

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASE RESEARCH,
BANGLADESH

REPORT OF THE
BOARD OF TRUSTEES MEETING

28-30 MAY, 1985

1/BT/MAY 85

APPROVAL OF AGENDA

AGENDA

BOARD OF TRUSTEES MEETING

28-30 MAY, 1985

TUESDAY, 28 MAY

1. Confirmation of Agenda - 1/BT/MAY 85
2. Approval of draft minutes of December 1984 meeting. - 2/BT/MAY 85
3. Director's Report - Presentation of 1984 Annual Report. - 3/BT/MAY 85
4. Report of Programme Committee (including policy paper on Microbiology) - 4/BT/MAY 85
5. Resources Development Report. - 5/BT/MAY 85
6. Report of Management Review. - 6/BT/MAY 85

WEDNESDAY, 29 MAY

7. Report of Finance Committee (including approval of FY 1984 Audit Report and 1986-87 Budgets). - 7/BT/MAY 85
8. Reserve Fund Report. - 8/BT/MAY 85
9. Personnel & Selection Committee Report. - 9/BT/MAY 85
10. Report on WHO and UNICEF Collaboration. - 10/BT/MAY 85
11. Report on Consultative Group materials and Planning. - 11/BT/MAY 85

.../2.

AGENDA (Cont'd)

THURSDAY, 30 MAY

12. Nominations of Trustees
(including UNICEF seat) - 12/BT/MAY 85
13. Selection of Chairman of the Board;
Membership of Committee of Board. - 13/BT/MAY 85
14. Dates of next meeting. - 14/BT/MAY 85
15. Miscellaneous. - 15/BT/MAY 85
 - (a) U.S. Foundation
 - (b) Role & Function of Programme Committee.
 - (c) Project visits by Trustees:
Conclusions and Recommendations.
 - (d) Working Paper on Collaboration
with National Institutions.

SCHEDULE

AGENDA FOR BOARD OF TRUSTEES MEETING: MAY 1985 WITH SCHEDULE

Day, Date & Time	Activity
<u>Wednesday, 22 May</u>	
	Programme Committee
8.30 am - 12.30 pm	Presentations by Scientific Programme Heads
12.30 pm - 2.00 pm	Lunch
2.00 pm - 3.00 pm	The Balance of Service and Research at ICDDR,B
3.00 pm - 3.30 pm	Tea
3.30 pm - 5.00 pm	The relation of "Basic" to "Applied" Research at ICDDR,B
<u>Thursday, 23 May</u>	
	Programme Committee
8.30 am - 11.30 pm	Specific Priorities of the Centre
11.30 am - 12.30 pm	Report on Project Visits by Trustees
12.30 pm - 2.00 pm	Lunch
2.00 pm - 5.00 pm	Programme interaction to meet priorities
<u>Friday, 24 May</u>	
	Off day for informal discussion, preparation or field visits
<u>Saturday, 25 May</u>	
	Finance Committee Meeting
<u>Sunday, 26 May</u>	
	Personnel & Selection Committee Meeting
<u>Monday, 27 May</u>	
	Report preparation and review
2.00 pm - 3.00 pm	Meet with Staff Welfare Association
3.00 pm - 5.00 pm	Programme Coordination Committee Meeting
7.30 pm	Dinner to bid farewell to Dr Greenough and to welcome Dr Eeckels

Tuesday, 28 May

Board Meeting

The morning session will be "open" with donors welcomed. Following luncheon the meeting will be "closed".

8.30 am - 9.00 am	Opening of meeting Speech by Minister of Health, GOB
9.00 am - 9.15 am	Confirmation of Agenda
9.15 am - 10.15 am	Director's Report - presentation of 1984 Annual Report
10.15 am - 10.45 am	Tea
10.45 am - 11.45 am	Report of Programme Committee (including Policy Paper on Microbiology)
11.45 am - 12.30 pm	Resources Development Report
12.30 pm - 2.00 pm	Lunch
2.00 pm - 2.30 pm	Approval of draft minutes of December 1984 meeting
2.30 pm - 4.30 pm	Report and discussion of Management Review
4.30 pm - 5.00 pm	Tea
5.00 pm - 7.00 pm	Closed discussion of morning presentations

Wednesday, 29 May

9.00 am - 10.15 am	Report of Finance Committee (including approval of FY 1984 Audit Report and 1986-87 Budgets)
10.15 am - 10.45 am	Tea
10.45 am - 11.30 am	Continuation of Finance discussions
11.30 am - 12.30 pm	Reserve Fund Report and discussions
12.30 pm - 2.00 pm	Lunch
2.00 pm - 4.00 pm	Personnel & Selection Committee Report, Discussion and Resolutions
4.00 pm - 4.30 pm	Tea
4.30 pm - 5.15 pm	Report on WHO and UNICEF Collaboration
5.15 pm - 6.00 pm	Report on Consultative Group materials and planning

Thursday, 30 May

9.00 am - 9.45 am	Nominations of Trustees (include UNICEF seat)
9.45 am - 10.30 am	Selection of Chairman of the Board: Membership of Committees of the Board
10.30 am - 11.00 am	Tea
11.00 am - 11.30 am	Dates of next meeting
11.30 am - 12.30 pm	Miscellaneous (a) U.S. Foundation (b) Role & Function of Programme Committee (c) Project Visits by Trustees: Conclusions and Recommendations (d) Working Paper on Collaboration with National Institutions
12.30 pm - 2.00 pm	Lunch
2.00 pm - 5.00 pm	Passage of all Resolutions
5.00 pm	Closure of Board Meeting

2/BT/MAY.85

APPROVAL OF MINUTES OF THE BOARD
OF TRUSTEES MEETING,

DECEMBER 1984

LIST OF CHANGES WHICH HAVE BEEN MADE IN THE DRAFT MINUTES OF THE
DECEMBER 1984 BOARD MEETING AFTER CIRCULATION TO BOARD MEMBERS.

1. Page 5

- Line 1 - "as" has been deleted - was between "that" and "the".
- Line 2, first word - "was" has been changed to read "is".
- Line 3 - a comma has been added after "Programmes".
- Line 4 - "were to sign" has been changed to read "signs".
- Line 5 - "was" has been changed to "is" and "and that" has been added between "required" and "this".

2. Page 10

- Agenda 5, line 4 - replaced "were not advised for action" by "were not to be acted upon".
- Line 9 of same para - replaced "function up to what is possible" by "function optimally".
- Second para of this agenda item - the second sentence has been deleted.
- Last line of this para (last line page 10) - "where the Centre is headed, goals and priorities" has been replaced by "the goals and priorities of the Centre".

3. Page 11

- Line 1 - "The procedure would be to present a draft to the May" has been changed to read "A draft should be presented to the May".
- Line 3 - The words "as a draft" have been deleted.
- Line 12 - "that the management should study respiratory infections, but in a" has been changed to read "that the Centre could study respiratory infections in a".

4. Page 14

- Agenda 7, Second para, Line 2 - "The budget are" has been changed to read "The budget is".
- Point 2 - "not fully developed yet to give prompt" has been changed to read "not developed sufficiently to give prompt".

5. Page 17

Agenda 8 (a), line 4 - "and prioritization" has been changed to read "are to be placed in order of priority".

Line 5 - "to Finance (that funds are available)" has been changed to read "to Finance Branch to ensure that funds are available,".

6. Page 18

Last para, line 2 - "will soon" has been added between "who" and "have".

Last para, last sentence - "Meantime, the Board asked the Management to prepare a working paper - should note" has been changed to read "The Board asked Management to prepare a working paper which should outline".

7. Page 19

Lines 3/4 - "decided whether/how long extensions" has been changed to read "decide whether extensions".

DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES, ICDDR,B HELD
AT DHAKA, DECEMBER 5-7, 1984.

- Members Present : Dr A.R. Al-Swailem
Dr F. Assaad
Professor D. Bell
Professor D. Bradley
Dr I. Cornaz - Chairman
Dr W.B. Greenough III - Secretary
Professor J. Kostrzewski
Dr L. Mata
Mr Munir-uz-Zaman
Dr D. Rowley
Dr J. Sulianti Saroso
Dr D. Sebina
Dr Y. Takeda
- Members Absent : Maj. General Shamsul Huq
Mr A.B.M. Ghulam Mostafa
Dr V. Ramalingaswami
- Invited Staff : Mrs J. Chowdhury, Executive Assistant to Director
Professor R. Eeckels, Director-Designate
- For the Opening Session Only
- Dr K.M.S. Aziz, Associate Director, Training,
Extension & Communication
Dr T. Butler, Associate Director, Pathogenesis
& Therapy Programme
Dr I. Ciznar, Associate Director, Host Defence
Programme
Mrs S. Waara-Conway, Chief Personnel Officer
Mr R. Dery, Admin. Services Officer
Dr M.M. Rahaman, Associate Director, Nutrition
Programme
Dr M.G.M. Rowland, Associate Director, Community
Services Research Programme
Dr D. Sack, Associate Director, Disease Transmission
Programme
- For Opening Session & Agenda 6
- Mr M.R. Bashir, Associate Director, Resources
Development
- For Opening Session & Agendas 6 & 7
- Mr M.F.L. Goon, Associate Director, Administration
& Finance

Observer : For Opening Session
Mr Carl Kendall, USAID, Washington

Observer Invited
but Absent : WHO, SEARO

The Chairman opened the meeting at 9 a.m. with an address of welcome to Trustees. Dr Cornaz advised that Maj. General Shamsul Huq was unable to attend due to illness and that Mr A.B.M. Ghulam Mostafa and Dr V. Ramalingaswami had sent their regrets, being unable to attend due to other commitments. Dr Cornaz welcomed Dr Al-Swailem to his first Board Meeting and Mr Munir-uz-Zaman and Dr D. Sebina as members of the Board and to their first meeting. A special welcome also went to Professor R. Eeckels, Director-designate of the Centre.

Dr Cornaz advised that since the last Board Meeting three staff members had passed away - Dr Hassan Ali, Mr Nazrul Islam and Dr Makhlisur Rahman. One minute's silence was observed. The Chairman asked Dr Greenough to convey the sympathy of the Board to the three families.

Dr Greenough read the address of the Honourable Minister for Health and Population Control, Maj. General Shamsul Huq, which was as follows:-

"Honourable Chairman, distinguished members of the Board:
On behalf of the Government of Bangladesh and its Ministry of Health, I would like to welcome you to Dhaka and to the eleventh meeting of this ICDDR,B Board of Trustees. I am honoured to be a member of this Board and to join my distinguished colleagues in deliberations on the Centre's policy and Programmes. I would like to highlight briefly some of the ICDDR,B activities which are of most interest to my Government.

We are pleased that preparations for the staging in early 1985 of the Cholera Vaccine Trial are proceeding well. Bangladesh has given its full support to these trials, and we hope that sufficient funds are available to carry the trial through to a successful completion.

You are all aware, I am sure, that our Ministry of Health and ICDDR,B have been cooperating since 1982 on the "MCH-FP Extension Project", which is a research effort in two areas of the country to examine whether some of the successful results of Matlab can be transferred to other areas of Bangladesh. ICDDR,B has submitted some recommendations to my Ministry based on the first two years of the project, and I would like to inform you that we are currently giving serious consideration to adopting some of these results into health delivery systems in Bangladesh.

I am also pleased to note that the Centre's training programme continues to improve the skills and abilities of health professionals of Bangladesh and other countries.

My Government also takes great pleasure in noting that the ICDDR,B has developed into a fully international institution within the short period of five years. We appreciate that the Centre's participants have grown from four to fifty and we hope that donors will come forward to support the very important scientific work of ICDDR,B.

We are particularly gratified that ICDDR,B has sponsored and is promoting a Programme Coordination Committee which, under the overall leadership of the Board will see that good coordination is maintained between the Centre and various research institutions in Bangladesh.

Finally, on behalf of the Government of Bangladesh I would like to congratulate the Centre for completing its first five years of successful scientific work.

Thank you."

The Chairman asked the Director to convey the Board's thanks to Maj. General Huq.

Agenda 1: Approval of Agenda

The agenda was adopted with the following additions:-

- (a) 3(h) Executive Committee of the Board.
- (b) 5 Put "including External Review Reports" in brackets after "Programme Committee Report".

Agenda 2: Approval of Draft Minutes of Board Meeting, June 1984

The draft minutes of the meeting held 13-15 June, 1984, were approved with the following corrections:-

- (a) Page 11, line 8 of Director's Report "head" should read "need".
- (b) Page 14, 4th paragraph, line 1 "advised the Centre" should be replaced by "instructed the Management".
- (c) Page 21, Resolution 16/June 84. "Dr D. Sabena" should be spelt "Dr D. Sebina". Apologies were given to Dr Sebina for the misspelling of his name.

Agenda 3: Matters Arising

- (a) Resolution 6/June 84

This was a resolution regarding the number of cheque signatories at the Centre. A working paper, containing a proposal to supercede this resolution, presented to the Finance Committee and copied to the Board, was discussed by the Finance Committee and recommended to the Board for adoption. The rationale of the proposal was explained. However, as concern was raised on the number of signatories in each group the proposal was remanded to the Finance Committee for discussion in its next meeting and for submission of a new draft working paper to the next Board Meeting.

The Director reported that the present operating arrangement is that the most senior member of the Finance and Administration group and of the Director's and Associate Directors of Programmes, authorized, available and present at the Centre signs cheques as required and that this would continue until a new proposal is accepted.

(b) Vaccine Trial (Budget table showing staff build-up)

This was submitted for the Board's information and duly noted by them. In response to a query it was advised that all positions listed are coterminous; the only exception being if a core person had been used he/she would return to a core position on completion of the project.

(c) By-Law on Centre's Housing & Equipment

This was presented to the Board for approval for inclusion in the Centre's By-laws as it is needed for clarification by the National Board of Revenue. It was decided that the draft By-law should be clarified legally and presented to the Board again at its next meeting.

(d) Working Paper on Provident Fund/Credit Union

The report advising that staff are at present not interested in forming a Credit Union was noted. The Board was informed that the Provident Fund had been dissolved and that funds were presently being disbursed.

(e) Working Paper on Microbiology

Dr Brad Kay was praised for the report on the improvements made in

the Microbiology area. He in turn complimented the staff on their great assistance in the process. However, there were reservations expressed about the setting-up of a molecular-biology laboratory. It was agreed that whether or not to buy an automatic glass washing machine or other such automated equipment was at the discretion of the Associate Directors and Director. It was advised that the Centre did have a radio-isotope disposal system facility and was fully approved by the Government of Bangladesh to receive, use and dispose of radio-isotopes. At present, however, there was no one on the staff licensed to use them. It was decided that a policy paper on Microbiology should be presented at the next Board Meeting in May 1985. This paper should contain -

- (i) Microbiology relations with Animal House;
- (ii) Equipment;
- (iii) Services it would render; and
- (iv) Activities Microbiology staff wish to do for further improvements of this branch.

(f) Working Paper on Respiratory Infections

It was decided to defer this agenda item for discussion under Agenda 5 - Programme Committee Report (including External Review Reports).

(g) Programme Coordination Committee

The report of the Sub-Committee constituted by Standing Committee (SC) for raising funds for collaborative research was noted and discussed. It was explained that ICDDR,B should be seen as a mechanism for coordinating available resources, for National Institutions, within the area of its work.. It was decided that

a Working Paper should be prepared for the May 1985 Board Meeting showing how collaboration with National Institutions can be strengthened and giving clear rules on financial aspects, how to organize the workload, etc. Specific areas for research with examples should also be given.

(h) Executive Committee of the Board

There is provision for such a Committee in the Centre's Ordinance. This Committee would be available for decision-making between Board Meetings. It was agreed that a Committee should be considered. Board members were asked to keep this in mind for informal discussion in May and a decision as to whether or not a working paper should be prepared for the November 1985 Board Meeting.

Agenda 4: Director's Report (including 5 yr. Workplan)

It was agreed that the 5 yr. workplan should be discussed in conjunction with the Programme Committee Report. The Director summarized his ... report to the Board which is attached as appendix 1. On page 3 of the report, paragraph 3, line 5, the words "and Swedish Government" should be added after "Swiss Government".

The Board was impressed with the building and improvements which are ongoing, especially noting the long overdue progress in the Microbiology area. The desirability of building onto the IPH and of the smaller building in the hospital area was questioned. It was explained that sufficient funds were not available to build an additional floor on top of the new hospital building. Thus, it was decided to build onto the IPH building and to build a small building on the Centre property (which may be used even when the new complex is completed). OPEC

funds counterpart in Bangladesh have been committed from OPEC for completing the building. Since Bangladesh has to agree they have not been disbursed; and a process of discussion with the Government is needed. The Board wishes to be kept informed.

With reference to the UN Capital Development funds for improving field facilities at Matlab and Teknaf the Board asked the Director to inquire whether these funds will cover fees, salaries etc. in addition to the building materials. If not, provision has to be made for these items within the approved 1985 budget limit.

Collaborative projects outside Bangladesh were discussed. In response to an enquiry as to how the Centre becomes involved in or is requested to assist in projects, the Director explained that requests principally generate out of Training Courses. The Centre keeps in touch with trainees by corresponding with them after they return to their home countries. Of course, the Centre is unable to take up all requests and can only do those it deems worthwhile, sensible and fundable. It is donor support in response to a request that generates action in priority projects. It is the Centre's mission as an international research and training entity to participate in activities outside Bangladesh according to its Ordinance. Before the Centre takes up a project, when it receives a request, a fact-finding mission is sent to investigate - situation and prepare a proposal for further work for the information of the Board, the Centre's staff and the donor - thus the Centre has a clear idea of what is involved and a document which both specifies and budgets the activity before it becomes involved. Scientifically these projects are important as different social, cultural, geographical, and ecological areas have different causes of diarrhoea. A "Brief on ICDDR,B International Extension Projects" was presented at the June 1984 Board Meeting. The Management share the Board's concern that the Centre's human resources are not drained and thus interfere with the work of the Centre while it is assisting elsewhere, and give this due

consideration and planning when investigating projects inside or outside of Bangladesh. It is felt in sending staff out to other areas with full support, new staff can be recruited and trained. In this way the Centre can strengthen its staff and gain experience. The Centre would not hesitate in sending assistance should there be an emergency anywhere and it is requested to help. Staffing must include taking into account and planning for outside work.

Trustees who had visited the Centre's field stations in Bangladesh during the past few days were asked to comment. It was reported that Matlab is a very well run field station - the vaccine pre-trial is very impressive and training almost completed. The oral enteric vaccine is more time consuming and difficult to administer than an injected vaccine making large scale application more challenging - a system of delivery taking this into account will be needed if it is to be used generally. The Management can feel proud of the Matlab study area. It was noticed, however, that the hospital may be contaminating the environment in that the sewerage system seems overloaded and effluent is going into the river. It was explained that this is a new system with three compartments built only 4 years ago at a high cost. It accommodates both the Centre's needs and those of the Upazilla health complex.

Teknaf is thriving with plenty of free space for expansion. Dr M.M. Rahaman and his team are to be congratulated on the quality of microbiology carried out there under adverse field conditions. It was noticed, however, that although all the homes in the area have had toilets installed by the team of the water and sanitation project, none has been installed in the school. The conditions seen would be conducive to spread of disease. The different recording systems of Matlab and Teknaf were noted - the systems should be uniform. The Director replied that the effluent from both Dhaka and Matlab hospitals

is monitored regularly and he is to be advised if anything is found. The source of the contamination has to be found. It should be realized that country boats carrying patients travel along the river so it will inevitably be contaminated. The Head, Matlab Station will be asked to investigate. With reference to data collection and analysis it was acknowledged that there are several sets of data prepared by several groups and that there needs to be coordination of analysis and communication between working groups with a sharing and discussion of data.

The Chairman thanked Dr Greenough for his report.

Agenda 5: Programme Committee Report (including External Review Report)

... The Report of the Committee, which is attached as appendix 2, was introduced by Dr D. Rowley. The Committee reviewed the two reports of the External Reviewers and interacted with all scientific Programme Heads. Certain criticisms of the Reviewers were not to be acted upon as it was felt they were outside the scope of the Centre in its setting in Bangladesh or that great improvements had already been made in the area, even since the completion of the Review. It is true, however, that in spite of the Centre having many excellent people it does not function optimally. The Committee identified certain criticisms made by the Reviewers and suggested specific actions in their Report.

The Board then went on to discuss the 5 year plan. The current 5 year plan ends on 30 June 1985 so the Centre has to present a 5 year plan for 1985-89 to donors when they attend the Consultative Group meeting in New York in June 1985. Donors require a document which is clear and easy to read outlining the goals and priorities of the Centre. They

would accept that it may need to be modified. A draft should be presented to the May 1985 Board Meeting which would then go to the Consultative Group. Their participation would be encouraged before the final document is settled.

Agenda 3(f), Working Paper on Respiratory Infections, was also discussed at this point. It was felt that the paper was very well written and that Dr D. Sack raised valid points - the paper outlined clear alternatives and was a model for future papers to the Board. The Ordinance gives the Centre flexibility to investigate respiratory infections as a complication of diarrhoea and malnutrition needing definition compared to what is in the community. The Board agreed that the Centre could study respiratory infections in a limited way. During these discussion it was pointed out that there seemed to be little attention to breast-feeding advice in the treatment of diarrhoea done at the Centre. It should not be neglected.

The Director accepted deadlines as follows:-

May 1985 - present draft paper for Consultative Group to the Programme Committee of the Board and to the full Board.

November 1985 - present outline for 5 year Research Programme to the Board.

For the Consultative Group paper the Director should work on this with his staff and present it in a way they deem appropriate. Consultants may be used if needed.

The Programme Committee will meet just prior to the other Committees just before the May 1985 Board Meeting. This will enable them to make field visits and the Director to participate in the Committee's deliberations.

The following resolution was passed:-

RESOLUTION
1/DEC. 84

The Board establishes a Programme Committee to keep under review the research, training and outreach activities of the Centre. The Programme Committee comprises Trustees who are not members of either the Finance or the Personnel and Selection Committees. All Trustees are welcome to participate in its deliberations. The Board appoints Dr Jan Kostrzewski as Chairman of the Programme Committee.

Agenda 6: Resources Development Report

... The Resources Development Report was presented by Mr M.R. Bashir, Associate Director, Resources Development. The report is attached as appendix 3. Mr Bashir requested the Board to pass a resolution which would support the Management in raising extra funds to meet the budget shortfall of committed funds. The Chairman joined the Finance Committee in expressing high admiration and commendation to Mr Bashir and Dr Greenough for increasing the funds available to the Centre very substantially. This is especially appreciated in view of the general trend of decreasing support for international projects over the last several years.

It was pointed out that the Centre is facing problems as donors are now wanting to support specified projects or see their money go to designated or restricted core areas rather than to unrestricted institutional core support as has been the case previously. In 1985 it is projected that unrestricted core support will decrease to approx. 13% of income from a level in 1981 when 66% of the Centre's income was for unrestricted core support. This trend is very serious and needs to be reversed.

