

TITLE: CIB 95-18 Substantial Involvement Clause of Cooperative Agreements

July 10, 1995

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

FROM: DAA/M, Michael D. Sherwin, Procurement Executive

SUBJECT: Substantial Involvement Clause of Cooperative Agreements

CONTRACT INFORMATION BULLETIN 95 - 18

The use of substantial involvement clauses in cooperative agreements has been examined by USAID/W at a time when the thrust of U.S. Government reengineering efforts are aimed at reducing cumbersome regulations. Substantial involvement is not to be used as a device to provide undue administrative oversight and control. In accordance with the "Principles for Award of Assistance Instruments to PVOs and NGOs for Development and Humanitarian Assistance" approved by the Administrator, effective immediately provisions for substantial involvement by USAID should be limited to those few elements which are essential to meet program requirements and assure achievement of mutual program objectives. The following provisions are considered to constitute the appropriate level of substantial involvement:

- a. Approval of annual workplans;
- b. Designation of key positions and approval of key personnel in accordance with CIB 94-10;
- c. USAID approval of monitoring and evaluation plans, and USAID involvement in monitoring progress toward the achievement of program objectives during the course of the cooperative agreement.

Any additional provisions for substantial involvement thought to be necessary because of unique program requirements must be justified and a deviation authorized in accordance with the procedures in Handbook 13, section 1E, prior to their inclusion in any cooperative agreement.

A list of areas of anticipated substantial involvement that exceeds the above provisions may be an indication that a contract rather than a cooperative agreement, would be the appropriate instrument.