Administrative Guidance on How to Open an Overseas Operating Unit

A Mandatory Reference for ADS Chapter 527

I. General

This guidance outlines a strategy and framework for performing the administrative functions of opening a new USAID Overseas Operating Unit. An Operating Unit includes a traditional USAID Mission overseas but also refers to other Operating Units as identified in **ADS 102.3.1**. This document is to be used as a guide to setting up a new Mission only after all necessary bilateral, diplomatic, and programmatic negotiations are complete and the USAID Administrator has approved the new Mission.

This guidance applies to formal establishment of USAID Missions, field units designated as Offices of USAID Representatives, or other USAID overseas Operating Units (collectively referred to as "USAID Missions" throughout this document) in accordance with **ADS 102, Agency Organization**. The opening of an Operating Unit must be USAID/Washington-generated, approved by the inter-Agency, and involve stakeholder consultation, including appropriate Congressional consultation and notification. Similarly, the appropriate host country entities should be notified and involved when appropriate to facilitate the establishment of the new USAID Mission.

The guidance addresses the transfer of administrative duties, responsibilities and authorities to the new USAID Mission, and it covers administrative, financial, and logistical matters only. It does not address programmatic functions and operations. The strategic vision and scope and scale of the development program to be managed by the new USAID Mission will inform the need for Agency office space and staffing, and this guidance should be considered as an authoritative guide. Each USAID mission operates in a unique, country-specific operating environment, and the opening of a new Mission must be consistent with the approved country strategy.

II. Agency Coordination and Collaboration in Implementation

To ensure effective, efficient and timely action, the opening of a USAID Mission should be managed collaboratively to the maximum extent feasible through the use of multidisciplinary temporary teams, consistent with the guidance provided in **ADS 102.3.3 Agency Organization**.

A. Management Support Teams (Planning Team and Opening Team)

The requirement for establishing and opening USAID Missions is driven by:

1) U.S. Government policy determination based on political or humanitarian requirements; or

2) USAID Regional Bureau requirements when the scope and scale of existing development activities require country-level oversight and the delegation of implementation responsibilities to the field.

There are two approaches to stand up a new Mission. In some critical circumstances, it may be appropriate for the Agency Administrator to establish a temporary Task Force

which will have the authority to coordinate the work of all USAID Bureaus and Independent Offices, rationalize the allocation of resources, coordinate activities, and provide overall management for the opening of the new Mission.

The second approach is for the responsible USAID Regional Bureau to establish a multidisciplinary Management Support Planning Team to manage and facilitate the opening of a USAID Mission. This is especially the case when the opening of a new Mission is based on the growth of development programs and the requirement for enhanced oversight of USAID activities.

The Management Support Planning Team will be referred to as the "Planning Team" throughout this section.

The Bureau for Management, Office of Management Services, Overseas Management Division (M/MS/OMD) provides Executive Officer (EXO) support for administrative guidance to the Planning Team and, when a full-time effort is required, will recommend and help identify a qualified EXO. The Management Planning Team will primarily focus on all the necessary interagency requirements, and it also will identify a Management Support Opening Team to travel to the new Post. This Team will be referred to as the "Opening Team" throughout this guidance.

- The Opening Team normally will consist of an experienced EXO, Controller, representative, and Bureau for Management, Office of the Chief Information Office (M/CIO) representative.

- The actual composition of the Opening Team will vary according to the size, complexity, and unique circumstances at each Post, although the principal management functions must be represented.

- The Office of Security (SEC) representative must determine security requirements early in the planning stage in close consultation with Department of State Diplomatic Security and the Post Regional Security Officer (RSO).

B. Management Support Planning Team Procedures

ADS 102.3. Approval of a New Mission describes the initial steps the applicable Geographic Bureau will take when a decision is made to establish a new Mission. These steps include:

1) Obtaining required USAID internal and Department of State and Chief of Mission approvals;

2) Preparing a proposed functional statement, organizational chart, preliminary operating expense (OE) budget, and staffing pattern; and

3) Initiating the National Security Decision Directive (NSDD) 38 process for all U.S. Direct-Hire (USDH), internationally recruited Third Country National Personal Services Contractors (TCNPSCs) and U.S. Personal Services Contractors (USPSCs).