There was discussion on the Reserve Fund document and on how to build

up the Centre's Reserve Fund. It was advised in the most tentative way that the Government of the People's Republic of Bangladesh is considering converting the UNROB loan to a grant to assist establishing the Reserve Fund. This was very much welcomed by the Board as they felt that if other countries see what Bangladesh is giving to the Centre in cash and kind it would be a signal and a tremendous challenge to other wealthier countries and agencies to come forward and match this possible initiative of Bangladesh. The Management agreed that should this grant to the Reserve Fund eventuate it would add great strength to its fund raising efforts. The Director explained that the UNROB funds have long ago been spent to the benefit of the people of Bangladesh in health services in Bangladesh and the Centre has been setting aside funds so they are able to repay the Government of Bangladesh for the UNROB loan should the need arise.

The Board agreed that the Centre should participate in activities outside Bangladesh and encouraged the Centre to go ahead with its planned projects in Saudi Arabia, China, Indonesia, and Kenya. However, they requested that they be kept informed as exploration of new collaborations were undertaken.

The Chairman thanked Mr Bashir for the excellent work done and wished him continued success with their full support of his efforts. The following resolution was passed:-

RESOLUTION
2/DEC. 84

The current draft budget of the ICDDR,B for 1985 stands at U.S.\$9.2 million. This budget includes \$1.4 million for the cholera vaccine trials, but is not large enough to support a number of important research activities relating to high-priority subjects including shigellosis and the development of field diagnostic techniques. Firm donor commitments received to date amount to 6.2 million leaving a shortage of U.S.\$3 million which must be raised to support the most

crucial Centre activities for 1985 including the vaccine trials.

The Board, while recognizing the generous contributions already committed, makes a special request to the members of the ICDDR,B Consultative Group to extend additional support to meet this budget deficit and, if possible, to permit enlargement of the budget to support further high-priority research activities.

Agenda 7: Finance Committee Report (including approval of 1985-86 Budget)

... Professor David Bell, Chairman of the Finance Committee, highlighted the report which is appended as appendix 4. He said that despite the need for further improvements the Committee is most appreciative of all the work done and that the report is presented as a constructive contribution. The Chairman thanked Professor Bell for his excellent report and said that the Board endorsed the Committee's concluding remarks - credit goes to Mr Bashir and Dr Greenough for their fund raising efforts and to Mr Goon and his colleagues for their efforts in accounting and financial control. It is realized that there is more to do but a lot has been accomplished.

Some problem areas are:

The budget is consistently exceeded due to two elements:-

- (1) the Centre is responding to changing circumstances, e.g. the need to establish new project such as the vaccine trial; and
- (2) the financial system is not developed sufficiently to give prompt feedback.

The budget should be considered a draft as the income and expenditure need reconciliation. The discrepancies of some items need to be addressed and the content of the \$9 million (expected income) budget needs to be revised to include all funded projects before the end of

this month. It was recognized that commitments will be confirmed continuously and some are expected over the next two weeks and that projects not currently funded which receive specified funds will need to be included in the budget. This will necessitate some items included in the budget funded under unrestricted categories to be removed. It was emphasized that the Management should be certain before they receive capital funds whether or not all costs are covered, if not, extra charges must go against the projected \$9 million budget. Similarly, if the vaccine trial is not fully supported funds would need to be diverted from the core. In preparing the 1986 budget for the May 1985 meeting it may be helpful to have the budget in ranges i.e. if so much was received this budget would be used. Should added fully funded projects be undertaken they may be shown above the 9.0 ceiling in 1985.

The problem of overdrafts was discussed. It is realized that the Centre's cash flow necessitates overdrafts. The Centre operates its activities and must collect by documentation after their completion with many donors. The Bankers are wanting hypothecation of Centre's assets which is undesirable and not acceptable to donors. It is felt that donor pledges should be sufficient. Correspondence with the ... Bankers dated January 1983 is attached as appendix 5. This is an unresolved issue at present but the Director and the Board agreed that as soon as possible any arrangements with banks which hypothecate facilities should be substituted for arrangements for credit against donor pledges. A Reserve Fund of \$5 million is needed of which \$1.5 to 2.0 million is needed on the average each year for bridging funding. An overdraft of 21% of total budget has occurred each year since 1981.

The Centre has a Reserve Fund proposal but the rules for its operation have not yet been drafted. A document needs to be written establishing

procedures for using the Reserve Fund. This document would be small but important and sensitive - consultation will be helpful.

The Board agreed with the Committee that there is an urgent need for a Financial Manual. It was decided that for clarification of current practices Mr Goon should prepare the Financial Manual with outside help if required. The Director is to provide the Terms of Reference to Mr Goon. The draft manual will be presented to the Finance Committee at its next meeting in May 1985.

There needs to be further development of the budget system. The Centre is growing and so must its financial system. An outside consultant is required for this task. The experiences of the International Agricultural Institutes or similar organizations should be taken into account as they provide the most comparable model.

As agreed in the June 1984 Board Meeting an operational audit will take place in January 1985. This will be carried out by an outside firm. The Committee will report on the outcome of this audit at the next Board Meeting in May 1985. Meantime the approved Internal Auditor position will be held in abeyance.

The Board confirmed that the Centre would be commencing 1985 with a budget amount of \$9 million. This would be reviewed in May 1985 in light of additional funds being received/committed. The Chairman thanked the Management and Committee for their help.

A resolution was passed as follows:-

RESOLUTION
3/DEC. 84

The Board has reviewed the question of appropriate collateral for any bank overdrafts made necessary by delays in receiving funds committed by donors in support of Centre activities. The Board considers the most appropriate collateral to be the pledges of donors, and requests

the Director to negotiate flexible and inexpensive overdraft arrangements for which donor pledges are the sole collateral, from which date Board Resolution 6 of December 1982 will stand repealed.

Agenda 8: Personnel & Selection Committee Report

Dr J. Sulianti Saroso, Acting Chairman of the Personnel & Selection ... Committee, presented the report which is attached as appendix 6. The Chairman thanked Dr Sulianti for her report and for acting as Chairman of the Committee in Mr Mostafa's absence. The Chairman requested permission to make editing changes to the report, stating that the content would not be changed but that sub-titles would be added to make it easier to read.

The attention of the Board was brought to page 5 of the report which outlines the specific actions that were recommended to the Board as a result of the October 1984 Committee meeting. The Board agreed to the following:-

- (1) that all professional level posts (called also international level posts) should be defined and advertised at one level and only when necessary at a maximum of two levels.
- (2) that all P level posts or posts upgraded to P level are to be submitted with full job description and justification, along with level of salary, to the Council of Associate Directors for discussion are to be placed in order of priority. Following this they should be submitted to the Finance Branch to ensure that funds are available, then to the Personnel & Selection Committee of the Board.

The Board recognized the value of the recommendations made in the report of the ad Hoc Committee nominated by the Executive Council of the Staff Welfare Association, dated 1 October, 1984, as amended according to the suggestion by the Personnel & Selection Committee,

October 1984; the Management may be guided by the content of this report. The Board went on to agree and endorse the proposals made in the October meeting report. Dr Rowley requested that he go on record as showing dissent on Dr Butler's salary.

There was discussion on Staff Rule 320.1 and the Board requests the Management to prepare for its May 1985 meeting a working paper on this rule on the implications for the Centre - financial and others - of the application of the principle equal pay for equal work and of possible adjustments.

Per diem rates were also reviewed. It was discussed that the goal of a per diem system is for simplicity of administration and finance. Also any reductions or adjustment would fall unevenly on travellers, some of whom have easy access to foreign exchange and other who do not. The present unadjusted simple per diem rule is endorsed.

The Director elaborated on the Centre's secondment procedures and discussion followed. The Board agreed that the current procedure for recruitment and payment of seconded staff as defined in the Personnel and Selection Committee's report is to be maintained. The incumbent has to report to the Management of the Centre.

There was discussion on the process of advertising the positions of those persons who will soon have completed 6 years continuous service at the international level, and of the evaluation process which would be carried out. Board members requested they receive copies of the advertisements. The usual evaluation process should start immediately - for those who wish to re-apply for any of the positions and for those who wish an extension (only had one 3 year contract). The Board asked Management to prepare a working paper which should outline

questions to be addressed. In May the Management and Board will have a better idea of the length of time needed to complete the recruitment process for these positions and will be able to decide whether extensions should be given. Employees should be informed and prepare themselves.

The Board agreed that:-

- (1) Mr Goon's contract may be extended up to June 1985.
- (2) The Head Animal Facilities position should be a P1 level.
- (3) The Immunologist position should be advertised.

and accepted the report on insurance for local staff.

On page 7 of the report, line 2, "salary" should read "remuneration"; on page 8, rule 70 it should be "30%" deduction for food not "50%"; and on page 9, under remuneration for short term staff, second last line, "performance" should read "preference".

It was stated that the WHO retiring age is 60 years and not 55 as was believed. Also that WHO does have a reclassification rule. In reply it was advised that the Centre also has a reclassification rule but that the Board said there should be "no creeping promotion" so this rule is not used.

The Chairman thanked Dr Sulianti for the work done and the Board passed the following resolutions:-

RESOLUTION
4/DEC. 84

The Board, recognizing that the normal recruitment process was not fully carried out, instructs the Director

- (a) to readvertise the following posts, indicating P levels originally approved by the Board, a year before expiry of the incumbents' present contracts:

Chief Personnel Officer

Administrative Services Officer

Budget and Finance Officer;

- (b) to give the Supply Officer a one year appointment if he passes the examination at the end of his training programme and to re-advertise the post by 1 January, 1985.

RESOLUTION 5/DEC. 84 The Board authorises the Director to extend Dr Butler's contract as per WHO Rules at P5 level (with an exceptional personal payment) until 30th June, 1985 only.

RESOLUTION 6/DEC. 84 The Board agrees to establish a new international level position of Head, Animal Facilities at P1 level.

RESOLUTION 7/DEC. 84 The Board agrees to establish the post of MCH-FP Coordinator at P1 level.

RESOLUTION 8/DEC. 84 The Board accepted the following deviations from/additions to WHO Rules.

- (a) The rule on Separation payments which differs only in method of calculation from WHO Rules was noted and again endorsed by the Committee.
- (b) Language Training
That the following clause be added to the Manual Section 8.90 -
The Centre will support language training to increase a staff members usefulness to the Centre up to a limit of Tk.10,000 or equivalent. To qualify for this support the staff member should have a three year contract with the Centre as a minimum.

(c) Extended Installation Allowance

That the following clause be added to the Manual 15.211 - In exceptional and proven cases where the staff member is unable to take up permanent accommodation within the stipulated 30 days, for reasons beyond his/her control, payment of the installation allowance may be extended up to 60 days.

(d) Remuneration for Short Term Staff

That the following clause be added to Section 11.190 of the Staff Manual - It is proposed that expatriate staff recruited within Bangladesh, be allowed to receive remuneration in US Dollars, or in local currency according to their preference, so long as it does not contravene any local exchange control regulation.

(e) Consultants - Annual Leave

That the rule under ICDDR,B Manual 12.370 which allows a consultant employed for 6 months or more to accrue annual leave at the rate of 2½ days/month be deleted from the ICDDR,B Manual effective from 1 January, 1985. This would not affect consultancy contracts in effect before 1 January, 1985.

RESOLUTION
9/DEC. 84

The Board empowers the Director to extend for up to one year the contracts of Dr M. Currey and Dr S. Bhatia without change in level.

Agenda 9: Management Review

It was agreed that this would not be possible before Dr Greenough leaves. The Management should prepare a working paper giving guidelines for the review which will be held in 1986.

The Board suggests that within the first months of Professor Eeckels'

appointment as Director, ICDDR,B he should use the services of an experienced consultant for the overall management of the Centre, taking also into account the management of the human resources, and the structure, organization and methods of finance administration and resources development. The Board will be informed in its May meeting of the proposed measures or changes.

The following resolution was passed:-

RESOLUTION
10/DEC. 84

In view of the External Management Review to be held in 1986, the Board requests the Director to prepare for the May 1985 Board Meeting a working paper on the proposed terms of reference and the scope of the review, the profile and possible names of reviewers and of its estimated cost.

Agenda 10: Vaccines and Drugs Policy in Relation to Cholera Vaccine Trial

In addition to the paper presented the Chairman thanked Dr Ramalingaswami for the work he has done on this subject. It was decided that the Chairman should talk to WHO, Geneva (in particular Dr Dunn) and seek other help in this matter. It should be a general policy - not just for vaccine trials. A further working paper should be presented at the May 1985 Board Meeting.

Agenda 11: WHO Collaboration

A meeting is scheduled at WHO, Geneva for 30 and 31 January 1985. At this time the Director-designate will be introduced to Dr H. Mahler, Director-General, WHO, there will be discussions on orientations and clarification of views on the role of the Centre in relation to WHO. A report will be given to Board members.

Agenda 12: UNICEF Collaboration

It was reported that Colombia and Tanzania have requested assistance through UNICEF. Further action on this awaits discussions with UNICEF and WHO in Geneva at the end of January.

Agenda 13: Observer status of interested parties & UN representation on Board

The background of a UN seat was explained and the Board informed that the final decision lies with the Government of Bangladesh as this concerns a change in the Ordinance of the Centre. The Board will, however, be kept fully informed and are invited to express their views on this matter.

It was decided that Board meetings should be closed except for certain agenda as stated - something has to be open for the donors to participate in - the programme review - and they should be invited well ahead of time.

Copies of Board Resolutions will be given to the Council of Associate Directors, Director's Advisory Council and SWA. The draft minutes are not to be distributed to staff - a list of decisions only at this time. The Chairman regretted being unable to communicate verbally to staff, after the Board Meeting, the Board's decisions but will attempt to do this after the May 1985 meeting.

Agenda 14: Dates of Next Board Meeting

These were decided and agreed upon as follows:-

Tuesday 21 May 1985	-	Programme Committee members arrive
Wednesday 22/		
Thursday 23 May 1985	-	Programme Committee visits field areas/ Centre projects

Friday 24 May 1985 - Remainder of Board members arrive
Saturday 25 May 1985 - Finance Committee meeting
Sunday 26 May 1985 - Personnel & Selection Committee meeting
Monday 27 May 1985 - Board meets with Advisory Council etc.
Tuesday 28-
Thursday 30 May 1985 - Full Board Meeting
Friday 31 May 1985 - Board members leave

All members are encouraged to participate in the Programme Committee. Considering that Professor D. Bell, Chairman, Finance Committee will not be able to attend the May 1985 Board Meeting, the Board appoints Professor D. Bradley as Acting Chairman and Dr D. Sebina as co-opted member for this meeting only.

Agenda 15: Miscellaneous

(a) U.S. Foundation

A working paper on this was presented by the Director. He explained that this would be similar to the U.S. Committee for UNICEF with whom he had had a number of conversations. Initially there will be a small group of Trustees which will then be expanded. An initial meeting will be held in Washington in February 1985 to discuss how to set up the Foundation and establish a cost-effective office. It was suggested that foreign organizations can receive funds for which the donor can take tax exemption if they (1) set up a foundation; or
(2) register themselves as a tax-exempt organization.

Professor Bell will clarify point 2. This proposal does not need Board action and the Board gave their good wishes for this initiative.

2/BT/MAY 85

APPENDIX. I

APPENDIX. I,
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

DIRECTOR'S REPORT

DIRECTOR'S REPORT

At the present time maturation and fruition of several sustained efforts can be seen. Important among these are full staffing of scientific and administrative leadership positions, with excellent people and renovation and re-organisation of microbiology space and equipment. Also this year, the Centre has received signal recognition in the form of the UNICEF World Prize or Maurice Pate Award. Funds received from this prize have been dedicated to the Feeding Unit and Urban Mother's Programme. There has been continued research success and general high productivity and increased training and expansion activity. An external review of two programmes has been completed with the standard of comparison as highest quality in the discipline anywhere. In this report, I hope to signal briefly, not only successes but also where a problem exists or may occur that could constrain the full potential of the Centre.

A number of new staff have joined at the international level, either as a direct hire or on secondment.

<u>Staff Member</u>	<u>Country</u>	<u>Designation</u>
Mr. L. Chang	Australia	Budget Finance Officer
Mr. R. Dery	U.S.A.	Admin. Services Officer
Dr. K. M. A. Aziz	Bangladesh	Anthropologist
Dr. A. Molla	Bangladesh	Nutritional Biochemist
Mr. M. Chibba	Canada	Health Economist
Mr. R. Banerjee	Canada	Computer Analyst
Ms. M. Hurrell	Canada	Health Education
Mr. M. Rahman	Canada	Computer Statistician
Mr. M. Wroot	Canada	Materials Developer
Mrs B Wroot	Canada	Health Educator
Dr. M. Rowland	England	Assoc. Dir. C.S.R.
Dr. D. Sack	U.S.A.	Assoc. Dir. Disease Trans.
Dr. B. Kay	U.S.A.	Microbiologist
Dr. J. Harris	U.S.A.	Int. Research Associate
Dr F. Van Loon	Netherlands	Scientist

We welcome these people who bring a wide range of skills to the Centre.

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Some staff have departed since June 1984. They have been important to the Centre and will be missed.

<u>Staff Member</u>	<u>Country</u>	<u>Designation</u>
Dr. Peter Speelman	Holland	Scientist
Dr. Marc Struelens	Belgium	Ass. Scientist

One of the most difficult problems facing the Centre has been space for new people and programmes. Since we have not yet been able to secure the required funds for the upward extension of the new building, we have been faced with making ad hoc arrangement. Fortunately on a temporary basis the Institute of Public Health has provided us with some additional working areas. Several low cost structures have been completed, the animal facilities further encroached upon by offices and a permanent new structure on the Centre's own land undertaken. The administration has moved very effectively in solving this pressing problem and sustaining rapid progress on the renovation of Microbiology. New space in the IPH has been completed, which allows turning what was office space back into functioning laboratory space. The field stations are also facing a severe shortage of space. Emphasis has been placed on creating new working areas in Matlab to accommodate the needs of the Vaccine Trial. It is expected that the UN Capital Development Funds will provide the required resources to make a qualitative improvement in field facilities starting early in 1985. Installation of the new computer is expected to be finished by late December or early January.

In the research arena among many important projects two are reaching a stage of maturity where their impact is apparent. The USAID funded MCH-FP Matlab extension with the Government of Bangladesh has yielded results which have been incorporated into the next five year plan for

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health of the country. This is particularly gratifying for a project that is as yet a very recent start. Even more gratifying has been the strong support of Bangladesh, and willingness to look at why programmes are not experiencing expected outputs in the field. The Cereal Based ORT studies have arrived at the service level, being fully implemented in the Dhaka Hospital. The first year of a field test is near completion. Basic studies on maize, sorghum, millet, potatoes and wheat have been started. We are assisting initial research in Kenya on maize and sorghum solutions, and work in China is expected to begin in 1985.

Of particular note in projects recently begun or expanded are the Mirzapur Hand Pump project with the World Bank, which is assessing the importance of a new technology in the field, the Dhaka Urban Programme which is now entering a research phase, which seeks to minimise the spread of diarrhoea in urban slum areas; the Cholera Vaccine Trial in Matlab which is testing two new oral cholera vaccines in co-operation with WHO and the Government of Bangladesh; and a major increase in concern about antibiotic resistant shigellosis, matched by a steady increase in research efforts to seek a better understanding of this disease, its impact on nutrition and how to more effectively prevent and treat it.

There are two ongoing evaluation studies being done by the Centre or with assistance of the Centre. One is evaluation of the Bangladesh Rural Advancement Committee Oral Therapy Education Programme. The other is the National Oral Rehydration Programme. The former is supported by the Swiss Government/^{and Swedish Government} and the latter by Ford Foundation. A project with the Government of Bangladesh also supported by Ford Foundation has established and trained staff which are carrying out surveillance and control of diarrhoeal diseases under the Governments Control Programme for Diarrhoeal Diseases.

The Training Programme has been very active this year, with several new elements. Among these is response to a markedly increased demand for technical co-operation with developing countries in the region. The Government of Bangladesh has materially assisted this effort

by acquainting the Health Ministers of regional countries with the Centre at the meeting hosted in Dhaka last year.

Another new element has been courses given for groups all from a single country. Two courses for Indonesia, one for Egypt and one for the Phillipines have been completed, funded by USAID grants from their respective countries. The first African Workshop on diarrhoeal diseases was completed last month in Tanzania, with excellent participation and full external support.

Outside of Bangladesh in addition to training activities include initial evaluation missions to determine whether the Centre could assist UNICEF programmes in Tanzania and Colombia. A final agreement for grant projects with China is expected in December this year. The Kingdom of Saudi Arabia has requested the Centre to establish a second site in Riyadh this year as well as maintaining the Damman effort. A new long term agreement with adequate support will be required for further future progress.

Problem areas are issues demanding further definitions towards policy decisions or more effective efforts are in the overall programming of the Centre's research efforts. It is expected that the newly formed Programme Committee of the Board will be of great help in this task. Improvements in organisation and management may require consultations and be helpful in assisting the incoming Director.

There remains a problem in adequate responsiveness of our financial system for the reporting needs to the donors and Resources Development efforts. It is hoped that further implementation of the New System will greatly improve this situation. Perhaps

of greater concern to me is the erosion of core support for the Centre as an institution by donors. As our budget grows, not only does the percent of core/project fund go down, but there has been an actual shift by donors from core toward more project oriented support. This can greatly impair the ability of the Centre to respond to real field situations at the appropriate time. In this context, the rapid establishment of a reserve fund is of great urgency. It is

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hoped that the Members of the Board, whenever possible, communicate the great desirability of Core support for the Centre to most effectively pursue its missions.

FIVE YEAR PLAN 1985-89

INTRODUCTION AND BACKGROUND

In 1978 the Centre established a five-year plan of work from 1979 through 1984 which was presented to interested countries and agencies. A copy of this plan is available on request. In the economic climate of the early 1980's it was not possible to meet all the targets set. It was necessary to limit work toward some of the goals set out in this plan. It was also essential to achieve a new level of operating efficiency. Despite constraints, signal achievements have occurred. Some of these are :

- Discovery and rapid scaling up of cereal-based ORT
- Pretesting leading to field trials of oral cholera vaccine
- Discovery of a new cholera toxin
- Demonstration of drugs which reduce fluid loss in cholera by specific interference with the known mechanism of toxin action
- Demonstration that application of diarrhoea treatment with ORT at home together with immunization and family planning can rapidly result in decreased death and birth rates
- Introduction in the field of successful methods which simultaneously have reduced the growth of population while lowering death rates into the government health systems through counterpart support and operations research
- Establishment of a vigorous training and extension programme with growth of a network of cooperating countries
- Diversification of staffing by expertise and country of origin
- Improvement of budget and sharing of cost by many countries and agencies

The workplan for 1985-86 and its projection through 1989 reflects the impetus of achievements in the previous years with emphasis on where breakthroughs can be expected. Continued stress will be laid on improvement of technology and seeking field-applicable new technology.

