to funding or services which it is obligated to provide under the terms of the corollary agreement between the Cooperating Government and the Contractor (see XI, above and Appendix C, Special Provision 5) expenses chargeable in local currency may be reimbursed under this contract up to \$100,000. This total may be used to reimburse the Contractor 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 payment the Contractor 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 Contractor 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.

XIII. Special International and Local Travel

Upon prior written notification by Contractor to Government and USOM, the Contractor shall be reimbursed for (a) the cost of international transportation other than between the United States and the cooperating country and for local transportation within other countries and (b) travel allowances while in travel status and performing services hereunder in such other countries at rates prescribed by the U. S. Standardized Government Travel Regulations, as amended, when such travel advances the purposes of this contract. Reimbursement for such transportation and travel allowances shall each not exceed the cost required by the most expeditious commercial air route, except as otherwise provided in Appendix A-Article XVIII-A-5.

XIV. Notice of Changes in Allowances

It is understood that the information to be supplied by USOM under Appendix A-XVII-E will be in writing to the Vice President for Business and Finance at Michigan State University, East Lansing, Michigan.

XV. A. Appendix A-I-Q is revised to read as follows:

"Q. 'Participants' shall mean nationals of the cooperating country brought to the United States and/or third countries for training."

- B. Appendix A-XXII-A is amended to provide that all references therein to the "United States" are revised to read the "United States and/or third countries for training."
- C. Appendix A-XXII-B applies only to service charges for participants while in the United States.

DRAFT

ICA UNIVERSITY CONTRACTOR'S GUIDE



A. Standards on Salaries and Other Personnel Matters

1. Time periods for salary payments

- a. Salary payments to staff members will begin on the date that they undertake full time duties under the contract and will continue until the return to their home or usual place of business. Normally not more than fourteen calendar days should be deemed to be duty under the contract, before departure for their overseas post.
- b. Salary payments to campus personnel should begin on the date of assignment to duties under the contract and should terminate when such duties end. In the event that campus personnel are assigned to work directly on this contract on a pro rata time basis, the pro rata portions of salaries determined as being chargeable to this contract should be based on records kept in accordance with Contractor's usual procedures.

2. Promotions and Salary Increments

- a. Longevity and merit increments in salaries may be made in accordance with the normal practices of the Contractor for all personnel appointed under the contract.
- b. Promotions in rank during the life of the contract may be made (1) when an individual appointed to one position under the contract succeeds to another position with a higher grade under the contract; or (2) when the particular individual would receive such a promotion, based on length of service and other factors, had he been serving on the Contractor's regular staff at home at the time.

- c. If overall general increases in salary levels are adopted by the Contractor during the course of the contract, like increases will be permitted under the contract to coincide with the effective date of the university adoption of the new salary levels.

3. Leaves

- a. Sick leave may be accumulated over the period the individual serves on the contract.
- b. Vacation leave may be accumulated over the period the individual serves under an appointment.
- c. Vacations should be taken within the period of the individual's appointment and should normally be taken during regular vacation periods of the host institution. Lump sum payments in lieu of vacations may be made at the time of separation of the employee only when attainment of the objectives of the program has made it impossible to take vacations during the period of such appointment.

4. Standards on Travel and Transportation

a. Travel

Personnel and their dependents traveling in the United States or abroad in connection with ICA-financed inter-university contracts should normally be furnished with transportation by the most expeditious first-class scheduled commercial airline. In the event travel is accomplished by rail, or sea, or private car, reimbursement is limited to actual cost not to exceed the cost of travel by the most expeditious first-class scheduled commercial airline.

b. Transportation of Baggage and Personal Effects

Staff members proceeding abroad will be reimbursed for the costs of transporting baggage from their point of origin in the United States to their destination abroad and return within the following limits:

Unaccompanied Baggage

<u>If Major Portion of Travel by Air</u>		<u>If Major Portion of Travel by Surface</u>	
<u>Staff Members</u>	<u>Dependents</u>	<u>Staff Members</u>	<u>Dependents</u>
200 pounds by air and 200 pounds by surface	100 pounds by air and 200 pounds by surface	400 pounds by surface	300 pounds by surface

No excess accompanied baggage will be allowed except that fifty pounds of excess accompanied baggage may be taken for each dependent under two years of age.

c. Personnel Serving Less than Two Years Abroad

Reimbursement for costs of transporting household effects and automobile should normally be limited to personnel assigned to serve for a two-year appointment. Exceptions to the foregoing may be granted, within the limitations of the contract, if in the discretion of the contractor it is deemed reasonable and in the best interests of the contract to allow the full transportation privileges after taking into consideration such factors as the expense and time required for transportation, the period the individual would have use of the personal effects and automobile overseas and other relevant circumstances.