The Planning Team must carry out the following specific administrative tasks before the Opening Team arrives at Post:

1) Post Information -- Thoroughly review the Post report and recent information on the host country, and, in consultation with the Department of State (DOS), determine the characteristics and conditions particular to the cooperating country, including Embassy facilities and capacity to provide support and services to USAID. Essential support must be provided by DOS, and these discussions must focus on the capacity and staffing of the Post's International Cooperative Administrative Support Services (ICASS) operations, and the availability of office space and residential housing.

2) Embassy Support -- Arrangements for Department of State administrative support services must be an early priority of both the Planning and Opening Teams. If possible, the Planning Team will reach an agreement on DOS support through discussions with the Post Management Officer and the appropriate Geographic Bureau.

3) Funds Availability -- Arrange for an allotment of Operating Expense (OE) funds to the new Mission.

4) Staffing -- Determine the initial staffing requirements of the new USAID Mission based on the scope of approved development program and identify key positions in each employment category (*i.e.,* Foreign Service Officers (FSOs), Cooperating Country National Personal Services Contracts, (CCN PSCs), Foreign Service Nationals (FSNs), TCNPSCs, USPSCs, institutional support contractors, etc.) by number and type, and obtain preliminary Chief of Mission (COM) and Department of State Regional Bureau concurrence for the estimated staffing levels.

5) Bilateral Agreement -- In consultation with USAID Office of the General Counsel (GC), Regional Bureau leadership, Department of State counterparts, and the Embassy Chief of Mission (COM), the Management Support Planning Team will determine the timing for initiating discussions with the host country government for negotiating a Bilateral Agreement for Technical Assistance.

The Bilateral Agreement will address the privileges, entitlements and immunities of U.S. citizen employees of the Agency who are announced to the host country government as members of the USAID Mission and the tax-exempt status of USAID implementing partners and program commodities, supplies and equipment.

6) **Financial Management** -- Coordinate with M/CFO on all financial management requirements and ensure funds are available to cover all identified fiscal requirements. Pending the establishment of a new Mission Controller Office, M/CFO may identify a USAID Controller in a nearby USAID Mission or a Regional Controller to support the new Mission and perform required financial management functions.

7) **Embassy Facilities and ICASS Services** -- Ensure that the Post has the capacity to provide specific services through Embassy ICASS (**ADS 520**), and a preliminary ICASS agreement can be developed. The DOS Bureau Executive Director can advise the Embassy of support obligations in advance of the Opening Team's arrival.

8) **IT and Communications** -- Consult with M/CIO on the actions necessary to 1) add wireless networks and end-user devices, and 2) provide an estimated lead time that accounts for defining requirements and ordering, shipping, and installing equipment.

9) **Announce Mission Opening** -- Release a USAID General Notice regarding the opening of a new Mission, including the address, method of communicating, pouch schedule, APO information, etc.

C. Management Support Opening Team Procedures

1) Administrative/ICASS Security and IT Support

Depending on the circumstances, Opening Team members may or may not travel to the Post concurrently. The procedures below are primarily tasks that will be led by the EXO, in cooperation with other Agency parties. Every effort must be made to establish AIDNET access as soon as practicable.

Upon arrival at Post, the EXO must contact the Embassy Management Officer and Regional Security Officer and hold discussions on administrative and security support. These discussions must cover both the immediate and long-term support the Embassy is capable of providing and administrative requirements particular to the needs of USAID. These discussions also must include the following:

a. Background and justification for establishment of a USAID presence in the country, the type of program proposed, and the number and categories of personnel required to support the development program, *i.e.,* USDHs, CCNs, FSNs, USPSCs and TCNPSCs, if any, to be assigned and recruited. USDH numbers must be established and approved through the NSDD-38 process.

b. Embassy operating environment, and the relationship with the host government, such as:

- Possible support that the host government can be expected to provide.

- Availability of resources in the local economy (*i.e.,* personnel, services and commodities).

c. Discussion of and arrangements for larger team support, **ICASS (ADS 520)** implications and services, etc. The Embassy Management Office must be apprised of the expected scope, scale and timing of USAID operations to ensure that adequate ICASS support can be provided. The Embassy must adjust ICASS staffing or mobilize to ensure sufficient capacity.