WORK PLAN 1985-86

The project protocols cluster around specific targets and goals of the Centre. These individual and group efforts continue to be aggregated into five broader areas of research each headed by a senior person capable of giving the required leadership. These five programme areas are :

<u>Area</u>	<u>Associate Director in Charge</u>
- Pathogenesis and Therapy	Thomas C. Butler, U.S.A.
- Host Defense	Ivan Ciznar, Czechoslovakia
- Disease Transmission	David A. Sack, U.S.A.
- Community Services Research	Michael Rowland, U.K.
- Nutrition	M. M. Rahaman, Bangladesh

In addition there is a growing Training, Extension and Communication area for transmittal of the Centre's fundings directly to institutions, countries and individuals who can put them to effective use in their own settings. This is lead by Dr. K.M.S. Aziz, of Bangladesh.

The plans for 1985-86 are outlined below according to the Programmatic Aggregations :

Pathogenesis and Therapy

The main and growing thrust of this programme has been to investigate those diarrhoeal illnesses that are not cured by ORT alone but which lead to

complications and death. The chief among these is Shigellosis. Studies on the basic mechanisms of how this disease interferes with small and large intestinal function resulting in systemic illness and late deaths will become a main emphasis. New ways to control the devastating consequences of Shigella infection will be sought as resistance to anti-microbial agents escalates rapidly.

As ORT with widespread community home use reduces the number of mild uncomplicated cases of diarrhoea presenting at hospitals, those cases with complications will receive an increasing focus of efforts. At present acute respiratory disease is the principle complication and cause of death in diarrhoea. There is little knowledge on its causes and how best, in Bangladesh and other developing countries, to avert its consequences. Research will begin in earnest on this complication.

Studies on the alteration of crucial basic functions of the digestive tract will continue leading to better ideas of what interventions may succeed in averting some of the long term consequences of diarrhoea, particularly of the invasive and inflammation-causing etiologies.

As apparently useful drugs and vaccines become available to prevent disease or complications of diarrhoea, these will be tested in a controlled setting. Work toward a volunteer unit will begin if interest and resources are sufficient. It is essential to be able to investigate drugs and vaccines in the populations where they may be applied widely.

There will be a sustained effort to build up pathology services,

including electron microscopy and clinical laboratory services, to a "state-of-the-art" level comparable to the best available in any institution.

Host Defense

The main thrust of this area will be to isolate, identify and test antigens which are likely to be important components of vaccines. The effort will shift during 1985-86 from almost solely working on V. Cholerae to Shigella. Prevention of Shigellosis will be a number one priority of all programmatic areas in the next five years.

An upgrading of technology and expansion of staff and activities will occur. This will include some items of major capital costs such as establishment of a specific pathogen free animal unit, monoclonal antibody capacity and increased preparation of standard serologic reagents.

During 1985-86 there will be a heavy load in support of the Cholera Vaccine Trial as this goes into the field.

Disease Transmission

The main focus in 1985-86 will be a large scale field trial of two killed oral cholera vaccines (whole cell and whole cell plus B Subunit). Work preparatory to testing a Shigella Vaccine in 1987-89 will begin.

In addition, the evaluation of measles vaccine as a way to prevent diarrhoea, especially Shigellosis, will be completed by 1987.

Should an effective rotavirus vaccine become available, its use in our field areas will be considered if decisive results can be achieved in a small scale study.

During the present period 1979-84 two highly effective and low cost methods have been demonstrated to prevent diarrhoea. Use of soap and water in the home even in the worst conditions of urban Dhaka reduces the spread of Shigella manifold. The use of Alum (potassium aluminium sulphate) or Fitkari reduces the spread of cholera by an equivalent amount. These simple and immediately applicable methods will be further investigated and optimised so they can be rapidly scaled up and introduced in concert with ORT.

The Centre has done a great deal of investigation of currently recommended water and sanitation interventions. There will be an increase in cooperation and joint study of these between the different programme areas of the Centre.

When interventions are well-tested, they will be passed on to the Community Services Research and the Training and Extension Communication Programme for implementation. This also will be true of vaccines when they are ready.

Surveillance for specific causes of diarrhoea will be continued and extended. Priorities for research at the Centre are determined by what the actual problems are in the populations served. The most important such populations are mothers and children. The early identification of new agents such as the new strain of classical cholera or antibiotic-resistant shigella are examples of the importance of this activity. Methods used have already been implemented in the cholera surveillance of the Government of Bangladesh with the partnership of the Centre. This provides a very wide need to address

the real problems.

Improvement of the Microbiology and Immunology laboratories and development of modern field applicable methods will be emphasized in the 1985-86 period.

Nutrition

During the past five years this programme area has shown which causes of diarrhoea affect food absorption and how much. These basic studies will continue to look in more detail at how (mechanisms) specific agents interfere with absorption and how to reduce their effects. These studies will look at macro and micro nutrients with special emphasis on micronutrients such as zinc which are very important in Vitamin A metabolism and deficient in Bangladesh.

There will be an increased effort in concert with Shigella studies to further assess the duration and impact of gut protein losses in diarrhoeas caused by invasive agents.

Studies will begin on anemia as it relates to defects in absorption produced by diarrhoea.

Under the Nutrition Programme water and sanitation interventions have been established and investigated at several field sites. The main outcome sought beyond reduction of diarrhoea was improved health as measured by better nutrition. The studies will continue and will be linked to transmission studies of specific agents.

Since current results do not indicate the hoped-for-impact expected from the emphasis of these standard methods of tube well and latrine in the decade of water, innovative approaches will be sought and explored beginning in 1985-86. Among these are the use of protected ponds for drinking water and water purification by duck weed and other biological means.

Behaviour studies in relation to food practices have been started. These will be expanded and emphasized.

The further development of cereal-based ORT will range from hospital-based metabolic balance studies to be done in collaboration with Kenya and China and field trials of various cereals adapted to different country settings. This cluster will be carried out under the Project Development area of the Centre because of its scope and the involvement with several countries. All the essential disciplinary and programmatic areas of the Centre will contribute. This will be a central priority for the next five years.

Community Services Research

The main achievement by this programme in the first five years of the Centre was the first demonstration that application of selected health measures of proven efficacy together with family planning by health workers chosen by their communities results in a prompt decline in deaths and fertility. Thus better and slowed population growth occurred together. By the end of this five year period (1982-84), the methods employed are being introduced into the existing Government Health Services in two areas through counterpart

support and operations research approach. Research on this transfer will be a major focus of this work in 1985-86, and the application of successful transfer methods will then be carried out on a wider scale in 1987-89.

Fundamental to knowing whether an intervention works is accurate information on demographic variables. The Demographic Surveillance System of Matlab and Teknaf provide this information. Research to determine how best to gather such information at the lowest possible cost is now underway and will be an important emphasis. Many developing countries have expressed a strong interest in how they can establish equivalent information on their populations to better judge whether their expenditures in health and family planning are yielding the expected and desired results.

In addition, this programme will focus on improving the accuracy of cause of death reporting and morbidity information.

The next main interventions are likely to be in the area of Nutrition to attempt to find which of the many possible measures which reduce diarrhoeal diseases or their impact might result in improved nutrition or which of the measures found in the Nutrition Programme can be scaled up to a large population with good results.

Basic studies on area variations village-to-village and larger areas (Upazila-to-Upazila) will occupy a larger share of community services research efforts. Certain observations (such as the better health experience of children in families where the mother has a 6th grade education or better) will be followed to determine the bases for such observations and their possible broad transferability.

Urban studies are now underway and expanding rapidly. These will become a principle activity by 1987-89.

At present the hospital visit rate has been reduced a great deal at a very large cost saving to the patients, their families, the Centre and Government hospitals by home applications of ORT.

A mainframe computer is now being attached, along with micro computers, in all areas and field stations. A rapid buildup of this crucial resource is planned in 1985 and 1986.

Training Extension and Communication

The transmittal of the Centre's results into practice in Bangladesh and many other countries has been markedly improved and accelerated by this programme. It is expected that all research staff will participate upto 20% of their efforts toward this goal. Materials are being developed, evaluated and field tested for use by ourselves and others. An information service, journal and newsletter are established. Computerization and technology improvements are scheduled in the 1985-86 period. The goal that the Centre will become the main global information centre on diarrhoeal diseases remains and will be pursued vigorously.

Project Development

Collaborative projects with the governments of the Kingdom of Saudi Arabia, Indonesia, China and Kenya are currently underway. These are fully

supported by specific project funds including all overheads. The Centre's focus on research strengthening, practical field applications and technology transfer particularly in relation to microbiology and field methodology; there is a large and increasing demand for this role of the Centre. Careful planning and staff development is underway to meet these demands without compromising the quality of the work of the Centre in Bangladesh.

Finance and Administration

We will be reporting to our donors on the basis of expenditures against specific programmes and projects. A new system is now in place to permit convenient and timely information. The donor will be able to see exactly against which areas and projects their money is directed. In the case of the core support of USAID essentially all projects except those funded outside of Bangladesh or those funded by the USAID Country Office receive support from core funds. A full listing of current projects is available on request.

INTERNATIONAL CENTRE FOR TROPICAL DISEASE RESEARCH, BANGLADESH

OPERATING BUDGET FOR 1985

(IN US DOLLARS)

Program	Program Title	Person year	Local Personnel Services 31	International Personnel Services 32	Travel and Transportation of 41	Other Contractual Services 42	Supplies & Materials 43	Depreciation 44	1985 Total	1984 Budget
Research Program (01 to 05)										
01	Disease Transmission	54.1	197,360	364,400	4,400	13,720	70,500	28,960	679,340	486,020
02	Pathogenesis & Therapy	48.8	170,430	439,850	4,400	14,560	37,540	17,050	683,830	515,520
03	Host Defense	30.2	112,680	215,070	2,200	2,800	15,460	17,400	365,610	275,800
04	Nutrition	97.3	301,940	232,200	4,400	10,790	39,630	20,190	609,150	507,430
05	Community Services Research	435.8	1,113,480	1,027,390	87,540	51,670	90,000	112,070	2,482,150	1,684,130
	Sub-Total:	669.20	1,895,890	2,278,910	102,940	93,540	253,130	195,670	4,820,080	3,468,900
06	Research & Training Support Facility	242.1	816,280	99,810	-	45,710	30,070	61,240	1,325,110	1,036,210
07	Training, Extension & Communication	31.8	164,990	244,950	22,560 ^{11/}	23,090	37,210	17,190	509,990	372,950 ^{111/}
08	Maintenance & Logistics	107	328,200	42,070	5,500	9,800	175,240	48,180	608,990	488,400
09	Management	120	456,460	722,260	60,500	65,310	53,790	41,940	1,350,260	964,910
10	Resources Development	8	40,850	125,290	27,500	8,600	7,410	840	208,490	186,000
11	Mandatory Committee	-	5,000	45,000	110,000	1,950	6,750	-	168,700	152,910
12	Employees Benefit	5	44,840	-	-	8,060	20,550	6,240	79,690	50,950
13	Project Development	-	-	-	-	-	-	-	-	-
14	Staff Development	-	38,400	-	7,700	4,030	510	-	50,640	41,820
	Total:	1157.10	5,770,910 ^{12/}	5,950,190	330,700	258,090	858,660	371,300	9,181,950	6,750,000

^{12/} Breakdown of personnel services costs are provided in Appendix I attached.

^{11/} \$10,000 for computerization of Library Information Service.

^{111/} earmarked for Material Development funded by UNICEF.

(List 1012) ←

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASE RESEARCH, BANGLADESH
DONOR FUND FLOW: COMMITMENTS/CONTRIBUTION SCHEDULE
1982, 1983
(\$'000)

Period	Donor Commitments	Amount rcvd in 1st quartr	Amount rcvd in 2nd quartr	Amount rcvd in 3rd quartr	Amount rcvd in 4th quartr	Total amount received
1982	\$ 5,133	\$ 1,959	\$ 685	\$ 1,131	\$ 871	\$ 4,646

Note : Donor commitment for 1982 \$ 5,133
(Less) Amount received in 1982 \$ 4,646
Disbursement due in 1982; \$ 487
received in 1983

Period	Donor Commitments	Amount rcvd in 1st quartr	Amount rcvd in 2nd quartr	Amount rcvd in 3rd quarter	Amount rcvd in 4th quarter	Total amount received
1983	\$ 6,547	\$ 888	\$ 1,337	\$ 1,310	\$ 1,735	\$ 5,270

Note : Donor commitments for 1983 \$ 6,547
(Less) Amount received in 1983 \$ 5,270
Disbursements due, but not received in 1983 \$ 1,277

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASE RESEARCH, BANGLADESH

PROPOSED OPERATION BUDGET 1986

(IN US DOLLAR)

Project Code	Program Title	Person year	Personnel	Services	Travel & Transportation	Other contrac-tual services	Supplies & materials	Depreciation	1986 Total	1985 Budget	1984 Budget
			Local	Total	41	42	43	44			
01	Disease Transmission	54.1	246,700	400,800	5,000	15,100	77,600	31,900	777,100	679,340	486,020
02	Pathogenesis & Therapy	48.8	213,000	483,800	5,000	16,000	41,300	18,800	777,900	683,830	515,520
03	Host Defense	30.2	140,900	236,600	12,500	3,100	17,000	19,100	429,200	365,610	275,800
04	Nutrition	97.3	377,400	255,400	5,000	11,900	43,600	22,200	715,500	609,150	507,430
05	Community Services Research	438.8	1,391,900	1,130,100	96,300	56,800	99,000	123,300	2,897,400	2,482,150	1,684,130
		669.2	2,369,900	2,566,700	123,800	102,900	278,500	215,300	3,587,100	4,820,600	3,468,900
06	Research & Training Support Facilities	242.1	1,020,400	189,800	5,000	48,100	334,500	67,400	1,585,200	1,325,110	1,036,210
07	Training, Extension & Communication Program	31.8	188,700	269,400	30,000	25,400	40,900	18,900	573,300	509,990	377,930
											85,000
08	Maintenance & Logistics	107	410,300	46,300	6,000	10,800	192,800	53,800	719,200	608,990	488,400
09	Management	120	545,600	794,500	70,000	71,800	59,200	46,100	1,587,200	1,300,260	964,910
10	Resources Development	8	51,100	135,600	35,000	9,500	8,200	900	240,300	208,490	186,600
11	Mandatory Committee	-	6,300	49,500	130,000	2,100	7,400	-	195,300	160,700	152,910
12	Employees Benefit	9	56,100	-	-	8,900	22,600	6,900	94,500	79,690	56,950
13	Project Development	-	-	-	-	-	-	-	-	-	-
14	Staff Development	-	48,000	-	10,000	4,400	600	-	63,000	50,640	41,820
	1986 Total:	1187.1	4,696,400	3,911,800	409,800	283,900	944,700	408,500	10,655,100	9,151,990	6,859,630
	1985 Total	1187.1	3,770,910	3,556,290	336,700	238,090	858,660	371,300	-	9,151,990	-
	1984 Total	1126.2	2,858,850	2,819,550	297,000	234,630	778,300	371,300	-	-	6,859,630

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASES RESEARCH BANGALORE

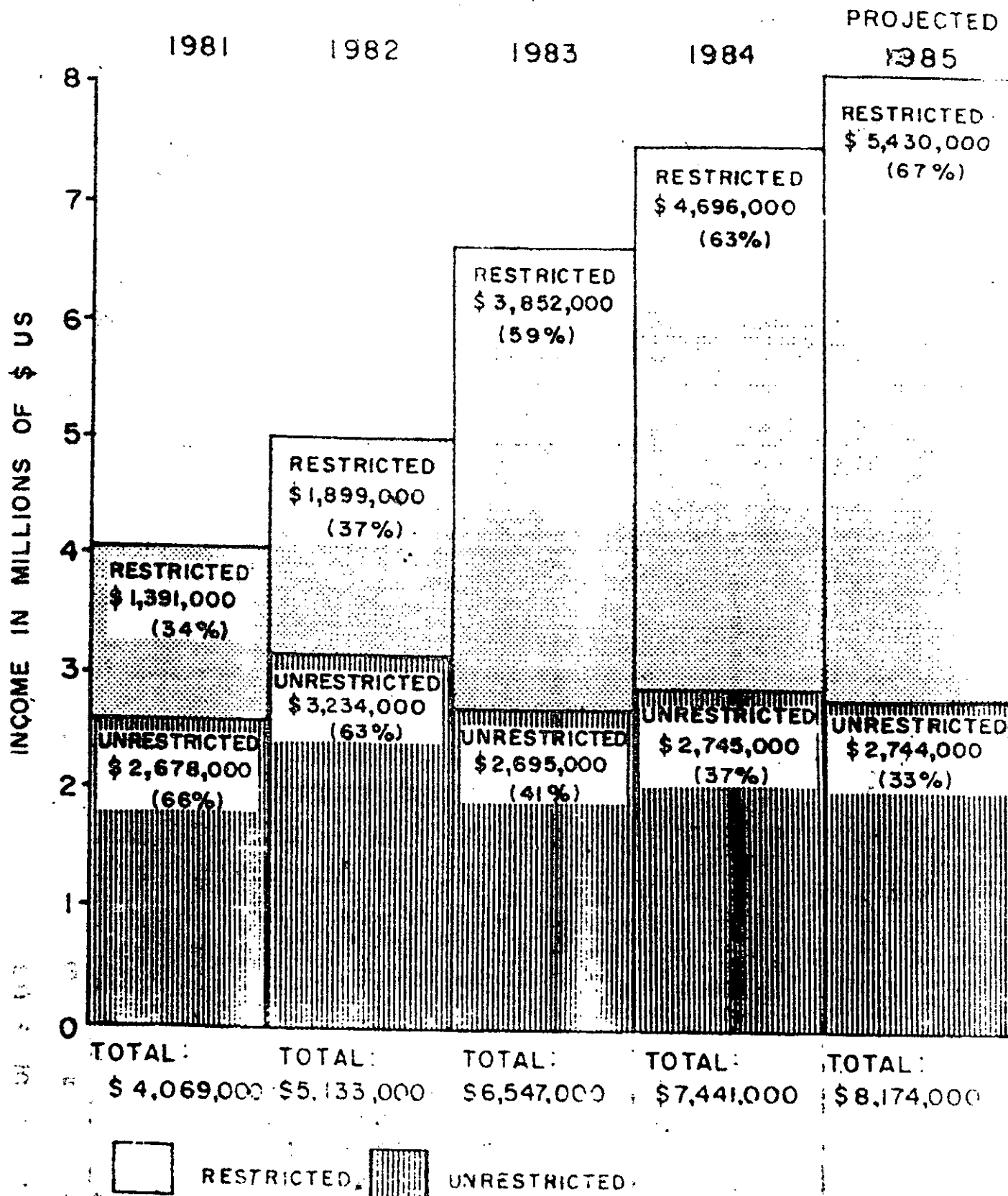
OPERATING BUDGET FOR 1964

(IN US DOLLARS)

Project Code	Program Title	Person year	Local Personnel Services	International Personnel Services	Travel and Transportation of persons	Other Contractual Services	Supplies & Materials	Depreciation	Total ^{1/}
			51	52	41	42	43	44	
			\$	\$	\$	\$	\$	\$	\$
Research Program (01 to 05)									
01	Disease Transmission	48.4	140,320	236,180	4,000	12,470	64,090	28,960	486,020
02	Pathogenesis & Therapy	44.8	130,680	316,420	4,000	13,240	34,130	17,050	515,520
03	Host Defense	26.2	80,630	159,170	2,000	2,550	14,050	17,400	275,800
04	Nutrition	93.3	226,310	211,090	-4,000	9,810	36,030	20,190	507,430
05	Community Services	427.6	855,590	510,410	79,580	46,970	79,510	112,070	1,684,130
	Sub-Total:	640.3	1,433,530	1,433,270	95,580	85,040	227,810	195,670	3,468,900
06	Research & Training Support Facility	230.1	574,420	84,380	-	39,740	276,430	61,240	1,036,210
07	Training, Extension & Communication	28.8	146,580	147,920	11,420	20,990	35,830	17,190	377,930
				85,000					85,000
08	Maintenance & Logistics	99	228,750	38,250	5,000	8,910	159,510	48,180	488,400
09	Management	143	381,590	378,110	55,000	59,370	48,900	41,940	964,910
10	Resources Development	8	34,120	112,080	25,000	7,820	6,740	840	186,600
11	Mandatory Committee	-	4,460	40,540	100,000	1,770	6,140	-	152,910
12	Employees Benefits	7	24,700	-	-	7,330	18,680	6,240	56,950
13	Project Development	-	-	-	-	-	-	-	-
14	Staff Development	-	30,700	-	7,000	3,660	460	-	41,820
		1126.2	2,858,850	2,319,550	297,000	234,630	778,300	371,300	6,859,630

^{1/} Breakdown of personnel services costs are provided in Appendix I attached.

ICDDR,B FUNDING PATTERN: DONOR FUNDING COMMITMENTS



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APPENDIX. 2

APPENDIX. 2
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

REPORT OF THE SCIENTIFIC PROGRAMME
REVIEW COMMITTEE.

REPORT OF THE SCIENTIFIC PROGRAMME REVIEW COMMITTEE
=====

J. Kostrzewski: Y. Takeda
L. Mata : D. Rowley

The group attempted to interact with the Associate Directors of the Institute, and to obtain their frank opinions, not only about the two external review reports, but also their views on the scientific performance and efficiency of the Centre as a whole. The Associate Directors of the two working groups under direct review are naturally concerned to defend their group against some of the detailed criticism in the reports, and their comments were mostly reasonable and debatable. Putting aside the details, all Associate Directors and all of our Committee were unanimous in feeling that the generalisations in both reports were valuable, objective, critical in a helpful sense, and potentially very useful in promoting some positive changes in the scientific efficiency of the Institute. The more important valid criticisms and suggestions were identified and agreed in principle by all our Committee members and in general by all the Associate Directors. These are as follows:-

- 1) The Institute must establish an overall research programme in which its scientific priorities have been clearly identified. We believe that the hard task of fund raising should be easier, given a list of priorities especially if these are seen to be innovative rather than repetitive and of global significance.
- 2) A Programme Review Committee should be established to monitor periodically and if necessary, occasionally change the activities in the light of these Institutional goals.
- 3) A major defect in our Institute at the moment is lack of

communication between the present working groups. There appears to be little interaction between the groups, institutional seminars are poorly attended or often cancelled and this is an intolerable situation for any scientific body, still less for one which aspires to international standards. Methods must be devised to bring people together and promote better intellectual cross fertilisation.

- 4) The present system of protocol preparation and review is too cumbersome and stultifying. It should be the right of every scientist in the Institute to put forward a research proposal in as independent and democratic way as possible. Such proposals should be subjected to multidisciplinary comment and criticism at an early stage in their evolution. It should be the responsibility of Associate Directors and departmental heads to assist in the processes of turning a research proposal into an acceptable protocol.

- 5) There is a strong suggestion that the present division of the Institute into working groups has become rigid and fossilised, leading even to rivalry rather than cooperation. It is possible that interaction could be greatly improved, whilst retaining the S.W.G. structure if a few scientific priority topics were chosen and approached in a holistic, multi-disciplinary way. Each topic might have a coordinator, but all input would be from members of existing S.W.G.'s. We suggest three possible examples of priority research areas which could be approached in this way:-
 - (a) Invasive diarrhoeal diseases
 - (b) Development of rapid bedside diagnostic methods
 - (c) Field interventions and vaccine trials

All existing working groups and services should be able to see ways in which they could contribute or benefit from all of

these areas.