B. Standards on Training Programs

1. Participant Operations

Among the activities usually authorized under an inter-university contract is that of bringing to the United States professors and others for observation and study of American educational practices pertinent to the objectives of the inter-university contract.

Participants brought to the United States under the auspices of an inter-university contract are, of course, only a relatively small proportion of the total of participants from overseas who come to the United States each year under the overall ICA technical cooperation program. Many of these direct ICA-sponsored participants will be at the same U.S. universities as those coming in under the inter-university contract. In these circumstances, it is necessary in the interests of equity to apply the same policies and practices to inter-university contract participants and other participants. These policies and practices are set forth in ICA M.O. 1300.1 (copy attached) "ICA Participant Training Policy" and will generally govern all participant operations unless express provisions of the inter-university contract determine otherwise.

2. Participant Costs

Costs involved in training participants from the overseas institution in the United States are normally covered in the following manner:

- a. Salaries of the people involved are normally continued by the overseas institution which employs them.

- b. Round-trip transportation to and from the United States is normally provided by the cooperating government as part of its contribution to the joint project.
- c. The American university is normally authorized under the inter-university contract to provide, when necessary, the following items for each participant:
- (1) Customary tuition and fees of U.S. institution in which training takes place.
 - (2) Typing of papers not to exceed \$100 per participant at the U.S. institution.
 - (3) Allowances for necessary textbooks, not to exceed \$150 per school year for each participant.
 - (4) Travel within the United States as approved by the Contractor, not to exceed \$250 per year per participant in addition to travel from port of entry in the United States to the American university campus and return to port of exit from the United States.
 - (5) Subsistence per diem while in the United States at not exceeding the standard ICA rates. These rates currently are \$12 per day when the participant is on a travel status, and \$8 per day when he is not.
3. Types of Participant Training Activities

In carrying out programs of study and observation of comparative educational practices various types of training activities may be organized. Among these and appropriate to the inter-university contract operations are the following:

- a. Regular study and observation programs. These consist of 6-12 months study in the United States for professors, future professors, part-time professors, and research assistants who are part of the overseas institution staff and whom it has been agreed between the two institutions will benefit by such a trip and will advance the contract objectives while in the United States. These persons will be under the direct guidance and control of the American university. While ICA policy is to limit this type of training and observation to not more than one year in the United States, an exception could be made at a U. S. institution of higher education. Such an exception would be considered in the light of M.O. 1300.1, Section (c)-3 (attached).
- b. Leader trips. These are not common activities. They are designed to meet specific situations where key and influential persons whose understanding and support of the contract objectives overseas is essential are brought to the United States for approximately a month. Such participants usually can only be away from their own institution for brief periods of time. Projects of this type need to be well planned in advance so that the participants leave their country with a full knowledge of the type and content of the program they will experience in the United States.
- c. Third country projects. These are so named to represent study and observation in a country other than the United States or the overseas country involved in the inter-university contract. On occasion it may prove desirable to undertake study trips to neighboring countries

to encourage intra-regional exchange of knowledge and experience, and to observe comparable developments to that being supported by the inter-university contract. These projects, if required in support of the contract objectives, should be handled as a regular ICA third country participant project utilizing the offices of the two USOMs involved to handle arrangements in the third country. The participants in most instances do not need to be accompanied by an American representative. In fact, for obvious reasons, this should be discouraged.

4. General Limitations Applicable to Participants

It has been found from experience that certain general instructions or limitations need be applied in connection with participant activities.

These are:

- a. Participants are strongly discouraged from bringing dependents with them when they come to the United States for training. Where they feel it is essential to do so they are required to undertake full responsibility for the support of the dependents. No ICA funds can be utilized for the travel costs and support of such dependents while in the United States.
- b. Participants are not permitted to own or operate an automobile while in the United States unless this is specifically necessary for the successful accomplishment of their training program. This restriction

has been based on certain difficulties with insurance laws and financial and legal difficulties which participants in the past have encountered as a result of operation or ownership of automobiles.

- c. Participant's period of observation and study in the United States is normally designed to provide the participant with new knowledge and experience that will increase his effectiveness as an educator. Study primarily for an academic degree is only permitted under very special circumstances.