The USAID requirement for adequate office space must be negotiated in conjunction with the ICASS service agreement. USAID Missions will subscribe to the ICASS cost centers necessary to ensure effective administrative support and in accordance with the requirement for all agencies to subscribe to mandatory and essential services, per **6 FAH-5 H-340** and **ADS 520**.

Illustrative subscription to ICASS cost centers to support a new USAID Mission:

Mandatory

- 5624 - Health Services

- 5880 - Security Services

- 6150 - Basic Package (Diplomatic Accreditation, Post & COLA Reports, etc.)

- 6443 - Community Liaison Office

Co-located in the Embassy Compound

- 78XX - Building Operations

- 5826 - Local Guard Program

- 6195 - Reception and Switchboard

- 6194 - Mail and Messenger

- 6143 - Warehouse Operations

Furnished Housing

- 6148 - Leasing Services

- 6144 - Furniture and Appliance Pool Services

- 78XX - Building Operations

- 5821 - Residential Local Guard Program Services

- 5823 - Mobile Patrol Local Guard Program Services

Essential Cost Centers

- 6136 - Shipping and Customs Services

- 6139 - Motor Pool Services

- 6462 - Travel Services - Management of Post Travel Management Center (TMC)

- 6134 - Procurement Services

- 6222 - Pay rolling Services

- 6451 - HR Services-Locally Employed Staff (LES) with Modification Factor

2) Host Government Contacts

Upon arrival at Post, the EXO must contact Host Government counterparts and hold discussions on USAID's plans and necessary support. These discussions must cover both the immediate and long-term plans related to the needs of USAID.

The objectives of the discussions with these contacts are to:

a. Establish a working relationship to effect implementation actions between the host government and the Mission;

b. Determine the extent to which the host government can provide support for the program, such as transportation, supplies and equipment, maintenance, etc.; and

c. Identify problem areas that may require resolution. For example, consider any special import restrictions or laws that could impinge on

the quality and timing of USAID logistical support, or any special currency regulations the new Mission might encounter.

3) Other Contacts

Other U.S. Government agencies may be present at Post. The Opening Team must establish contact with these agencies to ascertain how they obtain various support services, *e.g.,* through a single ICASS provider. The Management Support Opening Team may also make contact with other donors and international and private sector organizations, particularly if private sector outsourcing is being considered for some support services.

4) Initial Staffing Requirements

The Planning Team should plan for personnel that will be required in the short and medium-terms to meet immediate programmatic and operational requirements. The establishment of new Foreign Service and CCN positions and the recruitment of personnel can be time-consuming, and human resource (HR) staffing requirements are considered a priority for both the Planning and Opening Teams.

With the assistance of the Office of Human Capital and Talent Management (HCTM), Bureau for Management, Office of Acquisition and Assistance (M/OAA) and other Bureaus/IOs, the Planning Team and the Opening Team must identify mechanisms to fill key positions, to potentially include:

- Temporary Duty (TDY) assignments of essential FSO staff from other USAID Missions or AID/Washington;

- TDY or Fellowship assignments of experienced FSN/TCN technical experts from other USAID Missions;

- U.S. and local staff through the use of institutional support contracts;

- Short-term TCN/USPSC positions; and

- Retired Foreign Service technical experts through the Short-Term Appointment Roster (STAR) maintained by HCTM.

5) Interim Transportation Arrangements

The Opening Team must consult with the Embassy GSO as the ICASS Service Provider at Post to ensure the availability of transportation support. All USG personnel overseas must use a designated Post **Travel Management Center, per 14 FAM 540**. The Opening Team should ensure that the Post Travel Management Center (TMC) is familiar with the USAID Travel Authorizations and ADS sections relating to official travel performed by USAID employees.

The Opening Team also must ensure the supply of ground transportation at Post for official purposes. If necessary to supplement ICASS support and pending procurement and shipment of any approved USAID vehicles, arrangements for interim transportation must be made, which could include:

- Embassy GSO support for ICASS motor pool assistance,

- Assistance from other U.S. Government agencies,

- Request to host government to provide transportation, if applicable, and

- Lease vehicles or contract for the transportation.