Suggested Actions

- A. The Board should consider setting up an ad hoc committee to define clearly the scientific areas and objectives with the brief to present a report by the December 1985 Board Meeting. This would allow ample time for discussion, both with the Committee and with other experts on an informal basis. A suitable composition for this adhoc committee might be:-

The Director
2 Board Members
2 Associate Directors
2 External Consultants

- B. The priorities and scientific progress toward their solution should be reviewed regularly by the Board Programme Committee, on which all the Board members not involved with Finance or Personnel should sit. The meetings of this Committee would also precede Board Meetings, and should involve presentations of work, chosen by the Director to illustrate progress or difficulties in reaching the chosen goals.

Protocols should be generated from scientists in a streamlined manner and sifted in the first instance by the Associate Directors Scientific Committee. The Director must ultimately be responsible for deciding which of the approved protocols fit best with the priorities and seem worthwhile on a cost-effectiveness basis. These he would recommend to the Programme Committee and Finance Committee for funding.

It seems to our group that 1985 offers great opportunity to maximise the Institutes resources and extraordinary field activities. The retiring director is handing over the Institute at a time when

..4..

facilities are being dramatically improved, and when many capable scientists are in post; it has never been stronger, and with greater potential.

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APPENDIX. 3

APPENDIX. 3
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

RESOURCES DEVELOPMENT REPORT

RESOURCES DEVELOPMENT REPORT

With the close of the year 1984, ICDDR,B will have completed its first five years of existence as an international organisation. These initial years were characterised by a series of sustained efforts and exercises to obtain international recognition and support for ICDDR,B's programmes and mandate. The tasks set forth for Resources Development during this period were to seek an improved donor base, increase the number of ICDDR,B's participating countries and agencies, assist expansion of the Centre's activities among developing countries, project ICDDR,B through the international media and develop a strong relationship with the host country. In another words, Resources Development was assigned the responsibility of organising and coordinating the launching of a new international organisation. This formidable work was compounded by the absence of formal long-term programme perspectives and financial plans and projections. Although ICDDR,B did have a 5-year plan, scope of its activities expanded and changed to such a degree that it could not be followed.

We are pleased to inform the Board that, despite the heavy odds that faced our mission, in a period of global financial and political instability where the major donors were realigning their aid-giving priorities and where the major international agencies were cutting back their budgets, Resources Development has successfully accomplished its tasks. Firm donor commitments were obtained every year to meet the Centre's annual income projections and its donor base has increased from 5 in 1979 to 25 in 1984. This expanded donor base is of critical importance for the Centre's long-range financial stability. The number of countries and agencies participating in ICDDR,B is now 50, up from 4 in the beginning of 1979, and we have assisted initiation of the Centre's collaboration with a number of developing countries in Asia, Africa and Latin America, establishing our presence in these regions. Resources Development has also achieved a high degree of success in promoting and projecting ICDDR,B through the international media. This includes articles on the Centre and its activities in newspapers and

journals in the major cities of the world and coverage in a prime time US TV show.

Improved understanding of the Centre's activities and its growing international presence has led to an increased interest in the global efforts to combat diarrhoeal diseases. ICDDR,B, as one of the co-sponsors of the International Conference on Oral Rehydration Therapy (ICORT), brought together decision makers from a large number of developing countries in Washington to appraise them of the advances made in diarrhoea management and how this can be of benefit to them. The Centre was awarded the prestigious UNICEF/Maurice Pate Prize in recognition of its services; the Director of the Centre was honoured with the coveted King Faisal International Prize in Medicine and the UNICEF Regional Prize was awarded to the Centre and its Director.

Resources Development continues to devote a substantial part of its time to the maintenance and further improvement of the excellent cordial relationship with its host country. Bangladesh has always extended its support to ICDDR,B whenever needed, both within the country and in various international forums. This relationship has been a major source of support for the Centre and has greatly facilitated its activities. At the request of the Government of Bangladesh, ICDDR,B has undertaken a major technical assistance programme to 8 countries from the WHO South East Asia Region.

During the past five years, efforts of Resources Development were instrumental in giving the Centre a sound donor base and ICDDR,B is now internationally recognised as the premiere institute in its field.

1984

For financial year 1984 Resources Development had projected donor commitments in the amount of US \$ 7.2 million, with an estimated

increase of a further US \$ 0.24 million during the year. With the total of donor commitments received for 1984 standing at US \$ 7.614 million, we are pleased to report that we have exceeded the target. The above donor commitment compares very favourably with the approved 1984 budget of US \$ 6.8 million and would appear to indicate that ICDDR,B financial status has improved significantly. Details are provided in Appendix I of our report to the Finance Committee.

During 1984 several donors, both new and existing, announced fresh commitments to the Centre. The Canadian International Development Assistance (CIDA) became a major new donor when it began supporting the Demographic Surveillance System from January this year. CIDA has also extended financial support to the African Diarrhoeal Disease Conference held in Arusha, Tanzania, in November and we are currently negotiating additional CIDA support for a number of other ICDDR,B projects.

Belgium has seconded three scientific personnel to the Centre for a period of two years. Belgium has also confirmed that their grant to the Urban Community Volunteer Programme (UCVP) is expected to be released soon. Six World University Services of Canada (WUSC) personnel seconded to ICDDR,B have now arrived and have taken up their respective responsibilities.

The agreement with the Drinking Water Supply and Sanitation Decade (DWSSD) of UNDP for their support to the UCVP was signed this year. They will support this programme for a period of two years ending in 1986.

Agreements with a number of our existing donors were also renewed this year. As we stated in our report to the Board in June, the agreement with USAID, our largest single donor, for the first 5-year cycle expired in September and an extension was granted at the previous funding level for the remaining months of 1984. We have negotiated

the second 5-year grant cycle with a request for a US \$ 1.1 million increase in the annual funding level. The increased level of funding will help offset the inflationary fall in the current dollar value compared to that of 1979 and support new programmes such as the vaccine trials, research in shigellosis and further development of ORS. A major change in the nature of the USAID support in the second cycle will be that instead of funding ICDDR,B general core activities, the new grant will support designated core activities. This reflects a trend, not only of USAID, but also of most other donors, towards a need for visibility of the programmes supported by them and for increased accountability in the use of their funds.

The Ford Foundation has renewed its support to the Epidemic Control Preparedness Programme for a further two year period at a greatly enhanced level.

The Arab Gulf Fund grant to ICDDR,B was renewed for another year at an increased level. This grant is disbursed through the UNDP. The UNDP Clinical Research grant was also renewed for a three year period.

France, Japan, Sweden, Switzerland and the United Kingdom have increased the levels of their funding to ICDDR,B for 1984.

Australia had informed us that release of their 1984 contribution would be delayed until early 1985 and that they were withdrawing their commitment for project support. We discussed this matter with the Australian High Commission in Dhaka who assured us that the disbursement would be made in December. The High Commission has also assured the revalidation of the committed project support.

The core support committed by UNICEF for 1984 which was expected to be disbursed by the middle of this year has been delayed pending discussions with WHO. However, we have taken up the matter with the UNICEF Executive Director and its Board for immediate release of the fund.

The first cycle of the core funding of the Kingdom of Saudi Arabia expires in 1984. KSA has also suggested that the Centre's budget shortfall should be shared by all ICDDR,B donors and that KSA would favourably consider such a request if there were a Board resolution to that effect. We request the Board to adopt a resolution requesting KSA and other donors to provide funding to meet this shortfall. We lack nearly US \$ 3.0 million in firm commitments for 1985 and we have already requested the Ministry of Health, Kingdom of Saudi Arabia to increase their contribution to meet ICDDR,B's costs.

The agreement for providing technical assistance to the Diarrhoeal Disease Control Centre in the Eastern Province of KSA has been renewed for a second year and an agreement for setting up a similar Centre in Riyadh is in the final stages of negotiation.

Collaboration

A delegation from the People's Republic of China is expected to visit the Centre in mid-December to finalise and sign a collaborative agreement. Through this agreement ICDDR,B will extend technical assistance in a number of areas and some donors have already indicated their willingness to extend their financial support under tripartite arrangements.

The Centre has also extended technical assistance to Indonesia and the Philippines in 1984. These activities were funded by the USAID missions in these countries.

In early 1984, at the request of UNICEF, ICDDR,B sent two teams to Colombia and Tanzania for a feasibility study. As a result of these visits both Colombia and Tanzania are requesting our assistance. We hope that UNICEF will extend support for this programme for which they have already received a request from Colombia.

Capital Development Programme

The Centre's proposal to the United Nations Capital Development Fund (UNCDF), for construction of permanent physical facilities at the Matlab and Teknaf field stations, was strongly recommended by the Government of Bangladesh. Our proposal is now being finalised by UNCDF.

Vaccine Trials

The 1984 pre-trial activities of the vaccine trials project was supported by the Centre's core fund with additional support from UNDP, WHO and SAREC.

The Federal Republic of Germany (FRG) has confirmed their intention to support the vaccine trials and an agreement is expected to be signed in December, 1984. Signing of this agreement has been delayed because FRG had originally intended to support the Centre's TCDC training programme. However, they have now transferred their support entirely to the vaccine trials. Donor commitments already received towards this is US \$ 0.315 million for 1985.

We have approached IDRC, Japan and USAID to extend financial support and all of them have indicated their interest. We hope to raise US \$ 1.1 million in support of the vaccine trials in 1985.

Reserve Fund

Ford Foundation has committed US \$ 0.5 million to the Centre's Reserve Fund with the proviso that ICDDR,B should demonstrate significant interest of other donors in the Fund. The Reserve Fund proposal is appended to this report.

CIDA has suggested another mechanism that could be used to build up the Reserve Fund. A request should be made to all donors to commit 6% of their commitments specifically to the Reserve Fund. This should involve a 6% increase in the funding level of all donors.

UNROB

The residual UNROB funds which were given to ICDDR,B as interest free loan for a period of one year, was extended for a further period of another year. We have requested the Government of Bangladesh to convert this loan into a grant and our request was strongly recommended by our honourable Trustee Major General Mr. Shamsul Haq, Minister for Health & Population Control, Government of Bangladesh. We now request our honourable Trustee, Mr. Muniruzzaman, Secretary, External Resources Division, Government of Bangladesh to kindly arrange conversion of this loan into a grant.

Local Consultative Group

To develop closer cooperation with ICDDR,B's donors' and participating countries' and agencies' representatives in Bangladesh, a Local Consultative Group has been formed with UNDP as its Chairman. The objective of this Group is to keep the local donors' representatives informed of our activities and strengthen their support to ICDDR,B. The first meeting of this Group was held on December 2, 1984 and 20 countries and agencies participated.

1985

In 1985 Resources Development hopes to raise US \$ 9.2 million in support of the Centre's budget. We are pleased to inform the Board that of this amount we have already received firm donor commitments for US \$ 6.285 million and hope to raise the balance during the year. We request the Board's guidance and assistance in this regard.

We have submitted a proposal to Norwegian Agency for International Development (NORAD) seeking their financial support to our Matlab MCH-FP Extension activities in 1985. NORAD has already expressed its willingness to support this programme.

The agreements with the following donors will expire in 1985: Sweden, UNICEF-Project, Saudi Arabia, Arab Gulf Fund, Ford Foundation, France, Population Council, Switzerland, IDRC (DISC) and UNFPA. We will negotiate renewal of the above grants with the respective donors.

1985 is the first year of the second five year cycle of the Centre. During this year Resources Development will be required to raise a total of US \$ 9.2 million, an almost five fold increase over the less than US \$ 2.0 million budget of 1979. In fact, the total funds that will have to be raised in 1985 will be more than US \$ 9.2 as these projections do not include the additional US \$ 5.0 million that will have to be raised for the Reserve Fund over the next few years.

At the present rate of growth, the Centre's financial requirements in 1989, the terminal year of the second five year cycle, will perhaps be well over US \$ 20.0 million. Plans will have to be made now to facilitate the smooth achievement of this objective and we hope that the Centre will be able to maintain its high level of success.

RESOURCES DEVELOPMENT REPORT TO FINANCE COMMITTEE
DECEMBER 1984

The Resources Development Office had projected donor commitments of \$ 7.2 million for FY 1984, with a further estimated increase of \$ 240,000 during the year. We are pleased to report that we have not only met but exceeded the target: we have obtained commitments for 1984 of \$7,614,000, which are detailed in Appendix I.

Actual cash receipts against these commitments should total \$ 5,810,000 by November 1984 (including \$ 33,000 for 1985), and an additional \$ 1,281,000 is expected by 31st December. The remaining \$ 556,000 is expected to be disbursed in early 1985. The projected income from 1984 donor commitments in calendar 1984 is \$ 7,091,000, which compares favourably with the projected 1984 expenditure of \$ 6,800,000, and would appear to indicate that ICDDR,B's financial status has improved significantly.

The Centre has sustained a considerable income loss again in 1984 from exchange rate fluctuations against the strong U.S. dollar. Additional losses have been incurred due to high rates of interest paid on our overdrafts; these charges could be substantially offset by more efficient and professional management of the Reserve Fund investments.

For FY 1985, projected donor commitments remain at approximately \$ 8.2 million, with an additional \$ 1.1 million required for the vaccine trials. The expected income detailed in Appendix II has been divided into three categories as suggested by the Board, with an additional division for the vaccine trial. We have already secured donor commitments for \$ 5,970,000, and we estimate a further \$ 2,295,000 during 1985. For the vaccine trial we have commitments of \$ 315,000 for 1985 and we estimate an additional \$ 550,000 for the year.

Resources Development at present is not able to forecast timing of donor disbursements for 1985 because of several problems, of which the most serious are the lack of overall coordination between Finance and Resources Development and the donor-relations problem presented by inaccurate and delayed submission of financial reports. However, we understand that a new financial system is currently being installed and we hope that this new system may overcome these difficulties, which are the primary source of the Centre's cash flow problems.

I would like to bring another important matter to the attention of the Finance Committee. Recently some ICDDR,B donors raised an objection to a note in the 1983 Auditors' Report, in which the auditors stated that the Centre's "overdraft is collateralised by hypothecation of the Centre's assets". However, the ICDDR,B Board of Trustees clearly stated in June 1984 that "the Centre's real collateral is the letters of commitment from donors". This matter should be immediately addressed by the Board to make necessary clarification and correction for our donors.

ICDDR,B DONORS 1984: Commitments & Receipts
 (In US Dollars)

A. Unrestricted - Core

Donor	1984 Commitment	Receipts through Nov 1984	Expected by Dec 1984	Expected in early 1985
1. Australia/ADAB	176,000	-	176,000	-
2. Bangladesh	34,000	-	34,000	-
3. Japan	240,000	240,000	-	-
4. Saudi Arabia	100,000	-	-	100,000
5. Sweden/SAREC	104,000	104,000	-	-
6. Switzerland/SDC*	350,000	350,000*	-	-
7. UK/ODA	168,000	168,000	-	-
8. UNICEF	250,000	-	250,000	-
9. UNICEF/Maurice P/A	25,000	25,000	-	-
10. USA/USAID	1,900,000	1,900,000	-	-
Sub-total	3,347,000	2,787,000	460,000	100,000

* FY 1984 commitment received in 1983

ICDDR,B DONORS 1984: Commitment & Receipts
(In US Dollars)

B. Restricted - Project

Donor	1984 Commitment	Receipts through Nov 1984	Expected by Dec 1984	Expected in early 1985
1. AGFund/UNDP	200,000	-	200,000	-
2. Australian High Commission	1,000	1,000	-	-
3. Belgium	67,000	-	67,000	-
4. Belgium	3,000	3,000	-	-
5. CIDA (DSS)	1,593,000	1,413,000	-	180,000
6. CIDA (Afr. Conference)	38,000	-	38,000	-
7. Ford Fdn (Ep Cont)	86,000	119,000 ^{1/}	-	-
8. Ford Fdn (NORP)	107,000	107,000	-	-
9. Ford Fdn (Op. Research)	30,000	30,000	-	-
10. France	51,000	51,000	-	-
11. GTZ	10,000	-	-	10,000
12. IDRC (DISC)	125,000	52,000	-	73,000
13. IDRC (Video)	7,000	7,000	-	-
14. Johns Hopkins Univ.	17,000	-	12,000	5,000
15. New Zealand High Commission	3,000	3,000	-	-
16. OPEC Fund	20,000	-	-	20,000
17. Pop. Council (Op. Research)	44,000	12,000	32,000	-
18. Princeton Univ. (Ch. Mort.)	3,000	1,000	2,000	-
19. Rockefeller Fd. (I. Kabir)	5,000	5,000	-	-
20. WHO/Geneva (Lab. Serv.)	1,000	1,000	-	-
21. Roche Far East Ltd.	5,000	5,000	-	-
22. Saudi Arabia	262,000	214,000	-	48,000
23. Sweden/SAREC	19,000	19,000	-	-
24. UNDP/WHO (Clin. Research)	225,000	225,000	-	-
25. UNDP (UCVP)	56,000	-	30,000	26,000
26. UNDP/WHO (Reg'l Training)	24,000	24,000	-	-
27. UNFPA (MCH-FP Matlab)	56,000	26,000	-	30,000
28. UNICEF (Tanzania/ Colombia)	54,000	54,000	-	-
29. UNICEF (ORS/TMD)	249,000	91,000	140,000	18,000
30. UNICEF (Water and Sanitation)	15,000	15,000	-	-
31. USAID/Dhaka (MCH-FP Extn.)	647,000	398,000	249,000	-
32. USAID/Dhaka (NIROG)	10,000	10,000	-	-
33. USAID/Jakarta	81,000	30,000	51,000	-
34. USAID/Manila	11,000	11,000	-	-
35. WHO (Vac. Trial)	50,000	50,000	-	-
36. World Bank (San. Pkgs)	86,000	40,000	-	46,000
37. UN University	6,000	6,000	-	-
Sub-total	4,267,000	3,023,000	821,000	456,000
GRAND TOTAL	7,614,000	5,810,000	1,281,000	556,000

^{1/} \$33,000 for 1985 use.

6/BT/Dec 84

Appendix II

page 1

ICDDR,B DONORS 1985: Commitments & Estimates

(In US Dollars)

A. Unrestricted - Core

Donor	Committed	Estimated	Total
1. Australia/ADAB	176,000	-	176,000
2. Bangladesh	34,000	-	34,000
3. Saudi Arabia	-	200,000	200,000
4. Sweden/SAREC	50,000	-	50,000
5. Switzerland/SDC	345,000	-	345,000
6. UK/ODA	165,000	-	165,000
7. UNICEF	-	250,000	250,000
Sub- Total	770,000	450,000	1,220,000

ICDDR,B DONORS 1985: Commitments & Estimates
(In US Dollars)

B. Restricted - Core

Donor	Committed	Estimated	Total
1. CIDA (D.S.S.)	750,000	-	750,000
2. Japan	240,000	40,000	280,000
3. USA/USAID	1,900,000	500,000	2,400,000
Sub-Total	2,890,000	540,000	3,430,000

ICDDR,B DONORS 1985: Commitments & Estimates
(In US Dollars)

C. Restricted-Project

Donor	Committed	Estimated	Total
1. Aga Khan Fdn (ORS)	-	50,000	50,000
2. Arab Gulf Fund	300,000	100,000	400,000
3. Australia	-	60,000	60,000
4. Belgium (UCVP)	-	60,000	60,000
5. CIDA (Training/UCVP)	-	200,000	200,000
6. Ford Foundation (ECPF)	120,000	-	120,000
7. Ford Foundation (NORP)	54,000	-	54,000
8. Ford Fdn.(Ops.Res./ Ch. Surv)	30,000	-	30,000
9. IDRC (DISC)	50,000	-	50,000
10. Johns Hopkins Univ.(Dem.)	4,000	-	4,000
11. Nat Acad Sc /BOSTID	93,000	-	93,000
12. NORAD (MCH-FP Matlab)	-	300,000	300,000
13. OPEC Fund	10,000	-	10,000
14. Pop Council (Op.Res.)	19,000	-	19,000
15. Princeton Univ (Dem.)	2,000	-	2,000
16. Saudi Arabia	140,000	420,000	560,000
17. Sweden/SAREC	9,000	-	9,000
18. UNDP (Clin. Res.)	275,000	-	275,000
19. UNDP (UCVP)	100,000	-	100,000
20. UNDP/WHO (Reg'l Trg)	-	15,000	15,000
21. UNFPA (MCH-FP Matlab)	30,000	-	30,000
22. UNICEF	75,000	50,000	125,000
23. USAID/Dhaka (MCH-FP Matlab)	907,000	-	907,000
24. USAID/Jakarta	-	30,000	30,000
25. USAID/Manila	-	20,000	20,000
26. World Bank (San. Pkgs.)	92,000	-	92,000
Sub- Total	2,310,000	1,305,000	3,615,000
TOTAL A - C =	5,970,000	2,295,000	8,265,000

ICDDR,B DONORS 1985: Commitments & Estimates
 (In US Dollars)

D. Vaccine Trial, 1985

Donor	Committed	Estimated	Total
1. FRG	265,000	-	265,000
2. IDRC	-	200,000	200,000
3. Japan	-	100,000	100,000
4. USA/USAID	-	250,000	250,000
5. WHO	50,000	-	50,000
Total	315,000	550,000	865,000
TOTAL A - C =	5,970,000	2,295,000	8,265,000
TOTAL D =	315,000	550,000	865,000
GRAND TOTAL =	6,285,000	2,845,000	9,130,000

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The International Centre for
Diarrhoeal Disease Research, Bangladesh
Reserve Fund

INTRODUCTION

Cholera and other diarrhoeal diseases are among the deadliest and most feared human illnesses. Diarrhoea is also one of the commonest, most widely spread, and easily communicable diseases ravaging the world today. Although modern sanitation and medical advances have lessened the threat in Western societies, these diseases are still a major cause of sickness and death throughout the world. Every year more than one billion cases of serious diarrhoea occur, and between five and six million victims die, mostly young children. Most deaths associated with diarrhoea are caused by rapid dehydration. Dehydration may be so rapid that people die only hours after the diarrhoea starts. Modern science has proven that most of these deaths need not happen.

In developing countries, the toll manifested by poor health and nutrition is as equally serious as the shocking number of preventable deaths. Children often are victims of diarrhoea as many as six times a year, with a cumulative devastating effect on physical and mental growth and on their ability to ward off future attacks and other illnesses. Children who survive to adulthood are malnourished, weak, and have a propensity to be sick. As adults, they are less able to work, may not have the energy or initiative to contribute to the economic and social development of their communities or even to feed their families. Additionally, because their children will face the

same or greater difficulties, because so many of their children die before age five, these adult survivors will have extra children to compensate for the ones they expect may die. And so this gloomy cycle has continued in an ever downward spiral of illness, poverty, and premature death.

ICDDR,B : BACKGROUND AND SCIENTIFIC PROGRAMME

The problem of diarrhoeal diseases and associated malnutrition can be solved, and the suffering and death they cause can be prevented. Solutions already are being found, and the International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR,B), the only international non-profit health institution devoted exclusively to discovering such solutions, has been responsible for many of the major findings in diarrhoeal disease research.

As the world's central scientific resource for diarrhoeal disease research, the ICDDR,B conducts basic and applied research and works together with other concerned institutions and agencies, as well as governments, in research efforts and in helping to apply what is learned to help improve health care methods and public health programmes, especially in developing countries. The Centre also collects relevant research results and globally disseminates the most current of the best work in the field.

After nearly two decades of experience in the study and treatment of diarrhoea as the Cholera Research Laboratory, the ICDDR,B was established as an international organization in 1979 to undertake and promote multinational scientific collaboration in the research and management of diarrhoeal disease and on the directly related subjects of nutrition and fertility and to find ways to apply the findings to improve health service delivery. The Centre's developing country setting allows for a realistic identification of problems and issues and for potential applications of research findings. Its international status provides an independent means and a broad perspective to integrate scientific talent, resources, and advances from throughout the world and to focus efforts especially in those countries where the problems are currently of critical importance.

The ICDDR,B is governed by a sixteen member Board of Trustees, one-third of whom are from developed countries with the balance from developing nations. The host Bangladesh Government and the World Health Organization are represented on the Board. The Centre's staff of approximately 900 people represent 15 different nationalities and work at either the ICDDR,B research, clinical, and administrative headquarters in Dhaka, at one of its two permanent field stations in rural Bangladesh, or at one of the variety of cooperative projects located in Bangladesh and in other developing countries.

The ICDDR,B's scientific programmes combine the disciplines of biomedical and social sciences and center around a basic set of research

objectives. These objectives include identification of the causative agents of diarrhoea and the ways they cause illness; how the human body defends itself against diarrhoeal diseases; and what can be done to prevent their occurrence, interrupt their spread, and to cure those afflicted. An additional aim is to better understand the interactions among diarrhoea, nutrition, and fertility. These goals are addressed by five interrelated core scientific working groups.

The two Centre field stations in Matlab and Teknaf in rural Bangladesh and its hospital in the Dhaka city capital of Bangladesh serve as research sites for study of the bio-social determinants of health and disease : how disease, death, and fertility are affected by such complex factors as nutritional status, socioeconomic position, hygiene and general educational levels, and religious and other beliefs. The field station sites provide the foundation information for the ICDDR,B's Demographic Surveillance System (DSS), an important research tool itself through which continuous reliable demographic information on the diverse changes in these communities has been gathered and monitored for over a decade. The DSS is the most comprehensive longitudinal profile of its kind in the world, the largest continuous system of recording and monitoring accurate vital statistics for a sizeable population in any developing country. The Dhaka hospital is a major referral centre for other city hospitals and, along with the field stations, fulfills a major need by providing free diarrhoeal treatment to more than 200,000

people annually. The ICDDR,B also supports a number of community-based and operated treatment clinics, outgrowths of the hospital and field station sites. These clinics not only deliver services for treatment of the diarrhoeal disease problems of their satellite populations, but also teach people how to treat less serious diarrhoeas in their own homes. The annual budget for the entire ICDDR,B 1983 operations was \$ 7 million, supported by 24 donors.

SCIENTIFIC ACHIEVEMENTS

Since its establishment in 1960 as the Cholera Research Laboratory, the Centre's achievements have kept it at the forefront of laboratory and field research in diarrhoeal prevention and treatment. Following are some highlights of the Centre's most significant basic and applied research discoveries and a brief description of the Centre's efforts to apply what it has learned to help those in need :

1. Intravenous Solution : IV Solutions to counteract debilitating and life-threatening dehydration existed for decades. However, the first safe and truly effective IV solution for both adults and children and for all types of diarrhoeal diseases, known as "Dhaka Solution" was developed at the Centre.
2. Oral Rehydration Solution and Home-based Treatment : Most developing country people have neither adequate access to clinics or hospitals nor enough money for medical services. Therefore, an important

public health goal is to find basic, inexpensive preventives and cures which can be used in peoples' homes. One of ICDDR,B's major contributions was the discovery of ORS, a combination of sugar, salts, and electrolytes which a person with diarrhoea can drink to prevent or correct dehydration, the main cause of diarrhoeal deaths. Today, ORS provides millions of people with an effective, safe, inexpensive treatment which can be given at home and saves large numbers of lives. Additionally, it saves millions of health care dollars by greatly reducing the need for intravenous or hospital-based treatment.

Even though ORS had been proven a success, ICDDR,B scientists continue their research to further refine and develop treatments. A recent result was the development of a new type of ORS based on rice or other cereals instead of sugar. This cereal-based ORS is even cheaper and more practical for home use since, in many developing countries, cereal grains are more abundant than sugar. Initial studies on cereal/rice-ORS indicate the added benefit of a better-tasting ORS that reduces diarrhoea output while providing added calories -- a factor critical to malnourished children, the principal diarrhoea victims worldwide.

3. Sanitation : Another important Centre finding which seems deceptively simple is that a family can drastically reduce bouts of diarrhoea simply by regular handwashing with soap, or more cheaply, by using ash from their cooking fire. This simple procedure effectively kills many disease causing organisms, interrupting the transmission cycle.

4. Cholera vaccine : Cholera was the first cause of diarrhoea to be identified and its epidemiology, prevention, and treatment have received close scientific and medical attention since the 19th Century. Vaccination against cholera has long been part of most national and international health programs, although the vaccines used had never been rigorously tested until the Centre did so. Investigations at the Centre demonstrated that all traditional and currently available vaccines are ineffective in preventing or controlling the spread of cholera. This discovery has enabled governments, particularly those of developing countries, to divert enormous amounts of scarce health funds to more useful health interventions.

5. Causes of diarrhoea : Until very recently the causes of most diarrhoeas could not be defined. Treatment and prevention were haphazard, at best. Now, however, largely due to Centre research, the causes of almost 85 percent of acute diarrhoea cases can be diagnosed and treated, and some dangerous diarrhoeas can be prevented. It was found, for example, that children with measles often contract a debilitating and dangerous bacterial dysentery diarrhoea called "shigellosis", which now can be prevented in many cases through inoculation against measles.

6. Impact of Effective Health Service Delivery : For a number of years, the ICDDR,B has provided health services to approximately 200,000 people annually at its rural Matlab field area. The Centre's Family Planning and Community Health Services Project has successfully

demonstrated that, when ORS is effectively used together with a carefully planned package of selected Maternal-Child Health and Family Planning interventions, the interventions can have a significant positive impact -- even in poor undeveloped areas -- on increased contraceptive use, on lower overall fertility, and on infant and maternal deaths. In fact, control of fertility itself appears to lead to better health and lower death rates for mothers and children.

TRAINING AND EXTENSION : INTERNATIONAL IMPACT

The fundamental goal of the ICDDR,B is to control and ultimately eradicate the scourge of diarrhoeal diseases in Bangladesh and in other countries. Basic and applied research are the keys, but research findings must be used worldwide by people, through programs managed by institutions and governments within national health programmes.

The Centre's research and service facilities put it in a unique position to provide training and technical assistance to such national programs. The growing international awareness of diarrhoeal diseases, their consequences, and the ICDDR,B's success in disseminating the results of research and research applications done at the Centre has resulted in an increasing number of developing countries approaching ICDDR,B to extend its expertise and technical assistance to help solve their national diarrhoea problems. The ICDDR,B has responded and is working directly with a number of developing countries to establish and to run successful national

diarrhoeal disease control programs. Practical and theoretical expertise, transferred to where the greatest need exists, will be invaluable to health care recipients, providers, and researchers alike. Some examples of such ICDDR,B training and extension follow.

1. Collaborative Training : One of the first requests came in 1979 from the Government of Maldives, seeking assistance in identifying and controlling a diarrhoeal disease outbreak. (ICDDR,B assisted Maldives again in 1981). Next, the ICDDR,B helped establish a laboratory in Nairobi to identify certain diarrhoeal pathogens; this laboratory is now an official WHO Reference Centre.

In Saudi Arabia, ICDDR,B scientists currently are helping to establish a comprehensive, integrated diarrhoea management program within the Health Ministry. In Indonesia, short-term ICDDR,B assistance to identify and control a provincial cholera outbreak has developed into a nationwide program, utilizing ICDDR,B technical expertise, to train clinicians, nurses, diagnostic technicians, and others in diarrhoeal disease detection and case management techniques as well as epidemic control measures.

In Bangladesh, the ICDDR,B is assisting the Health Ministry in a long-term effort to improve health services delivery. This integrated program, based on the ICDDR,B experience and successful results obtained

at the Centre's Matlab field station, is designed to reduce both the birth and death rates in Bangladesh. Another collaborative assistance project in Bangladesh consists of training rural government health officials and doctors and researchers from the country's medical colleges in epidemic control preparedness. Part of the program plans include quick reaction "flying" teams for emergency epidemic control, back-up services to the rural health centers, and a systematic nationwide training and retraining program.

Looking at the broad picture, a major focus of the Centre efforts is training of many nations' health workers and professionals so they can work to improve their countries' public health programmes. ICDDR,B offers training in a variety of skill areas including diagnosis, treatment and prevention of diarrhoea; establishment of proper laboratories, clinics and health records; and techniques to work effectively with the field-level health practitioners. All ICDDR,B training emphasizes the crucial need to communicate the acquired expertise to others' in the trainees' work places.

2. Information Dissemination :

The ICDDR,B enables scientists and health professionals around the world to keep abreast of developments in the related fields of diarrhoeal disease, nutrition, and fertility through publication of working papers, a bi-monthly newsletter, voluminous submission of research articles to international scientific journals, quarterly publication of its own

journal, Journal of Diarrhoeal Diseases Research, the only journal devoted exclusively to diarrhoeal diseases, and through the ICDDR,B DISC service, (the International Diarrhoeal Disease Information Service and Documentation Centre, which provides up-to-date information to developing country scientists).

THE ICDDR,B -- THE FUTURE

Since the ICDDR,B began operating as an international centre in 1979, international understanding about the seriousness of diarrhoeal diseases in developing countries has grown. These diseases present a critical challenge to health and development -- a challenge which, with resources and expertise, can be met successfully. Worldwide interest in the problem has brought diarrhoea into prominence as a priority for national as well as global health programming, by governments and such international agencies as WHO, UNICEF, and UNDP. The ICDDR,B plans for the next few years are built upon its own on-going research, on collaborative efforts with other research institutes, and on the projected needs of Bangladesh and other developing countries.

As the only independent non-profit international research institution focused on diarrhoeal diseases, the ICDDR,B has become the fulcrum in the global effort to find solutions and to upgrade national and international efforts and capabilities.

One major research activity already underway is preparation for a major field trial of two new oral cholera vaccines. The field trial, planned for 1985, will be the culmination of an intensive research strategy begun in 1978 at the ICDDR,B and other institutions. The new vaccines show great promise as an effective means of controlling cholera.

A second focus will be on the continued development and wider application of cereal-based ORS. This research will target on the efficacy of a variety of cereals and grains, and on testing their applicability and acceptability in cultures which subsist on rice, wheat, millet and other starch sources.

Other important ICDDR,B research planned includes identifying diarrhoea pathogens in different environments and determining how they can be treated and prevented; assessing the impact of improved water sources and sanitation facilities on diarrhoea and nutrition; and continuing studies on the interaction of health and fertility in communities.

The Centre plans to continue the training activities' focus on both national and international needs. In 1983, the ICDDR,B provided training to over 1800 researchers and health personnel from Bangladesh and 48 other countries. Short, medium and long-term programmes were

arranged for individuals and groups in a variety of topics including clinical and laboratory management of diarrhoeal disease, epidemiology, and curriculum development. The demand, which nearly doubled over 1982, is still growing, as are requests for teaching modules in new areas relating to diarrhoea.

Some examples of future training activities include a new initiative aimed at training volunteer women in the basics of diarrhoea treatment and prevention, showing them how they can serve their families and communities by providing ORS and encouraging use of improved sanitary habits and facilities. Increased ICDDR,B effort will be devoted to training trainers, so key people of various nationalities can learn techniques to organize needed training at their home institutions.

Finally, the most rapidly expanding area of the ICDDR,B's training and extension efforts is knowledge dissemination and provision of technical assistance to help governments of developing countries develop their own self-sufficient diarrhoea management capacities. At the request of numerous governments and agencies, the Centre plans to expand this effort, as soon as feasible, from its current focus on Asia and the Middle East, to include Africa, Latin America, and China.

RESERVE FUND SUMMARY

During its first five years, the ICDDR,B has become a strong institution, the central scientific resource in the field of diarrhoeal disease research. The ICDDR,B has led research on diarrhoea on a wide front of scientific disciplines; has had remarkable success in focusing international attention on diarrhoea; through these achievements, the Centre has achieved a pivotal role in technical cooperation through collaborations with governments and institutions around the world.

Since 1979, the Centre budget has grown from two million to nearly seven million dollars, while the number of donors has increased from seven to 24. Thirty-seven countries and international agencies actively participate in its programmes, compared to four countries at its inception. Over 200,000 people in Bangladesh alone have received direct treatment care annually, thousands more have received training and technical services, and millions are benefitting daily across the world from the application of the Centre's research, an impressive record for an institution just five years old. As research and information on diarrhoeal disease has progressed, the opportunities for new knowledge, discoveries and applications have grown as well. However, the ICDDR,B's ability to continue to perform effectively in future years depends on the establishment of a financial support base not within the current Centre resources.

Recognizing the ICDDR,B's growth over the past five years and the likelihood of the need for global expansion of new programmes and research to continue progress already made toward control and eradication of diarrhoeal disease, the Board of Trustees has decided to expand the Centre's participation in the programme, to be carried out from the time of its inception. Over 200,000 people in Bangladesh alone have received direct treatment care annually, thousands more have received training and technical services, and millions are benefitting daily across the world from the application of the Centre's research, an impressive record for an institution just five years old. As research and information on diarrhoeal disease has progressed, the opportunities for new knowledge, discoveries and applications have grown as well. However, the ICDDR,B's ability to continue to perform effectively in future years depends on the establishment of a financial support base not within the current Centre resources.

diarrhoeal diseases, the ICDDR,B Board of Trustees passed a resolution in its November 1982 meeting to establish a Reserve Fund.

The first major reason for an ICDDR,B Reserve Fund is to provide a source of funds to permit the scientific work of the Centre to continue, pending the receipt of committed donor funds, without the necessity and expense of borrowing interim financing.

The ability of the Centre to carry out its research and training programme and to assist governments in developing their own capabilities and locally-applicable solutions depends on donor support, in the present and for the foreseeable future. The fundamental basis for financial planning for the Centre is to match its forward plans for research and other activities with the sources of donor support, either in the form of general contributions to the Centre or of support for specific projects. The annual budget for the Centre is prepared and approved by the Board of Trustees to balance anticipated income and outlay.

No matter how carefully the annual budget is prepared, however, experience has demonstrated that the flow of funds from donors to the Centre during any given year is highly uneven, and there is often a substantial lag between the time that a donor makes a firm commitment and the time that funds are actually received by the Centre. This problem is exacerbated by the fact that donor support for specific purposes has increased over general support over the years to account currently for over 60 percent of the annual budget. A few donors make

prompt payments, but more, owing to their own patterns of financial control and disbursement, make delayed payments.

For three years, the ICDDR,B, when faced with cash shortages caused by irregular and delayed donor disbursements, chose to finance basic scientific activities through bank overdrafts and, during part of each of those years, operated with a substantial cash deficit. Beginning in 1982, the Centre sharply cut expenditures and tightened administrative and financial operations in an effort to balance its budget. These measures impeded important scientific work, especially in regard to the needed recruitment of senior scientific staff and procurement of specialized equipment, and still did not eliminate the cashflow problem.

Delays in the receipt of funds continue to pose serious financial problems for the Centre. The basic and applied research, training and dissemination undertaken by the ICDDR,B require timely expenditures that enable the work to continue without pause. If funding from donors is delayed, either the work must slow down or money must be borrowed, at high rates of interest, to fill the gap until donor funds are received.

It might be thought that a careful and prudent planning process involving donors and the Centre would permit the Centre's work to be scheduled in synchronization with the flow of donor funds. In practice, this has not proven to be possible, due to several complicated factors: diversity and complexity of donor financial systems, unexpected irregularities in the flow of funds of donors (such as changes in the

timing of legislative budget bills), and the requirement of some donors that work be completed before reimbursement for costs will be made. Consequently, there is no alternative to establishing a Reserve Fund if borrowing is to be avoided. Such a fund would be drawn upon only temporarily, as necessary to bridge the time gap between expenditures and receipts, and only to the extent that donors have made definite commitments to support the activities underway. Thus the Reserve Fund would be fully maintained through replenishment when donor funds are received and the Fund would not be used up over time.

A second major reason for establishing an ICDDR,B Reserve Fund is to provide a source for flexible funds for the Centre, through its scientists, to use in exploring new lines of research or training. The Centre must build a financial base which allows for its scientific independence, flexibility, and responsiveness to the future needs of the peoples it ultimately serves. The ICDDR,B, as the world's central scientific center for diarrhoeal disease research, must have the independence to determine what new directions should be explored, and not be too closely tied to donor interests.

The source of such funds would be a portion of the income earned on current balances in the Reserve Fund, but never more than 85 percent of the income in any year, and there would be no invasion of the principal for these purposes. Since only a portion of the income earned in any year would be used, the Fund would continue to grow for the future benefit of research or training in the field.

The need for such funds is urgent in order to enable the Centre scientific staff to (1) pursue new ideas to the stage at which project funding could be requested, (2) to bring pioneering scientific colleagues to the Centre for brief visits to introduce new ideas or methodologies, and (3) in other ways to support the continuing, vigorous scanning of the research and training horizon to identify and pursue potentially interesting new ventures. These flexible, seed money funds would be made available to Centre scientists and departments through a special grant process on a competitive basis.

A third and final major reason for the establishment of an ICDDR,B Reserve Fund is to provide funds for one-time emergencies of major proportions, of which the principal example would be the unexpected need to reduce sharply the scale of the Centre (if, as a hypothetical example, a major donor suddenly withdrew its support and no other replacement funds could be found). In that event, the Reserve Fund might be drawn upon, by special action of the Board of Trustees, for such unavoidable costs as close-out salary payments to employees who must be unexpectedly terminated, or to phase down projects in an orderly fashion.

These three objectives of a Reserve Fund, (1) to provide working capital when committed funds from donors are slow in arriving, (2) to provide flexible funds from income earned annually on the Fund balance, for the exploration of new ideas and innovations; and (3), to provide funds for draw-down in the unexpected event of an emergency can all be

met simultaneously by a Reserve Fund of \$5 million. Accordingly, this has been set as the initial fundraising target for the Reserve Fund by the Centre's Board of Trustees.

In respect to the need for working capital, the first major objective for the Fund, the experience of the Centre thus far suggest the gaps between commitments and expenditures and outlays during a year may reach \$1.5 million, and that amount may increase somewhat as the total budget of the Centre becomes larger.

In respect to the need for flexible funds for the exploration of new research and action ideas, the second major objective for the Fund, the annual income on a Reserve Fund of \$5 million, less the working capital that may be in use on any given point in a year, is not likely to be more than \$350,000, especially when account is taken of the need to retain some of the earnings each year for growth to protect the Fund against inflation. Such an annual amount would support several initiatives in any one year. If these flexible funds turn out to be as valuable as expected, it may be desirable to seek a larger Reserve Fund for this purpose.

Finally, with respect to the need for funds to meet a major emergency affecting the scale of the Centre, the third major objective, it is not easy to measure such a potential need. One calculation would derive from the annual personnel cost of the Centre, currently just over four million

dollars, and a large part of which might constitute financial obligations if the Centre suddenly encountered emergency conditions; another calculation could be based on a measure of funds sufficient to match at least 18 months of funding from any of the Centre's major donors.

For these reasons, the ICDDR,B Reserve Fund is seen as an important further step in institutional stabilization, by strengthening the financial base for the Centre's health and scientific programming activities. It will eliminate the need for short-term borrowing and thereby save expensive and unproductive interest costs; it will provide much needed seed money to support both research and program initiatives; and it will provide a solid reserve for unexpected emergencies.

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASE RESEARCH, BANGLADESH
DONOR FUND FLOW: COMMITMENTS/CONTRIBUTION SCHEDULE
1982, 1983
(\$'000)

Period	Donor Commitments	Amount rcvd in 1st quartr	Amount rcvd in 2nd quartr	Amount rcvd in 3rd quartr	Amount rcvd in 4th quartr	Total amount received
1982	\$ 5,133	\$ 1,959	\$ 685	\$ 1,131	\$ 871	\$ 4,646

Note : Donor commitment for 1982 \$ 5,133
(Less) Amount received in 1982 \$ 4,646

Disbursement due in 1982; \$ 487
received in 1983

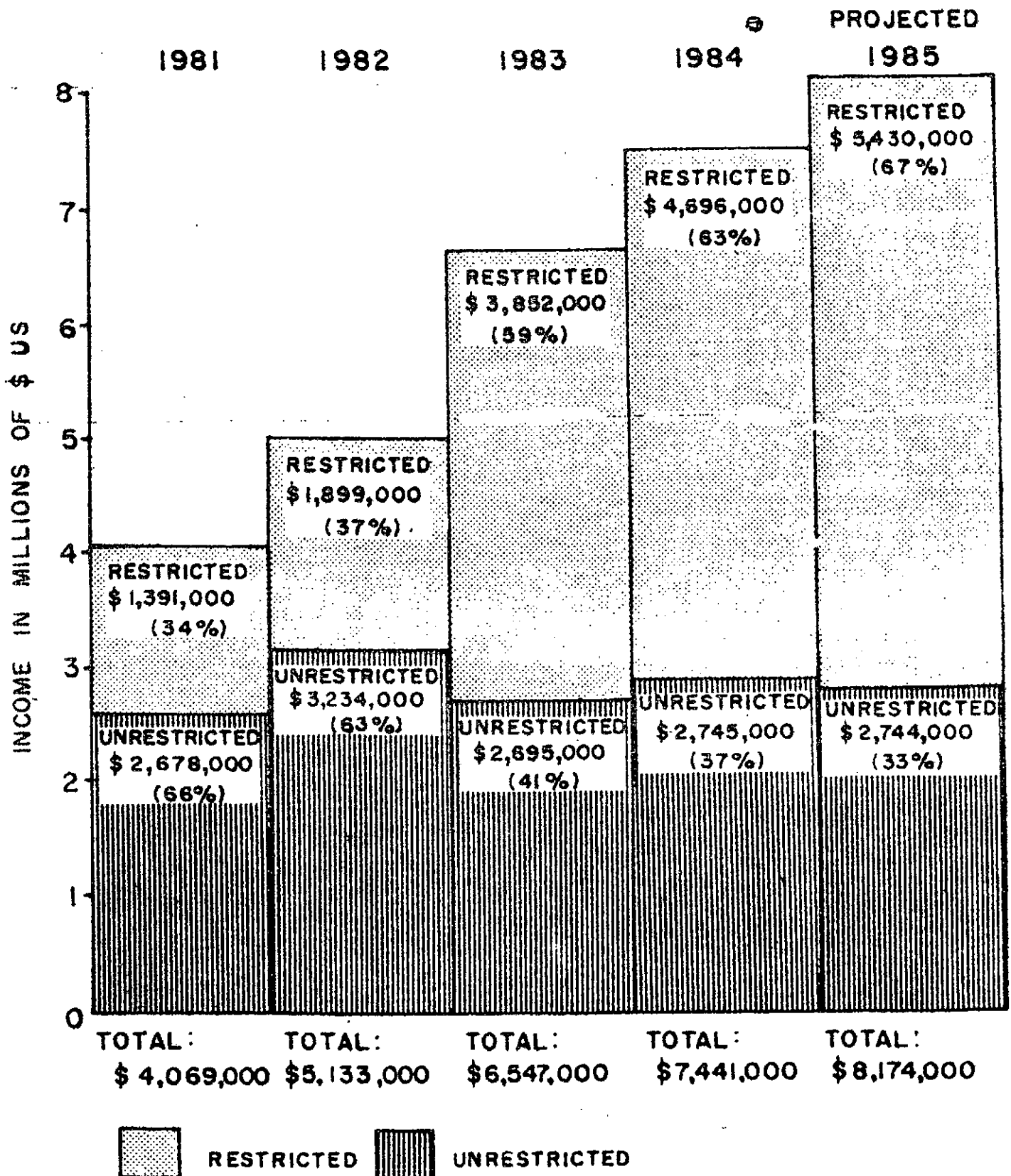
Period	Donor Commitments	Amount rcvd in 1st quartr	Amount rcvd in 2nd quartr	Amount rcvd in 3rd quarter	Amount rcvd in 4th quarter	Total amount received
1983	\$ 6,547	\$ 888	\$ 1,337	\$1,310	\$ 1,735	\$ 5,270

Note : Donor commitments for 1983 \$ 6,547
(Less) Amount received in 1983 \$ 5,270

Disbursements due, but not \$ 1,277
received in 1983

August 1984

ICDDR,B FUNDING PATTERN: DONOR FUNDING COMMITMENTS



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APPENDIX. 4

APPENDIX. 4
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

REPORT OF THE FINANCE COMMITTEE

REPORT OF THE FINANCE COMMITTEE

TO THE BOARD OF TRUSTEES

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6th December, 1984

The Finance Committee met on December 2, 3 and 4, 1984 to review the financial position and outlook of the Centre. The Committee's report is in three parts, discussing respectively the financial position for 1984, the budget outlook for 1985, and certain special issues.