D. Checklists

The use by the teams of the following checklist is recommended:

- Personnel - HR

- CFO/Financial Management (FM)

- Procurement and Supply

- Personal Property

- Information Technology (IT) Equipment

- USAID Real Property -- Office Space and Residential Housing

1) Personnel - HR

This listing is illustrative and can be used to support the work of the Management Support Planning Team and Opening Team. Human resources initiatives will be governed by a variety of factors, and the teams' work will reflect the Post's specific activities and circumstances (for policy directives and required procedures see **ADS Series 400, Human Resources**).

U.S. Direct-Hire Employees

USDH Foreign Service position numbers must be established and approved. Once approved, the Opening Team must coordinate with the responsible Regional Bureau AMS and HCTM to advertise and fill vacancies on an expedited basis.

1. Identify the type and number of USDH employees that are required to support the approved development program and, in consultation with Regional Bureau leadership and HCTM, submit NSDD-38 staffing requests to the responsible Regional Bureau AMS.

   Completed Date _____

2. Consult with HCTM and the Regional Bureau on assignment strategies and, depending on the urgency of the requirement, determine if a Special Bidding Opportunity or CHCO action to direct the assignment of Foreign Service Officers to the new Mission would be feasible.

   Completed Date _____

Non U.S. Local Staff

Local staff recruitment, processing, and hiring require coordination with the Embassy Personnel Officer and RSO. The opening team must review the local compensation plan and adhere to the provisions of the AIDAR and related CCN/FSN/TCN PSC policies found in **ADS 309, Personal Services Contracts with Individuals**.

Initially, employment of CCN personnel must be limited to the minimum practicable level. A basic staffing plan should be developed during the planning stage and will serve as a guide. The services to be provided to USAID through ICASS will influence the types and numbers of administrative CCN PSCs.

1. In consultation with HCTM and the Embassy Human Resources Office (HRO), establish approved, required positions and initiate recruitment, with reference to **AIDAR Appendix J**.

   Completed Date _____

2. Develop a staff recruitment timeline with reference to Agency programmatic requirements; and develop short-term staffing solutions, as necessary, on a continuing basis.

   Completed Date _____

2) CFO/Financial Management (FM)

Mission opening procedures will be governed by the specific circumstances at the new Post, and all related actions will be guided by the policy directives and required procedures in **ADS Series 600, Budget and Finance**.

This checklist outlines general and specific procedures for opening a Mission Controller Office and establishing financial records and responsibilities.

The Bureau for Management, Office of the Chief Financial Officer (M/CFO) in Washington will designate another Mission or USAID office to support the new Mission's initial operations and perform transactions until the new Controller Office is fully functional and has the capacity to assume full responsibility for financial management operations at the new Post.

a. **Planning and Preparation**

  1. Ensure the new Mission and the Deputy CFO (D/CFO) for Overseas Operations are consulted on the establishment of Controller, accounting and payment station operations. Contact the D/CFO for Overseas Operations and request that the new Mission Controller be noted in the cognizant Controllers list.

     Completed Date _____

  2. Ensure consultations with the Embassy Financial Management Officer (FMO) are arranged for the assumption by USAID of financial management issues.

     Completed Date _____

b. **Audit Management (ADS 500 Series)**

  1. Notify the responsible Regional Inspector General of the establishment of the new USAID Mission.

     Completed Date _____

  2. Notify M/CFO/APC of the new Mission Controller Office and request they are provided access to USAID audit tracking database (CACS) folders.

     Completed Date _____

c. **Financial Systems**

  1. Notify M/CFO/FS Financial Systems Phoenix Team of the establishment of the new Mission Controller Office as an accounting and payment station. Identify access roles in Phoenix by the Phoenix security access team.

     Completed Date _____

2. Ensure the new Mission Controller Office employees are granted access to the Mission Phoenix Viewer MAPPR, budget operating expense, and local payroll.

   Completed Date _____

d. **Reporting**

   1. Make arrangements for Treasury GWA and State 1221 Fund Balance reconciliations to be transferred to the new Mission Controller Office accounting station. Ensure the Agency Location Code (ALC) has been established by Treasury. Ensure eCART cash reconciliation roles have been established. Establish State SHIFTS disbursements/collections Agency Location Codes (ALC's) established for the new accounting and payment station.

      Completed Date _____

   2. Notify M/CFO/CAR Cash Team of the new USAID Controller Office as an accounting station. The Cash Team handles IPACs to Missions for DOS charges that appear on Washington 1221 reports and charges for any interns in the Missions that are paid by USDO Charleston.