1984

The regular expenditures for 1984 (ten months' actual plus two months' estimated) may total just under \$6.8 million, almost the same as the revised budget for the year as approved by the Board in June, 1984. To these expenditures, however, must be added certain outlays not included in the budget, mainly those for a new computer (\$430,000), for transfer to the Reserve Fund (\$500,000), and for repayment of a prior loan from the Staff Retirement Fund (\$192,000). Altogether, these bring cash outlays for the year to \$8.1 million.

On the income side, the Centre began the year a cash overdraft of \$360,000. Income during 1984 from donor commitments carried forward from 1983 has been \$1.27 million. Income during 1984 from funds committed for 1984, based on eleven months' actual and an estimate for December, may total \$6.5 million. Total cash available for the year is likely, therefore, in the Committee's calculations, to come to \$7.4 million, resulting in a cash overdraft at the end of the year of about \$700,000.

The Committee offers three comments on the year's financial results:

1. In substantive terms, this was a year of expansion. The general level of operation of the Centre increased; important senior staff leadership was added; preparations were made for

commencement of the vaccine trials at the beginning of 1985; substantial amounts of new equipment were received and installed; and a large new computer was purchased.

2. At the same time, the Centre went through an extremely precarious cash flow situation in the latter part of the year. The bank overdraft reached a peak of nearly \$2.3 million at the end of October, and to meet the financial crisis, the Centre had to defer the payment of salary arrears owed to staff, to stop the build-up of the special reserve fund, and to divert \$300,000 from the special reserve fund to current outlays. The general problems of how to deal with uneven cash flow, and the outlook for the special reserve fund, will be dealt with later in this report. For now, the Committee simply wishes to call the Board's attention to the fact that at one stage in the year the Centre passed through a period of near insolvency.
3. By the year's end, with substantial payments arriving from donors in the last two months of the year (as usual), the financial position is expected to be still far from easy though less precarious. The overdraft at \$700,000 will be a good deal higher at the end of the year than it was on January first (\$368,000). The special reserve fund, instead of being \$1.2 million, as the Board had intended, will be only \$830,000. But until the next seasonal shortfall in cash flow, likely to arrive late next summer, the Centre's finances should be less perilous.

1985

The Committee was not presented with a budget in the customary sense - that is, a statement of anticipated income and expenditures, and of how they relate to each other and to the intended programme of work of the Centre. Instead, we were given separate statements of anticipated income and of anticipated expenditure. We comment in this report on both, and then on their interrelationships.

The income projections for 1985 are up significantly, from anticipated commitments in 1984 of about \$7.6 million, to estimated commitments in 1985 of about \$9.1 million, an increase of about \$1.5 million. The 1985 estimates are necessarily somewhat uncertain in total, comprising \$6.3 million of firm commitments and \$2.8 million of reasonable anticipations. The Committee estimates that about \$600,000 of donor commitments made in 1984 will arrive in 1985, and that perhaps \$750,000 of donor commitments made in 1985 will not be received until 1986. Thus on present expectations, the Centre should have about \$9 million of income in 1985 on which to base its expenditure plans.

Over \$1 million of the expected increase in commitments from \$7.6 million in 1984 to \$9.1 million in 1985 is accounted for by funds specially raised to fund the vaccine trials, including committed funds from the Federal Republic of Germany and anticipated funds from IDRC, Japan, and USAID. Other major increases in income anticipated in 1985 are from the Arab Gulf Fund and Saudi Arabia (both core and project funds).

This favorable outlook for Centre funding in 1985 is encouraging, subject to some important qualifications noted later in this report. On the other hand, the general outlook for financial support for the Centre continues to be difficult. Costs of the Centre's ~~research and training activities will inevitably rise with inflation,~~ and there will be continuing pressure both internal and external, to add to the Centre's programme. Income is not at all certain to rise; some donors are still increasing their financial support to the Centre, but support from others is stable or falling. Moreover, the trend is clearly away from unrestricted core support, which is already creating substantial difficulties for the Centre in matching the activities donors are willing to pay for with the priorities for research, training and extension as seen by the Centre's own staff. If the trend continues, it may result in the Centre becoming increasingly dependent on a large patchwork of individual

projects, whose various contributions to the Centre's direct and overhead costs will be very hard to bring together into a sound and coherent Centre programme.

The expenditure projections for 1985 presented to the Committee are in much clearer form than in previous years, which reflects the introduction in 1984 of the Centre's much improved cost accounting system. This not only permits a clearer presentation of the Centre's financial plans and their results. It should also permit a stronger budgetary control over items that have been the source of unexpectedly large expenditures in the past, such as travel and the introduction of new research protocols.

At the same time, the Centre's budgeting system is still seriously deficient in several respects. The expenditure data are not presented as completely as are needed for purposes of decision and management control. More comparative data are needed (typically, summary budget data should show the last completed budget year, the current year, and the forward budget year). The relationship between income and expenditure is not worked out and presented with care. The need for proposed expenditure to be co-ordinated with the negotiation of donations provides very great difficulty for any budget system and will need attention. Finally, detailed operating and capital budgets need to be in a format readily understood by and used by scientific staff of the Centre. For all these reasons, the Committee recommends to the new Director that he obtain a consultant, preferably one who has had experience with the similar financial and budget problems of the international agricultural research centers, to advise him on the further development and improvement of the Centre's system.

Meanwhile, the Committee has reviewed the expenditure projections put before us, compared them with the income projections put before us, and reports to the Board four principal concerns.

1. The expenditure projections, as they stand, contain no

allowance for raising the special reserve fund against the loan from the Government of Bangladesh to the level prescribed by the Board of \$1.2 million. To do so would require adding \$3-400,000 to the present expenditure projections.

2. Present projections show that income specifically raised to fund the vaccine trials in 1985 will fall short of the anticipated cost of those trials (\$1.4 million), by about \$2-300,000. These income projections are not final, pending the completion of current negotiations with various donors, and indeed it is possible that sufficient special funds will be raised to cover the entire cost of the trials. However, insofar as this does not turn out to be the case, and the vaccine trials are given priority, funds will have to be diverted from other parts of the Centre's activities to pay for the trials.
3. Since the total anticipated income for 1985 is about \$9.0 million, and the current draft "total operating budget" for 1985 is shown as \$9.2 million, there appears to be a close match between the two figures. This is in fact not the case, however, since some funding shown in the anticipated income is specifically earmarked for project activities not included in the draft operating budget at the present time. There are at least three sizeable illustrations: first, on the order of \$5-600,000 of income identified as "CSR and TEC extra budgetary" is for activities not at present included in the draft operating budget; second, a smaller sum, but perhaps as much as \$1-200,000 of the funds expected to be received from the Arab Gulf Fund for equipment is for items which, although clearly needed by the Centre, are not among the highest priority replacement and re-equipment needs included in the preliminary budget; and third, close to \$300,000 of the income anticipated to be received for the Saudi Arabia field project is for activities not at present included in the draft operating budget.
4. About \$150,000 for equipment, for which funds were received last year, is not included at present in the draft operating

budget. To pay for this equipment is plainly an obligation of the Centre, and room must be found for it in the budget. (At the same time, the Committee urges that this equipment not be made a first charge against the depreciation account, which should be used to fund urgently needed replacements).

Taking all these elements into consideration, the Committee's conclusions are:

1. There is a reasonable anticipation of approximately \$9.0 million in funding in sight for 1985.
2. Approximately \$1 million of the anticipated funding will, however, have to be used for items not in the Centre's current draft operating budget. In other words, the present draft of the operating budget contains about \$1 million of proposed expenditures, for which no funding is in sight.
3. On the order of \$2-300,000 of the 1985 costs of the vaccine trials are not yet covered by special funding and on present anticipations would require diversions of funds which have been included in the draft operating budget for other purposes.
4. Taking points 2 and 3 together, the Centre faces a serious prospect of not being able to do in 1985 on the order of \$1.2-1.3 million worth of high priority work that has been included this far in its 1985 draft operating budget.

What should be done? The Committee believes three steps are called for. First, a careful, analytical review and comparison of the draft budget and the income projections should be undertaken at once, in order to provide a firmer budgetary basis on which to begin 1985. If the Committee's rough estimates are confirmed, then the Centre could start the year with a total budget of \$9.0 million, but the content of that budget will have to be substantially different from what is included in the tables put before the Committee this week, and there will have to be painful reductions in the proposed activities of some parts of the Centre.

Second, a further effort will need to be mounted to find additional funds for 1985, especially to support the vaccine trials but also

to seek direct support of other high priority research and training activities of the Centre.

Third, the Committee considers that the Board's previous instruction to management, to set aside a special reserve fund fully equal to the \$1.2 million loan from the Government of Bangladesh, should be temporarily held in abeyance. The subject of the special reserve fund is discussed further later in this report.

Additional Matters

The Committee wishes to comment on three additional matters.

1. Overdrafts. The Committee has commented in previous reports on the very difficult cash flow problem faced by the Centre. For a variety of reasons, notably including the reluctance of many donor agencies to advance funds, and the vagaries of parliamentary time tables in donor countries, the Centre has faced cash shortages at various times in each of the last four recent years. The need for bridging funds, pending the receipt of payments that have been committed by donors, has usually peaked in the fall, and was at its highest point (\$2.3 million) in October - November 1984. Looking ahead to 1985, the Committee estimates roughly that if payments and receipts follow the approximate schedules of 1984, and a revised budget of \$9.0 million is prepared and strictly adhered to, the beginning overdraft of \$700,000 would fluctuate during the year, rising to a peak of \$2.5 million in August and not falling below \$1 million in most months. The year-end overdraft would be approximately \$700,000. What can be done to minimize the overdrafts?
 - (a) Many donors pay only after receiving reports on programme accomplishments and financial expenditures. The Centre's reporting system has been slow, but new accounting procedures and additional staff should enable it to be improved, and the objective should be to develop

and maintain a very rapid and efficient process of reporting to donors, which would minimize this source of delays in payment.

- (b) No matter how good its reporting system becomes, however, the Centre's problem of cash flow will remain extremely difficult, since it has no major pool of funds to draw on for bridging purposes. A concentrated effort should therefore be made to persuade more donors to advance funds to the Centre, rather than, as at present, in effect expecting the Centre to advance funds to them.
- (c) The concept of building a general reserve fund for the Centre has been based first on the desire to have a continuing source of internally available temporary bridging funds. The raising of money for the reserve fund - and making it available for bridging purposes - should be vigorously pursued. The Centre is likely to need to be able to draw upon the reserve fund for this purpose by next summer.
- (d) The exact terms and conditions on which overdrafts may be made available by different banks will vary. Energetic negotiations should therefore be carried out by the Centre, to find the most favorable banking terms for such overdrafts as the Centre must draw.

These various measures hold some promise of reducing the amount of overdraft needed by the Centre and its cost. Nevertheless, the Committee assumes that the unevenness of cash flow will continue to make substantial overdrafts necessary. Moreover, the financial plan proposed for 1985 as it stands would result in the Centre carrying an overdraft of more than \$1 million through most of the year. The Committee is very uncomfortable with this prospect. In view of the necessity for carrying through the vaccine trials, we are reluctant to propose that funds be diverted from the programme activities of the Centre in 1985 to reduce the overdraft substantially; such a draconian measure would force serious cutbacks in regular Centre activities.

At the same time, we record in this report our belief that financial planning for 1986 must include some substantial reduction in the level of the overdraft.

2. Improving the Centre's Financial Management. As has been stated in the course of this report, the Committee considers that several improvements are urgently needed in the Centre's processes of budget preparation and other aspects of its financial management. Among them are the following:

- (a) Because the budget can be considered as one of the main instruments for enforcing financial discipline, should contain information about both estimates and actuals of expenditure and income of the previous year and those of the current year, and estimates for the next year for which the budget is being prepared taking into account provision for new activities to be undertaken. The information about the estimates and actuals of the previous year and those of the current year is likely to make the budget estimate more realistic.
- (b) It was noted that a financial manual does not exist, although a series of procedures which would make up parts of such a manual have been established. In these circumstances fund releases too often may be the result of ad-hoc decisions. The need for having a comprehensive financial manual is urgent, and the Centre's management was asked to present a draft of such a manual to the next meeting of the Committee.
- (c) Although there is a system of external audit (stipulated under the Charter) little progress has been made in instituting a system of internal audit. Instead, an operational audit, conducted by an outside firm, is scheduled for early in 1985. A report on this audit will be made to the next meeting of the Committee, and the question of internal audit arrangements will be considered further at that time. With respect to the operational audit,

Mr. Munir-Uz-Zaman recommends that a Bangladeshi consultancy firm (a Registered Audit and Accounting Firm) be engaged to undertake the task.

- (d) The Committee asked that a document proposing a system for managing and controlling the Centre's planned Reserve Fund be prepared and presented to the Committee. Among the items to be covered should be the terms on which amounts can be drawn temporarily from the Fund for bridging purposes to be replenished subsequently. Rules should also be proposed for investing the balance in high yielding markets with appropriate security.

3. UNROB Loan. The Board will recall that the Government of Bangladesh generously lent the Centre \$1.2 million, without interest in 1983. It was noted with satisfaction that the repayment, originally due in May 1984, has been extended to May 1985. The Centre hopes the Government in due course will favorably respond to the Centre's request for conversion of the loan into a grant. Meanwhile, the Centre is accumulating a special reserve against the loan, which now stands at about \$830,000, against a possible call for repayment. As noted earlier, in view of the severe pressure on the Centre's finances in 1985, the Committee does not believe the Board should insist at present that the Centre set aside from 1985 income the remaining sums that would be needed to raise the special reserve to the full \$1.2 million of the loan.

4. Concluding Remarks. As one Director's term ends and the beginning of another's approaches, it seems appropriate for the Committee to record its admiration for the effective and dedicated labors of Dr. Greenough and his senior financial colleagues, Mr. Bashir and Mr. Goon. On the resources side, their tremendous energy, imagination, and persuasive powers have brought the income the Centre has required for its survival, strengthening, and growth. On the expenditure side, their

..11..

indefatigable efforts have brought great gains in the accuracy and currency of accounts and the elimination of waste and inefficiency. The Centre by its nature will always be a very difficult institution to manage from the financial point of view, dependent as it is on complex and uncertain sources of funding, operating disparate and far-flung activities, squeezed continually between demanding scientists who want to get on with their vital work unhampered by bureaucratic red tape and equally demanding donor agencies who share the vision of the Centre's purpose but must account for funds placed at the Centre's disposal.

In these circumstances, for the Centre to have survived at all is something of a miracle, and for it to have steadily and greatly improved its financial management on both the income and expenditure sides is a great compliment to the Director and his colleagues. As the Centre grows, these pressures for better accounting and budgeting and increased funding will, of necessity, continue and we fear that our demands on them will not abate. The Committee knows that it has added at times to the pressures and demands on the Centre's financial management, and wishes in conclusion to express warm thanks for the unfailing courtesy with which its requests have been met.

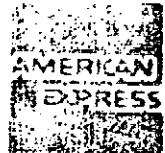
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APPENDIX.5

APPENDIX. 5
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

CORRESPONDENCE WITH THE BANKERS

Appendix To Resolution Minutes



American Express International Banking Corporation
18-20, Motijheel C/A., P. O. Box No. 420, Dacca, Bangladesh
Cable : Expresbank, Tel : 238350-3 Telex : 65521 AEDB BJ

January 17, 1983.

International Centre For
Tuberculous Diseases
Research, Bangladesh
P.O. Box No. 128
Dhaka-2.

Gentlemen:

We are pleased to advise that our Credit Committee has authorized our officers, in their discretion to extend to your firm the following lines of Credit which for the present we hold available in total amount as follows :-

1. \$500,000/= [US Dollar five hundred thousand only]

For purchase of foreign currency cheques drawn on your account with AEIBC, New York.

Rate : As prescribed by Bangladesh Bank at present DD Buying And/or

2. Opening of A/S, D/P Elcees for imports

Validity : 180 days

Commission : Standard

And/or

3. Purchase of foreign currency cheques of the Expatriate Staff

Rate : As prescribed by Bangladesh Bank at present DD Buying rate.

Note : Each cheque of expatriate staff must not exceed \$5000/=.

Total outstading of Line 3 must not exceed \$100,000/=

And/or

4. Overdraft in your current account in order to tide over your liquidity problem arising out of delay in receiving funds from various donors.

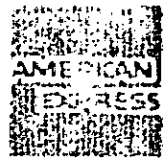
Rate : 16%

Note : Total outstading of line 4 must not exceed \$340,909/=

i.e. Take seventy five lacs only.

The above facility is collateralized by hypothecation of your assets valued at \$2,817,802/=. In granting these facilities to you it is our understanding that you have no available lines of credit other than those disclosed to us by you and that you will not seek new or additional lines of credit during the continuance of our facilities to you without our prior concurrence.

American Express International Banking Corporation
18-20, Motijheel C/A., P. O. Box No. 420, Dacca, Bangladesh
Cable: Expresbank. Tel: 238350-3 Telex: 65821 AEDB BJ

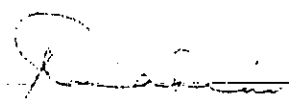


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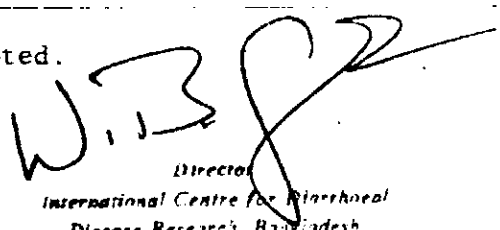
It is our hope that you will use these facilities to your continuing advantage and that should you require a modification of our lines of Credit, you will provide us with sufficient notice and additional information to enable us to consider the modification you require. The above credit facilities will be up for renewal on October 25, 1983.

Please sign and return the duplicate of this letter as a token of your acceptance.

Very truly yours,


Naseem D. Hossain
Account Officer

Accepted.


Director
International Centre for Diarrhoeal
Disease Research Bangladesh
G. P. O. Box-128
Dacca-2, Bangladesh.

January 18, 1983

American Express International
Banking Corporation
18-20, Motijheel Commercial Area
Dhaka-2

Attention: Nasim Delwar Hossain

Dear Sir:

Please refer to the discussion of January 17, 1983
with Mr. Michael F.L. Goon of this Centre.

Accordingly we are submitting the following:

- (i) Certified copy of Board resolutions
- (ii) Account opening forms duly filled in
- (iii) Certified copy of list of assets of this Centre

Your usual prompt and immediate action would be highly
appreciated.

Sincerely yours,



W.B. Greenough III, M.D.
Director

WBG:rhs

January 18, 1983

American Express International
Banking Corporation
18-20, Motijheel Commercial Area
Dhaka-2

Attention: Mr. Nasim Delwar Hossain

Dear Sir:

The following resolutions have been passed by the Board of Trustees in their last meeting in Dhaka held from December 06, 1982 through December 8, 1982.

"Resolution 5/Dec.82

Resolved: The Board recognises the necessity of temporary cash shortfalls from differences in timing of receipts of donor support against operating expenditure. The Board authorises the Director to negotiate bridging facilities in the form of bank overdraft up to a maximum equivalent of US Dollars one million. Since the American Express International Banking Corporation, Dhaka, has approved an overdraft facility in Taka up to Taka 7.0 million, the board authorises the Director to finalise this overdraft arrangement.

Resolution 6/Dec.82

Resolved: The Board further authorises the Director, if it is absolutely necessary and required by the Bank, to pledge and charge the assets of the Centre to the Bank as collateral for this total overdraft facility of \$1.0 million."

Sincerely yours,



W. B. Greenough III, M.D.
Member/Secretary
ICDDR, B Board of Trustees

WBG:rhs

5. Fixed Assets (At cost or estimated value)

	Opening Balance on 1.1.1981 US\$	Additions US\$	Unservice- able items written off US\$	Shortage on physical verification US\$	Balance on 31.12.1981	
					US\$	Taka
Capital Development Fund						
Land (includes develop- ment expenses)	28,196	38,011	-	-	66,207	1,122,149
Buildings	52,841	2,446	-	-	55,287	937,069
Equipment	-	62,000	-	-	62,000	1,050,847
Capital Work-in-Progress - Buildings	30,752	559,327	-	-	630,079	10,679,304
	<u>111,789</u>	<u>701,784</u>	<u>-</u>	<u>-</u>	<u>813,573</u>	<u>13,789,369</u>
Operating Fund						
Vehicles	302,400	71,016	95,446	-	277,972	4,711,397
Furniture	303,436	40,879	756	592	342,957	5,812,994
Equipment	1,116,452	296,742	48,359	2,863	1,361,952	23,083,938
Books	8,157	13,181	-	-	21,338	361,669
	<u>1,730,445</u>	<u>421,820</u>	<u>144,561</u>	<u>3,475</u>	<u>2,004,229</u>	<u>33,969,997</u>
	<u>1,842,234</u>	<u>1,123,604</u>	<u>144,561</u>	<u>3,475</u>	<u>2,917,802</u>	<u>47,759,366</u>

W.B.G.
Director

Director General for Bangladesh
Ministry of Finance
Dhaka, Bangladesh.

contd.