      Completed Date _____

   3. Notify M/CFO that the new Mission Controller Office is an accounting and payment station. Ensure the new accounting and payments station has been granted records in Asist.

      Completed Date _____

   4. Establish GLAAS FM roles for accountants and financial analysts for the new Mission Controller staff.

      Completed Date _____

   5. Ensure suspense account reconciliations for both FSN payroll and non-FSN payroll have been established by the new Mission Controller accounting and payment station.

      Completed Date _____

   6. Contact the Purchase Card and Centrally-Billed Travel Card Washington Coordinators in M/OAA and M/CFO/FPS.

      Completed Date _____

7. Ensure tailored Phoenix Viewer reports have been developed (done via PHV option) by the new Mission Controller and accounting, payment and financial analyst staff.

   Completed Date _____

e. **ICASS (ADS 520)**

   1. Ensure the Post FMO prepared a Memorandum of Understanding (MOU) and subscription to new services for the International Cooperative Administrative Support Services (ICASS) system. Assign to the appropriate person responsibility to review the ICASS agreements and workload counts. Open ILMS & Ariba accounts for the new Mission.

      Completed Date _____

f. **Operating Expenses**

   1. Establish an OE budget and necessary coordination with M/MPBP and Regional Bureaus.

      Completed Date _____

   2. Coordinate the new Mission subscription to the ICASS Embassy Furniture, Appliance and Generator pools.

      Completed Date _____

   3. Review and ensure Living Quarters Allowances (LQA) and educational allowances are provided in advance if appropriate and if so, ensure employees have submitted documentation to support the total amount provided.

      Completed Date _____

g. **Cashier Operations – Class B, Privatized Bank, State Petty Cash Funds (State FAM-FAH)**

   1. Has USAID gained access to the Post Class B Cashier, if applicable; and if so, been approved?

      Completed Date _____

   2. Has a privatized bank agreement, if applicable, been established?

Completed Date _____

h. **Voucher Processing and Prompt Pay ([ADS 630](#))**

   1. Ensure the Mission has been set up in ASIST.

   Completed Date _____

   2. Establish in writing Contracting Officer's Representative/Agreement Officer's Representative (COR/AOR) and other administrative approving officer roles to support new Mission activities.

   Completed Date _____

   3. Ensure access for the authorized certifying officer (ACO) has been granted access by the Phoenix security access team in order to be able to certify the Mission's payments.

   Completed Date _____

   4. If the ACO is not a Foreign Service Officer, ensure s/he has been vetted by the M/CFO to ensure proper qualifications.

   Completed Date _____

i. **E2 Systems ([ADS 522](#))**

   1. Ensure the Mission been set up in E2 as a Major or Minor Customer.

   Completed Date _____

   2. Establish in E2 accounts for new employees.

   Completed Date _____

j. **Payroll & Allowances – USDH**

   Establish WebTA accounts for timekeepers and supervisors.

   Completed Date _____

k. **Payroll & Allowances – USPSC ([ADS 309](#))**

   Establish WebTA accounts for timekeepers and supervisors.

   Completed Date _____

I. TCN/FSN Payroll & Allowances – TCN/FSN (Local Compensation Plan – LCP)

Ensure the new Mission has contacted State Charleston/Bangkok in order to enter new employees in the State payroll system.

Completed Date _____

3) Procurement and Supply

The following checklist should not be viewed as a comprehensive, all-inclusive how-to-guide, but must be used in conjunction with the Mission-specific plan in ensuring that basic areas are covered. The administrative procurement and supply issues related to opening a new USAID Mission should be reviewed in the context of the specific activities and circumstances of the new Post and in accordance with **ADS Series 300, Acquisition and Assistance**.

USAID Mission Responsibilities

1. Determine the new Mission requirements for small purchases, such as for supplies, and ensure Embassy GSO and USAID procurement systems are responsive and efficient.

   Completed Date _____

2. CORs/AORs should ensure that their files conform to the Records Management guidance on maintaining Agency official records.

   Completed Date _____

4) Personal Property

The Management Support Opening Team must establish a mandatory property records management system to reflect the receipt and control of all nonexpendable property in accordance with **ADS 534, Personal Property Management Overseas**. Some initial procurement for the new USAID Mission may be coordinated or executed by the Planning Team in Washington.

1. The Opening Team initiates procurement of essential office equipment, furnishings, and supplies and essential services at the earliest possible time.

   Completed Date _____

2. The Opening Team coordinates mandatory USAID participation in the Embassy ICASS Furniture, Appliance and Generator pool through an ICASS services agreement.

   Completed Date _____

5) Information Technology (IT) Equipment

The Management Support Planning Team and Opening Team must consult closely with M/CIO for specific guidance and assistance in establishing IT systems in the new USAID Mission. Access to Agency information systems and communications is essential, and appropriate acquisition and installation of all required IT hardware and assets is high priority.

The Management Support Planning and Opening Team must work with M/CIO to ensure that planned Missions are incorporated into the M/CIO IT endpoint device (*e.g.,* laptops) budget for the fiscal year.

The Management Support Planning and Opening Team or Mission must identify and allocate adequate funding to support hiring of the Mission IT Systems Manager, internet connections such as internet service providers (ISPs), and the connection to the Diplomatic Telecommunications Service Program Office (DTPSO) secure network.

M/CIO must provide necessary support to the Opening Team to establish full IT functionality, including the build-out, configuration and operation of a Mission server room, telephone exchange, and distribution of all related desktop devices, instruments and printers.

1. Once M/CIO has determined the new Mission's IT systems and communications requirements, the transfer from existing inventory or the procurement of all necessary new equipment and hardware will be initiated. The Opening Team EXO at the new Mission will provide support and confirm all necessary shipping arrangements.

   Completed Date _____

2. Submit an M/CIO Service Desk Ticket (**cio-helpdesk@usaid.gov**) with a notice to establish a new Mission. The ServiceNow ticket will outline all Agency POCs for request (Systems Managers, IT Specialists).

   Completed Date _____

3. Obtain approval for all IT-related procurement, including PSC positions.

   Completed Date _____

6) USAID Real Property -- Office Space and Residential Housing

a. Office Space

Existing statutes and Agency policy dictate that new Missions must be situated in U.S. Embassy compounds. In determining USAID requirements, the Opening Team must work closely and consult with the USAID Office of Security (SEC) and M/MS/OMD. As a general rule, Missions with less than 50 desk positions must be located in the Chancery building or, when applicable, in a Department of State annex building on the compound. During the initial planning stages, the Agency will normally determine whether the Embassy can accommodate the Mission in existing space. For Missions with more than 50 desk positions, USAID normally requires separate facilities in Embassy compounds.

In practice, however, the Department of State may not have sufficient space in existing Embassy chanceries to accommodate USAID offices or Missions, particularly at older Embassies. In this event, it may be necessary to secure offices outside of Embassy compounds. To locate a USAID office outside an Embassy compound, an exception to current security standards may be appropriate. Contact M/MS/OMD - Real Property and SEC for more information.

U.S. Embassies can be helpful in locating leased office space. If U.S. Government-owned property is not available, office space must be leased. All functional leases for offices must meet the required security standards for the type of facility, *e.g.,* commercial or standalone. The Department of State's Bureau of Diplomatic Security must approve a collocation waiver request before USAID can proceed to sign the lease. EXOs must not enter into a lease for functional space of any kind without the expressed approval of SEC, M/MS/OMD, and the Regional Security Officer (RSO) at Post.

In all cases, the Opening Team is to adhere to the most recent State Department and Agency security guidelines and security standards for office buildings (see **ADS Chapters 561-568**).

b. Residential Housing

At most USAID Missions, DHs, USPSCs and TCNPSCs reside in government-leased or government-owned quarters. Where feasible and authorized by the Inter-Agency Housing Board (IAHB), employees and PSCs may lease their own quarters and be reimbursed in accordance with the provisions of the Standardized Regulations (Living Quarters Allowance).

USAID will follow existing practice at the Post with regard to employee/PSC living quarters. At Posts where government-furnished quarters are provided, USAID is

required to participate in joint housing pools for leasing and maintenance under ICASS.

Note that the temporary lodging allowance is limited to three months after the date of first arrival at Post, per the **Department of State Standardized Regulations (DSSR) Section 120**; therefore, living quarters arrangements for permanent Mission personnel must be given top priority.

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