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APPENDIX.6

APPENDIX.6
OF MINUTES OF THE BOARD OF TRUSTEES MEETING
DECEMBER, 1984

REPORT OF THE PERSONNEL AND SELECTION COMMITTEE.

DRAFT

Report of the Personnel and Selection Committee of the Board of Trustees, December 6, 1984.

Since the Full Board Meeting of June two meetings of the Personnel and Selection Committee were held. The Report of the Extraordinary meeting of 5 October, 1984 was endorsed and is forwarded to the Board unchanged as follows:-

"An extraordinary meeting of the Personnel & Selection Committee was convened in Dhaka on the 3rd and 4th of October, 1984 to consider issues raised in a letter sent directly to the Chairman of this Committee while the Director was on home leave, which was copied to the full Board. (appendix 1). In this letter there were allegations of irregularity in personnel actions. The Director answered these allegations on his return to Dhaka in a letter to the Chairman of the Committee on 22 August, 1984 (appendix 2). Some staff again wrote to the Board, forwarding their correspondence through the Director, on 28 August, 1984. (appendix 3). Prior to this, on 21 June, 1984, the Chairman of the interview Committee for the post of Head, Library and Publications had indicated his dissatisfaction that the Board had not accepted the first choice of candidate (appendix 4). In the presence of other Associate Directors of the Council of Associate Directors Meeting on 20 June, 1984 the Director had approved that he could communicate his views to the Board if he wished. (appendix 5).

All of this correspondence indicated an underlying concern and dissatisfaction about whether a full, fair and impartial recruitment process existed and was being implemented. Since this was felt by the Director to be a serious and substantive concern this view was communicated to the Chairman. The Chairman personally convened several staff meetings and conducted a full review personally himself. The findings were that indeed there were important departures from a full process in the case of recruitment to the posts

of

- Personnel Officer
- Budget and Finance Officer
- Supply Officer
- Administrative Services Officer

The details of the departures from full procedures are detailed in the minutes of the Personnel & Selection Committee meeting and the appendices. All posts were advertised and in the case of the Personnel Officer and ASO on two occasions. There were two sorts of problems

- (1) inadequate attention to short-listing by the responsible Associate Directors and consequent late or omitted full interview process of all short-listed candidates. This is considered a serious departure from proper implementation of the rules that could lead to biased selection.
- (2) with approval of the Board a higher level was given to the Personnel Officer than stated in the advertisement. This is considered poor procedure and although with full knowledge of the Board does not appear optimal procedure.

It should be noted that the current Staff Rules were not effective until 1 January, 1984 . Before these appointments historically the recruitment process was different. However, the current Staff Rules were generally followed. In all instances the Board was fully informed and made all appointments as they now stand. All other allegations were found to be groundless. All appointed candidates were fully qualified as per the job classifications.

An Ad hoc Committee was agreed upon at a meeting of the staff convened by the Director and Chaired by Mr Mostafa with Dr Derrick Rowley present. A committee of nine representing all interested elements of the Centre was nominated by the Staff Welfare Association and appointed by the Director. The terms of reference of this committee were set out in a memorandum from the Director which had been approved by the Chairman of the Personnel and Selection
... Committee (appendix 5). Their report was rendered and reviewed by

... the Personnel and Selection Committee (appendix 6). The section on post classification and manpower planning were considered to be of great importance. On its review this Committee found it an excellent and conscientious report done on a short time frame by fully busy staff members. It is very much appreciated. It was proposed to amend the report of the Ad hoc Committee taking into account the following points. The Personnel and Selection Committee will consider the amended report and if satisfactory forward it to the Board for consideration and adoption of its recommendations.

- The candidates for positions should not be termed "consultants" although they could be administratively handled under consultancy rules.

- For specific line responsibilities due to unanticipated gaps in staffing which could not be handled by recruitment in the GS or NOA scales the rules governing "short term" contracts should be used.

- On page 3, last paragraph, there should be a ready "Manpower Plan" to avoid confusion with post classification. Further, there should be a concept of cost effectiveness included under the category of Post Classification.

- On page 5, it should be clearly noted that the function of the Council of Associate Directors is to assist and advise, not supercede, the Director in any matter. The second paragraph after "(f)" should be deleted and is unacceptable. All comments to the Board by any staff member must be through the Director. The recommendations of interview boards are considered as final. If any Associate Director wishes input to any interview board he should request the Director to include him on the Board. Post hoc complaints would not be entertained.

- On the issue of promotion, a system of setting aside a certain

fraction of posts, say, one-third posts in each level, for internal (promotion) use only was discussed and consideration by the Board is recommended. The matter of employee morale is an important consideration. It was asked that the Director obtain information about the distribution of appointments to new posts between external and internal applicants to define current practice in this matter.

- All P level posts are "international level" and under the direct authority of the Board to appoint.
- All P level posts should be defined and advertised if necessary at a maximum of two levels.
- The Terms of Reference of the Council of Associate Directors should include:
 - To assist and advise the Director
 - in setting programme priorities
 - in planning manpower requirements
 - in planning the budget
 - in the prioritization of new posts, including post classification
 - in short-listing applicants for international level posts
 - in setting research goals and priorities
 - in other matters as needed.
- The Staff Rules of the Centre are to be followed exclusive of all other rules. Should amendments be needed these should be by specific recommendation to the Board through the Personnel and Selection Committee. WHO Rules are always to be a reference point in all matters of amendments of the Rules.

The Committee strongly recommends that the ICDDR,B Staff Rules are the sole and final rules. Should an amendment be required at any time this should be clearly defined and requested in writing

to the Board through this Committee. The WHO Rules should always be consulted in any amendment process as the standard to follow.

The Committee gave guidance as follows to the Management on several issues which are within the authority of the Director:

- In view of the demoralizing effect of retrenchment on staff receiving acting premiums against vacant posts if they do not succeed or there is delay in filling the position great care should be taken in application of the relevant staff rules. In the case of Head Matlab Station the rules must be followed with respect to the incumbent. He should be informed of the risks.
- There is no process in the rules for up-grading staff members to a higher level. A position may be up-graded and advertised and a new contract negotiated. At the international level up-grading without a new contract is not allowable.

The following specific actions are recommended to the Board:

- All communication with the Board by staff must be channelled through the Director and accompanied by a covering letter by the Director. The Board should be informed by the Director when he refuses to forward communications from the staff.
- The four posts referred to in this report for which full process was not carried out should be re-advertised, indicating levels of pay originally approved by the Board, a year before expiry of the incumbents' present contract.
- The Supply Officer who has not yet received a contract may be given a one year appointment if he is successful in passing the examinations at the end of his training programme. The post is to be re-advertised by 1 January, 1985.

- In the future all new international level posts or posts upgraded to international level are to be submitted with full job description and justification, along with level of salary, to the Council of Associate Directors for discussion and prioritization. Following this they should be submitted to Finance then to the Personnel and Selection Committee of the Board. This process insures adequate review and planning.
- There is a need to define the Centre's policy on seconded positions. A working paper from the Centre is requested for the next meeting of this Committee.
- The post of a Computer Operations Manager is to be re-advertised with a re-defined job description at P1 level. The incumbent may be considered.
- Dr Butler's contract will be as per WHO Rules at P5 with an exceptional personal payment. The contract shall end on 30 June, 1985."

The report of the Ad Hoc Committee nominated by the Executive Council of the Staff Welfare Association was recognized as of great help to this Committee. Several small amendments were agreed. The Management may be guided in its application of Staff Rules by the content of this report, as amended in the appendix.

* * * *

A regular meeting was held on 2, 3 and 4 December, 1984. Several matters arose from the minutes of the 5 October meeting.

Dr Butler's Contract

It was noted that all Board Members had been queried on the matter of an individual contract matter. All except one Trustee concurred with

the exceptional payment above UN scales and the recommendation of Dr Butler's contract up to 30 June, 1985.

Salary Negotiation

The Management of the Centre was requested to prepare a working paper on Staff Rule 320.1 in which the basis for salary negotiation when being recruited is the highest previous remuneration the individual can fully document so long as it falls with the advertised level of remuneration for the post. This paper is to be presented at the meeting of the Committee in May 1985. The issue has to do with whether it is valid to recruit at cost savings to the Centre qualified individuals from developing countries below the level of the actual post classification or whether the principle equal pay for equal work should be the policy.

Distribution of Appointments to new posts between external & internal Applicants

It was noted that at the present time there seems to be no need to set aside upgraded posts within the Centre for internal applicants as of the last 33 positions upgraded 28 were filled by internal applicants.

Compliance to WHO Rules & Regulations

Papers were presented on compliance with WHC rules and any deviations from these. Most issues were with relation to individuals and whether there was adequate documentation for accounting purposes of the cost of work-related expense approved by the Director. A specific listing of such expenses was asked for review at the next meeting and is to be presented to the Director as soon as it is prepared. The present staff rule related to travel per diem currently allows full per diem when a staff member stays in free accommodation. It is recommended that this rule be amended to exactly follow the UN rule which requires presentation of a hotel bill or bill from other accommodation in justifying full per diem. The present staff rule is as follows:-

"Per Diem Rates

- 40 Per diem rates normally paid by ICDDR,B to its staff members on travel status are those paid by the United Nations and its agencies,.....".

The amended rule will be as above but the following rule will also be included based on WHO Rule:

"Reduced per diem rates

- 70 A staff member in travel status in a country where board and/or lodging are provided at no cost to the staff member, a reduced per diem or daily subsistence allowance is paid as follows:

50% deduction if lodging is provided;

30% deduction if food is provided;

80% deduction if both food and lodging are provided."

Adoption of this rule will result in cost savings to the Centre. Otherwise it is recommended that UN per diem rate rules be followed.

Other items which are not in the current rules or need amendment are as follows: Separation Payments, Language Training, Extended installation Allowance ICDDR,B Manual, Remuneration for Short Term Staff and Consultants - Annual Leave. The Committee requests the Centre to prepare draft rules.

Report on deviation of Staff Rules, and expansion of procedure in the Staff Manual

The Director is required to report to the Board when WHO Rules are not being followed by the Centre. The rule on Separation

payments which differs only in method of calculation from WHO rules was noted and again endorsed by the Committee.

I. Language Training

The Committee agreed that the proposal submitted should be forwarded to the Board with a recommendation that it be added to the Centre's Staff Rules.

II. Extended Installation Allowance

It was agreed by the Committee that the proposal submitted should be forwarded to the Board with the recommendation that it be added to the Centre's Manual 15.211.

III. Remuneration for Short Term Staff

The Committee agreed to forward this proposal to the Board recommending that it be accepted with the amended second paragraph which now reads as follows:- "It is proposed that expatriate staff recruited within Bangladesh, be allowed to receive remuneration in US Dollar, or in local currency according to their preference, so long as it does not contravene any local exchange control regulation."

IV. Consultants - Annual Leave

It was noted that at present the Centre Rules allow consultants annual leave. The Committee does not agree with this and feels this rule makes consultants more like employees. The Committee recommends to the Board that this rule be deleted and replaced by the WHO Rule (which does not allow consultants Annual Leave) to be effective from 1 January, 1985. This would not affect consultancy

contracts in effect before 1 January, 1985.

Seconded Staff

In view of the increasing availability to the Centre of seconded staff, a working paper was presented as requested by the Board. In all instances secondments are only to positions which are deemed as a priority by the Centre for its planned programmes. Secondments to carry out work for the seconding organization or government outside of the Centre's defined priority are not accepted and have not been offered.

The three types of secondment that currently exist are:

- (a) Fully Funded Secondment - The candidate will be seconded from his parent organization for a specified period of time with all direct remuneration and indirect re-location and local support costs paid by the parent or funding organization.

For the period of the secondment, the candidate will be governed by the administrative rules and procedures of the Centre.

- (b) Partially Funded Secondment - The candidate will be seconded from his parent organization for a specified period of time with a partial, mutually agreed degree of funding for direct and indirect costs, met by the parent organization/funding agency.

For the period of the secondment, the candidate will be governed by the administrative rules and procedures of the Centre.

- (c) Unfunded Secondment - The candidate will be seconded from his parent organization for a specified period, with all direct and indirect costs, met from the Centre's core/projected funding.

For the period of the secondment, the candidate will be governed by the administrative rules and procedures of the Centre.

When the sponsoring agencies partially or fully pays for the seconded

person the recruitment is by mutual agreement between the Management of the Centre and the agency or government providing the staff member. The Board is informed and has the ultimate appointing authority as per Ordinance, the screening lies by the donor with rejection or consent by the Centre. The Board is informed, the Management being allowed to proceed with the recruitment as rapidly as feasible. In all cases should for any reason the seconded candidate be deemed unsuitable it is clearly understood that repatriation will occur usually at the cost of the donor. This secondment mechanism allows rapid recruitment of high quality or low cost staff at international level posts with full protection of the Board's appointing authority. It is recommended that this procedure be recognized and endorsed by the Board.

When a candidate is seconded for administrative reasons or to assure protection of his/her position on return, the full recruitment procedure pertains.

Consultancies and Short Term Contracts

As required by the Staff Rules the Director presented a list of all staff employed on Consultancies or Short Term contracts who have served the Centre for more than six months. In all cases the required gap of at least one month between two contracts has been observed. It was noted that the functions served by three staff are either in the nature of technology transfer tasks where local recruitment has failed to yield skills of the level required. These should be defined as Trainer positions in the future. The other group serves vital functions not yet defined as regular positions by the Board. In all cases the costs are budgetted. The list is as follows:-

Short Term Contracts - Mrs Beverley Morris
- Mrs Loretta Saldanha

- Consultants
- Charlene Dale - Resources Development Office
 - Teresa Derozhinsky - Coordinator, Training, Extension & Communication Programme
 - Judith Wasserheit - Infectious Disease, Community Services Research Working Group
 - Naomi Novak - Scientific Editor, Director's Office
 - Bhashini Rao - Pathogenesis & Therapy Working Group
 - Naomi Phillips - Nutritionist, Community Services Research (Urban Volunteer Programme)
 - Wendy Hossain - Nurse Trainer, Hospital
 - David Leon - Computer Analyst, Community Services Research Working Group
 - Gracia Maria Gosk - Programmer, Community Services Research Working Group
 - K.A. Monsur - Disease Transmission Working Group
 - Mustaqul Huq - NDDCP, Training, Extension & Communication Programme
 - Ziauddin Ahmed - Bacterial Genetics, Disease Transmission Working Group

Expiration of Contracts of International Level Staff

A review was carried out of the expiration dates of contracts of international level staff. Evaluations of those requesting renewal in 1985 should be available for the March or May meeting of this Committee. It was noted that the Director has authority to extend contracts for one year if for any reason completion of evaluation is delayed.

A list of international level staff who will have served for six years was presented. In this connection the Committee recommends to the Board that Dr A.K.M.A. Chowdhury be given a one year extension of his present contract and be included in this list.

- Aziz, K.M.S. - First employed 24.5.66 (Special Investigator). International scale from 1.7.80. Presently Associate Director in Charge of Training, Extension & Communication activities.
- Bashir, M.R. - First employed 8.5.78 (Consultant). International scale from 1.7.80. Presently Associate Director in Charge of Resources Development.
- Chowdhury, AKMA - First employed 6.8.74 (Head, Statistical Br/Epidemiology). International scale from 1.7.80. Presently a Scientist in CSRWG working on issues of fertility behaviour and nutrition.
- Huq, M.I. - First employed 16.7.62 (Asst. Bacteriologist). International scale from 1.7.80. Presently Scientist (Microbiology) doing a research programme in the area of bacteriology related to diarrhoeal disease.
- Khan, M.U. - First employed 3.4.64 (Deputy Asst. Chief Epidemiology). International scale from 1.7.80. Presently a Scientist (Epidemiology) doing a research programme in the area of bacteriology related to diarrhoeal disease.
- Molla, A.M. - First employed 10.7.78 (Senior Investigator). International scale from 1.7.80. Presently a Scientist (Pediatrician/Nutritionist) doing research on the effect of diarrhoeal diseases on the absorption and utilization of foods and developing innovative and effective measures to correct and prevent malnutrition due to diarrhoea.
- Rahaman, M.M. - First employed 10.11.66 (Guest Investigator). International scale from 1.7.80. Presently Associate Director in Charge of the Nutrition Programme.

The advertisements for these positions were reviewed and cleared in fulfillment of the policy that after six years of continuous employment all incumbent staff positions would be re-advertised and the incumbent evaluated against all applicants.

It was noted that Mr M.R. Bashir has indicated that he did not wish to re-apply for the position he now holds in Resources Development. It was also noted that he still has a great interest and feeling for the Centre and would try to be available to assist in fund raising for the

Centre or other tasks should the Board wish. This matter will be discussed in the next meeting of this Committee for consideration of the Board.

The contract of Mr M.F.L. Goon will expire 28 February, 1985. The Committee recognizes the importance of the position of Associate Director, Administration and Finance presently carried out by Mr Goon. In view of the two functions of this position, i.e. finance and administration, the link of budgetting with Resources Development, and the overall necessity to reconstruct the organizational chart of the Centre, it is recommended that the advertisement for the position Associate Director, Administration and Finance not be placed until after the next Board Meeting at which time a revised organizational chart will be presented and discussed. The Committee recognizes and appreciates the magnitude of the task Mr Goon and Mr Bashir have had to perform and particularly recognize their achievements in their respective fields.

Status on Recruitment

The status of recruitment to new positions was reviewed. Positions now under advertisement will be ready for review by this Committee by the end of January, 1985. Of the positions now approved but not funded it is recommended that the Immunologist be advertised and the recruitment process begun in view of the lack of international level staff in this vital area. The funded position MCH-FP Coordinator Pl is approved and may be recruited. However, the post Head, Matlab Station is seen as a separate position which is approved but requires further definition of scope of work and clearance for funding. Decision on new positions and initiating recruitment of approved but unfunded positions except for the Immunologist should be deferred until May 1985 to allow more complete evaluation of the manpower plan

budget and organization by the Director-designate. In this connection the Associate Directors need to provide more complete material on the new posts requested for review by the Committee.

Head, Animal Facilities Position

Material concerning the post of Head, Animal Facilities was reviewed and it is recommended that this post be classified as P1 and added to the list of established but unfunded posts.

Insurance for Local GS and NO Staff

A report on insurance for General Services and National Officer Staff was reviewed and endorsed and is hereby presented to the Board for approval. Its text appears on pages 16 and 17 of this Report.

This insurance is seen as of great value to the staff and should any member not wish to participate he/she must sign a release such that the Centre is not held responsible in case of death. The Health Insurance is a part of the UN Rules and is deemed compulsory for all staff.

Conversion of Extended Level Staff to NO Scale

It was noted that all Extended Level Staff will be transferred to the National Officer Scales of the UN. This action is endorsed.

"REPORT ON INSURANCE FOR LOCAL STAFF

Van Breda International was requested to prepare suitable comprehensive insurance coverage for ICDDR,B General Service and National Officer staff, following as closely as possible the coverage applicable to WHO staff. It should be noted that the proposed insurance coverage is not aimed at internationally recruited staff, for whom adequate insurance cover is already available.

A package of four proposals have been received. These are:-

- 1) Voluntary Group Life Insurance
- 2) Group Personal Accident and Illness Insurance for Local Staff With an Appointment for One year or More
- 3) Medical Care Insurance (WHO's Staff Health Insurance)
- 4) Group Personal Accident and Illness Insurance for Temporary Staff Including Consultants

The major areas of coverage and points for consideration of each policy are as follows:-

- 1) Voluntary Group Life Insurance

WHO's retirement age is 55, and the ICDDR,B's retirement age is 60; this disparity has been taken up with Van Breda, which has now been accepted by Van Breda.

Van Breda annual premium is 0.29% of the sum insured if 300 persons insured.

WHO's annual premium is 0.45% of the sum insured.

This is fully paid by staff members.

- 2) Group Personal Accident and Illness Insurance

Staff members appointed for one year or more up to the age of 55 (60) are covered, but not staff members dependants.

Premium is 1.20% of net salary.

This is consistent with WHO provisions.

3) Medical Care Insurance - Comparable with WHO's Health Insurance

The premium rates are expressed as a percentage on salaries:

	<u>WHO</u>	<u>Van Breda</u>	<u>Staff Members</u>
One insured person	0.9%	1.80%	0. 0
Two " "	1.43%	2.86%	1.43
Three " "	1.95%	3.90%	1.95

Van Breda was asked to work with one average premium rate.

The insurance also covers medical expenses; drugs, etc., incurred in ICDDR,B Staff Clinic; in-patient treatment; out patient treatment; dental treatment; special provision for the cost of lenses (max. \$30) and the cost of hearing aids.

Reimbursement is 80% of cost.

Van Breda will reimburse sustained medical expenses in US Dollar at the rate of exchange agreed upon yearly by both the Policyholder and the Insurers for the time the claim is settled.

In view of the fact that we are dealing with dual currencies, the effects need to be examined in detail before implementation for the protection of the employee.

4) Group Personal and Accident plus Illness Insurance

Applicable for temporary international staff members, including consultants, short term staff and special services staff.

A blanket coverage, which costs US \$1.30 per person per day.

It is requested that this policy be implemented with immediate effect in order to provide the Centre with protection against legal liabilities and to adequately cover staff members not otherwise covered by the Centre's Group Personal Accident and Illness insurance."

2/BT/MAY 85

RESOLUTIONS OF
DEC.1984 BOARD MTG.

RESOLUTIONS
OF THE BOARD OF TRUSTEES MEETING
5-7 DECEMBER, 1984

DRAFT

RESOLUTIONS

BOARD OF TRUSTEES MEETING

5-7 DECEMBER, 1984

RESOLUTION 1/DEC. 84

RESOLVED : The Board establishes a Programme Committee to keep under review the research, training and outreach activities of the Centre. The Programme Committee comprises Trustees who are not members of either the Finance or the Personnel and Selection Committees. All Trustees are welcome to participate in its deliberations. The Board appoints Dr Jan Kostrzewski as Chairman of the Programme Committee.

RESOLUTION 2/DEC. 84

RESOLVED : The current draft budget of the ICDDR,B for 1985 stands at U.S.\$9.2 million. This budget includes \$1.4 million for the cholera vaccine trials, but is not large enough to support a number of important research activities relating to high-priority subjects including shigellosis and the development of field diagnostic techniques. Firm donor commitments received to date amount to 6.2 million leaving a shortage of U.S.\$3 million which must be raised to support the most crucial Centre activities for 1985 including the vaccine trials.

The Board, while recognizing the generous contributions already committed, makes a special request to the

members of the ICDDR,B Consultative Group to extend additional support to meet this budget deficit and, if possible, to permit enlargement of the budget to support further high-priority research activities.

RESOLUTION 3/DEC. 84

RESOLVED : The Board has reviewed the question of appropriate collateral for any bank overdrafts made necessary by delays in receiving funds committed by donors in support of Centre activities. The Board considers the most appropriate collateral to be the pledges of donors, and requests the Director to negotiate flexible and inexpensive overdraft arrangements for which donor pledges are the sole collateral, from which date Board Resolution 6 of December 1982 will stand repealed.

RESOLUTION 4/DEC. 84

RESOLVED : The Board, recognizing that the normal recruitment process was not fully carried out, instructs the Director

- (a) to readvertise the following posts, indicating P levels originally approved by the Board, a year before expiry of the incumbents' present contracts:
 - Chief Personnel Officer
 - Administrative Services Officer
 - Budget and Finance Officer;
- (b) to give the Supply Officer a one year appointment if he passes the examinations at the end of his

training programme and to re-advertise the post by 1 January, 1985.

RESOLUTION 5/DEC. 84

RESOLVED : The Board authorises the Director to extend Dr Butler's contract as per WHO Rules at P5 level (with an exceptional personal payment) until 30th June, 1985 only.

RESOLUTION 6/DEC. 84

RESOLVED : The Board agrees to establish a new international level position of Head, Animal Facilities at P1 level.

RESOLUTION 7/DEC. 84

RESOLVED : The Board agrees to establish the post of MCH-FP Coordinator at P1 level.

RESOLUTION 8/DEC. 84

RESOLVED : The Board accepted the following deviations from/ additions to WHO Rules.

(a) The rule on Separation payments which differs only in method of calculation from WHO Rules was noted and again endorsed by the Committee.

(b) Language Training

That the following clause be added to the Manual

Section 8.90 - The Centre will support language training to increase a staff members usefulness to the Centre up to a limit of Tk.10,000 or equivalent. To qualify for this support the staff member should have a three year contract with the Centre as a minimum.

(c) Extended Installation Allowance

That the following clause be added to the Manual 15.211 - In exceptional and proven cases where the staff member is unable to take up permanent accommodation within the stipulated 30 days, for reasons beyond his/her control, payment of the installation allowance may be extended up to 60 days.

(d) Remuneration for Short Term Staff

That the following clause be added to Section 11.190 of the Staff Manual - It is proposed that expatriate staff recruited within Bangladesh, be allowed to receive remuneration in, US Dollars, or in local currency according to their preference, so long as it does not contravene any local exchange control regulation.

(e) Consultants - Annual Leave

That the rule under ICDDR,B Manual 12.370 which allows a consultant employed for 6 months or more to accrue annual leave at the rate of 2½ days/month be deleted from the ICDDR,B Manual effective from 1 January, 1985. This would not affect consultancy contracts in effect before 1 January, 1985.

RESOLUTION 9/DEC. 84

RESOLVED : The Board empowers the Director to extend for up to one year the contracts of Dr M. Currey and Dr S. Bhatia without change in level.

RESOLUTION 10/DEC. 84

RESOLVED : In view of an External Management Review to be held in 1986, the Board requests the Director to prepare for the May 1985 Board Meeting a working paper on the proposed terms of reference and the scope of the review, the profile and possible names of reviewers and of its estimated cost.

3/BT/MAY. 85

DIRECTOR'S REPORT

DIRECTORS REPORT

MEETING OF THE BOARD OF TRUSTEES

MAY 28-29, 1985

This will be my last opportunity to speak as Director of the ICDDR,B, and I do not intend to reiterate or amplify what is in the Annual Report except to say that I take pride and pleasure in the accomplishments of our staff this year. What I wish to do is address what for me are overriding, long-range issues and enunciate what the role of CRL/ICDDR,B has been in the attack on the cluster of problems which have been and remain the principle killers of children and their mothers and largest overall causes of death on this planet.

Diarrhoea, malnutrition, and high fertility remain in 1985 the principle scourges which kill and maim the poor, the helpless and and disadvantaged. I have seen since 1960, attention, resources and effort begin to be focussed on these problems, problems totally left out of the professional medical interest in illnesses in "Tropical" countries. For historical reasons that are to me unfathomable and not excusable not only was work on the diarrhoeal diseases omitted from concern and funding but also the acute respiratory diseases and population problems. Through commitment beginning with a research interest in Cholera in 1985 attention and concern has slowly coalesced and with this some small resources. The Cholera Research Laboratory and its successor The International Centre for Diarrhoeal Disease Research, Bangladesh has been the main institution that has catalyzed the process often through alumni, visitors and Trustees. Most programmes in affected countries have been staffed and directly encouraged by the Centre. Because the ICDDR,B has a commitment to service and training in homes, communities as well as hospitals it is always attached to the problems as they affect the mothers

and children of Bangladesh and through its cooperation with other countries mothers and children of those countries. Now the principle international bodies have begun to focus attention and resources on the problems especially WHO and UNICEF. They have entered a partnership with this Centre to seriously address the issues.

The Centre this year as before has under my direction committed itself to respond promptly to the problems as they are perceived in our field areas and hospitals. It has always expected that those who support it will come forward with the necessary resources. This approach has led the Centre to advance funds for work which later are received from donors. This incurs a deficit financing pattern. This is not healthy. During the past several years we have taken important steps to alleviate this situation.

A Reserve Fund has been established and will be initiated with commitments initially by the Government of Bangladesh, the Ford Foundation and Japan. A well planned vigorous effort will be mounted later in 1985 or early 1986 to begin work towards a goal of 10 million dollars. This will alleviate the need to go to banks and pay interest for cash advances against donor commitments. It will also allow the Centre to function in case of unusual situations due to local conditions where cash flow is interrupted. Finally it will provide in interest funds which can be directed at the Centre's own priorities. The Centre often sees important priorities that may not be appreciated by donors at the time they must be addressed.

There has been a very precipitous decrease in flexible support to the Centre over the past three-year period as shown in the Annual Report.

Although convenient to the donors to have well-defined projects, these may not always address the central priorities as they exist in the field. There is no reason to have an institution attached to field realities unless that institution has the capacity to respond to these. This demands flexible support.

Another new initiative to seek support from the private sector in North America this year has been the establishment of a Foundation--The International Child Health and Diarrhoeal Diseases Foundation. A Charter has been drawn up and an initial Board of Trustees selected which includes current and past Trustees of the ICDDR,B and others dedicated to the Centre's work. The initial Board Members are:

Professor D. Bell
Mr. M.R. Bashir
Dr. W.B. Greenough
Mr. W.T. Mashler
Dr. Clifford A. Pease
Dr. Omond Solandt

The intention is to seek major contributions from private industry and donations from individuals to assist the Centre in areas where funding is most lacking and hardest to acquire. I look forward to its success. It will also serve to further coalesce interest and effort to address the most important and common health problems of the world with the best expertise and technology.

I believe that it is not unreasonable to expect the level of resources and effort to be applied at the ICDDR,B to be comparable to a department in a medical school in a developed country. At present the

Centre operates well below that level of funding. Retrenchment at this stage is in my view unconscionable. No external reviewer of the Centre has asked that we do less only more and better. Where then is the rationale for timidity and retrenchment? The health problems addressed are severe and increasing. The solutions are developing rather rapidly at the Centre at this time for commitment and effort to acquire the needed support to do the task at hand as well as is possible.

4/BT/MAY.85

REPORT OF THE PROGRAMME COMMITTEE

REPORT

of the ICDDR,B Programme Committee to the Board of Trustees

22-26 May 1985

Introduction

The Board of Trustees at its 5-7 December, 1984 meeting established a Programme Committee "to keep under review the research, training and outreach activities of the Centre". The Programme Committee comprises Trustees who are not members of either the Finance or Personnel and Selection Committees. All other Trustees, however, are welcome to participate in its deliberations.

The Programme Committee met in Dhaka under the chairmanship of J. Kostrzewski from 22-26 May 1985. The following Members of the Board attended the meeting: I: Cornaz, W.B. Greenough, L. Mata, D. Rowley, D. Sebina, J. Sulianti Saroso; R. Eeckels was invited.

At its first closed session the Committee agreed on its main objectives on the method and programme of work:

The main subject of the meeting in May 1985 should be:

1. to review and assess some of the current research, training and outreach activities of the Centre;
2. to review, and comment on a draft of the Director's proposal for goals and priorities ICDDR,B for the 5-year programme of work of the Centre for 1985-89 which will be presented to the Board of Trustees in May and to donors at the June 1985 Consultative Group meeting in New York;

The aims and objectives of the ICDDR,B as defined by the Ordinance will be taken by the Programme Committee as a basis for review and assessment.

According to the Ordinance "the aims and objectives of the Centre shall be:

- (a) to function as an institution to undertake and promote study, research and dissemination of knowledge in diarrhoeal diseases and directly related subjects of nutrition and fertility with a view of developing improved methods of health care and for the prevention and control of diarrhoeal diseases and improvement of public health programmes with special relevance to developing countries.
- (b) to provide facilities for training to Bangladeshi and other nationals in areas of the Centre's competence in collaboration with national and international institutions, but not to include conferring of academic degrees."

Method of Work of the Programme Committee in the Future

1. Closed sessions of the Committee which only members of the Board attend.
2. Open sessions with scientists on topics selected by the Programme Committee.
3. Individual discussions of the members of the committee with staff-members of the Centre.
4. Visits to laboratories, hospitals, field activities, training activities (both in Bangladesh and by special arrangement in other countries).
5. Review of documents in particular external reviewers reports.

During the meeting of the Programme Committee all Programme Heads should be available.

Open-Session (22-23 May 1985)

The open session started with an introduction of Dr. R. Eeckels on the "Balance of Service and Research at ICDDR,B" followed by one from Dr. W.B. Greenough on the "Relationship of "Basic" to "Applied" Research at ICDDR,B."

After a brief discussion three Scientific Programme Heads presented important activities in the area of their interest with some emphasis on future proposals for programme development. Presentations were followed by an open discussion.

Dr. D. Sack, Head of the Disease Transmission Programme, focussed on:

- (1) field trials of the new oral cholera vaccines which are now in progress in Matlab area,
- (2) infections by invasive organisms like Shigella and enteropathogenic E. coli,
- (3) development of Shigella vaccine,
- (4) field trials of rotavirus vaccine,
- (5) new microbiological techniques with special emphasis on rapid diagnosis,
- (6) resistance of Shigella Spp, V. cholerae and other microorganisms to antibiotics.

This programme is well organised and cooperating with other programmes.

Dr. M.M. Rahaman, Head of the Nutrition Programme, stressed that nutritional components appear in various projects of other programmes. The Nutrition Programme is focussed on:

- (1) the effects of severe protein energy malnutrition as a cause of high mortality in diarrhoea,

- (2) a culturally based nutrition, education action-cum-research project to improve the feeding of young children in Bangladesh,
- (3) nutritional anaemia in Matlab DSS area,
- (4) socio-environmental determinants of diarrhoea and malnutrition in a slum and a village,
- (5) environmental intervention to influence contamination and diarrhoea in rural Bangladesh.

Research in nutrition, touching on many activities of the other working groups, should be strengthened by greater and better coordination and cooperation between working groups and their research components. The Nutrition Programme should consider in its long term planning a more effective coordination with other working groups.

Dr. M.G.M. Rowland, Head of the Community service and Research Programme, presented a monitoring system and a surveillance system developed for community health studies. For future needs of various projects a data-base is now under preparation in order to help other working groups in community health studies. One of the main constraints in community health studies is a delay in data analysis and processing. A lot of data collected, particularly from Matlab and Teknaf areas, has not yet been analysed. This difficulty should be overcome when the new, more powerful computer (IBM 4331) shall be fully in operation. Long-term demographic studies in Matlab are unique in the developing world. They also relate to diarrhoeal diseases in many respects. These studies will continue in future but data collection, analysis and processing should be improved.

Dr. K.M.S. Aziz, Head Training, Extension and Communication Programme, presented various training activities as well as extension and communication programme. The Centre's mandate to disseminate research findings in health care delivery systems in practice in Bangladesh and other countries, are being achieved with this programme.

These activities include problem specific training, seminars, workshops, conferences, both national and international. In the area of communication, in addition to the library information and documentation service, internal publication service and the scheduled programmes of the DISC project, a range of publications on diarrhoeal disease are already being produced (e.g. Glimpse, Journal of Diarrhoeal Diseases Research, Bibliography of diarrhoeal diseases publications) and some more are planned. The Training, Extension and Communication Programme according to Dr. K.M.M.S. Aziz requires more cooperation on the part of other programmes and requires more staff and financial support.

The presentation by the Programme Heads were followed by presentations of following projects selected by the Programme Committee:

(1) ORT Development introduced by Dr. A.M. Molla, (2) MCH-FP extension by Dr. J. Phillips, (3) Demographic Surveillance System by Dr. B. Wajtyniak and Dr. Sh. Bhatia, (4) Determinants of Fertility by Dr. AKMA Chowdhury, (5) Urban Volunteers Study by Dr. B. Stanton, (6) Mirzapur Handpump Project by Dr. K.M.A. Aziz, (7) Results of Teknaf studies by Dr. M.M. Rahaman. All presentations were followed by indepth discussion.

These revealed some great strengths of the Centre (e.g. potentials of the study of cereal based ORT) and some of the weaknesses of the data base, both as to reliability of the actual data and the capacity of this data base to allow analysis.

At the second closed session of the Programme Committee Dr. D. Rowley discussed his paper on "Definition of Scientific Priorities for ICDDR,B for future years" (Annex I).

This was intended to stimulate discussion and served as a basis for comments on the Director's "Goals and Priorities ICDDR,B 1985-1989" (Annex II).

At the final closed session of the Programme Committee the following comments on the paper of the Director Goals and Priorities - ICDDR,B 1985-1989 were formulated.

Comments on Director's Goals and Priorities 1985-89

In considering priority areas of research at the Centre one must recognize the complex interacting factors which may cumulatively influence the incidence and severity of diarrhoea. The Centre is well suited to examine the influence of these complex variables since it is sited where the problems exist and brings together under one roof people from a wide variety of disciplines such as Laboratory science, social sciences, epidemiology, clinical medicine etc., which have great potentiality to interact with each other in the pursuit of comprehensive understanding of diarrhoea and its control and prevention.

Man's ecosystem, particularly in less developed countries like Bangladesh is susceptible to rapid change induced by natural disaster (e.g. floods) or man-made interventions and due also to factors hitherto ill understood. It seems for example that bacillary dysentery is on the increase throughout most of Asia caused by bacterial strains of unusual virulence and unfortunately resistant to most antibiotics. Whatever priority areas are chosen for the centre they must remain flexible so as to accommodate changing patterns of disease.

Constraints on the ICDDR,B

Any research centre must take into account factors which influence its performance in planning what should be done. At ICDDR,B for example, there is a rather quick turnover of senior personnel (half life 1.8 years)

which obviously affects continuity of research. The Centre being funded mainly by external donors must consider the wishes of the donors who may on occasions direct the research proposals into areas of lesser priorities which meet with their own funding policies. The best planned projects may be rendered, to some extent, invalid due to environmental changes over which the centre has no control. For example, in the Water and Sanitation Project in Teknaf the socioeconomic situation has changed so that the effects of the original intervention of water and sanitation have been overwhelmed by these other somewhat vaguely conceived changes.

Another important constraint on the Centre has been the irregularity of cash flow so that in the final analysis, although the income of the Centre has considerably increased in the last few years, the Centre has gone from one financial crisis to another, and the resulting stop - go situation seriously affects morale and performance.

Criteria for Priorities

Our choice of areas must be based upon some attempt at subjective cost-benefit analysis. In other words, we must seek to have the maximum impact in reducing child morbidity and mortality from Diarrhoea and its complications for a minimum cost, since funds are finite. In this context the relationship between child and mother before and in the first few years after birth will obviously have the greatest impact, and the factors which determine how healthy well-nourished babies can be should obviously be one of our priorities.

Secondly, we must study projects for which we are well equipped in terms of laboratory and hospital facilities and our existing field study areas. It follows that the tools of trade for all our projects need to be available and in general these are:

1. A strong data bank derived from field, hospital and laboratory studies.

2. Hospital and laboratory research and service back-up in the usual paraclinical areas, and
3. The ability to transfer the knowledge through training courses to other people both within and outside the Centre.

Priorities:

1. Determinants of Childhood Morbidity and Mortality

It has been said that childhood itself is the greatest risk to children. Whilst this might sound rather vague it illustrates that infection and diarrhoea are only parts of the total risk to children. The risks in a child's life begin with conception, so that factors which influence fertility are an important area of study since this may in turn affect birth intervals, maternal nutrition and foetal growth. Likewise, infection during pregnancy is vital to study in case it may increase the nutritional debt that pregnant women in developing countries may suffer.

Education and other social variables of the mother have been shown to correlate with child survival. These must operate through hygienic, behavioural and environmental factors which bear on the antigenic load. In this respect use of soap and hand washing are important areas worthy of further study. Health services research is obviously of paramount importance in this topic.

2. Shigellosis and Other Invasive Diarrhoeas

As mentioned earlier shigellosis is on the increase and is a prime cause of morbidity, mortality and nutritional wastage in children. The great prevalence of drug resistant strains indicates that these may be of diminishing value in treatment. Whether vaccination will ever be powerful enough by itself to greatly reduce the incidence of this disease is somewhat doubtful; nevertheless, immunity is an important factor in the many variables influencing

this disease and studies will be continued at the Centre aimed at defining the important protective antigens of this group of organisms which will lead ultimately to the bio-engineering of potentially useful live oral vaccines. Shigellosis has such a strong nutritional impact that this study priority must inter-digitate at all levels with priority number one. We need to know for example, whether one attack of shigellosis during pregnancy influences the pregnancy outcome and child survival.

3. Cereal Base O.R.T.

Oral rehydration therapy has been shown to greatly reduce immediate mortality from watery diarrhoea. Recently, at the Centre it has been amply demonstrated that the substitution of cereal for glucose in the oral rehydration solution can have a profound effect on reducing the duration and volume of diarrhoea and in enhancing the child's nutritional state. These immensely important practical findings demand further investigation particularly concerning the patho-physiological mechanisms of action. This cereal based ORT should also be studied in other community settings.

4. Field Trials of Vaccines

Matlab and Teknaf with their extensively surveyed and recorded populations, offer facilities for vaccine testing second to none in the world and we will be establishing base line data for Shigella and Rotavirus serotypes in these areas so as to be ready for vaccines as and when they become available. This surveillance of shigella serotypes including their molecular epidemiology can be incorporated to some extent in the routine DSS data collection program and these taken together will be valuable for future research.

5. Training and Communication

This must include training to the very highest level in research aptitude, both for participants from Bangladesh and from other countries.

The different levels and areas of training are discussed more fully in the document - Annex I.

The committee would like to discuss training more extensively at its next meeting and suggests that a position paper be prepared to cover the options available by a small inter-programme group from within the Centre.

DEFINITION OF SCIENTIFIC PRIORITIES FOR ICDDR,B
FOR NEXT FIVE YEARS

INITIAL AND TENTATIVE

In writing this discussion paper it has been assumed that the next five years should include a long, significant period of consolidation during which the budget is not projected to grow as rapidly as in the past four years. Since no Research Institute can function properly without being flexible and adaptable, it follows that the changes and developments which will be required during this time must be funded by savings from existing activities. As a consequence, an attempt has been made to define some of the constraints which should be applied in considering the expected benefits to be gained from any existing activities.

All Associate Directors except Dr Mujibur Rahaman (who was away) have been consulted for their views on priorities and this document is, in part, a synthesis of the majority opinions. Naturally, it was generally suggested that more effective research would result if more funds were available, and there was a general reluctance to define areas where financial savings could be made, with one exception - everyone indicated that 'management' was too cumbersome and expensive; this seems to be a universal complaint of scientists and academics in Institutes and Universities, despite the fact that they often show little ability to manage their own smaller administrative chores!

Procedure, approach and timetable

The Programme Committee and the Board should agree on the procedures and timetable required to develop a final plan for research priorities

for the next five years by the November meeting. This must allow for maximum input by the Director and his senior staff. A notional timetable could be as follows: If the broad outlines of a plan could be agreed to at the May meeting, the staff could be invited to submit outlines of their proposals related to this framework by September. A final draft could then be prepared by the Director for the Programme Committee and Board to examine in November. I would be happy to assist in any phase of this process.

Statement about the Centre

In the most general terms, it seems certain that the Centre will concentrate on the approaches developed during the past few years, although the priority given to each activity may alter the emphasis somewhat. These approaches can be placed under one of three headings -

1. Epidemiology

The aim here is to collect relevant data from the field, analyse these data and draw analytical conclusions which should provide working hypotheses, and possible means of intervention in the field to reduce incidence of disease. Data are obtained as a result of demographic surveys or in response to questioning about behavioural attitudes or patterns or by association of disease incidence with some particular aspect of lifestyle. These data are programmed into a central computer bank which should allow rapid and easy access of data without interference to the continuing data collection and processing. Consideration of the data by epidemiologists should lead to certain analytical conclusions as a result of which further data may be sought from either the bank or field or both and a hypothesis of causal relationship may be formulated. This may then be put to the test in the field either by intervention or further data collection testing.

It is important to emphasise that for success, continuity of this whole process is highly desirable. This requires constant interaction between the data collectors in the field and those who process and analyse the information. The present operation at ICDDR,B is not ideal. Data are collected in the field by the disease transmission working group and the nutrition working group^{among others} and are then handled centrally by the community services working group. Unfortunately, there is inadequate communication between the three groups at present.

2. Hospital/Laboratory studies on the patho-physiology of diarrhoeal diseases

This broad heading includes all the work on patients in the hospital, as well as studies using animal models of disease. For both these aspects the Centre needs laboratory services and research in the disciplines of biochemistry, microbiology, pathology, virology and immunology as these are the basic tools of clinical and experimental research.

3. Training up to Advanced Levels in all these aspects of the Centre's programme

It is an important part of the raison d'etre of the ICDDR,B that it should hand on acquired knowledge and expertise to others, both at the Centre and elsewhere in the world as indicated and requested.

By and large these three headings describe the present interests and activities of the Centre, which of course everyone is striving to improve in quality. Before it can be decided which areas should receive the highest priority for further development, the Board must give some thought (and finally provide answers) to some or all of the following questions. In order to develop this document further I have suggested tentative answers to these questions and have then developed a plan according to these answers.

A. Should all the research of the Centre have a clear, direct and defined connection with Diarrhoeal Diseases?

Suggested answer YES.

B. Should research be the main outlet for the finances and energy of the Centre? How much service if any is desirable?

Suggested answer YES with some unavoidable service such as the hospital.

C. Should the Board deviate from its own scientific priorities because of the wishes of a donor?

Suggested answer YES in some defined areas under certain circumstances.

D. Should the training functions of the Centre be better defined?

Suggested answer YES.

E. Should the five year priorities plan of the Board be restrictive on the Director?

Suggested answer NO.

With these answers as a guideline and taking into account prolonged discussions with senior staff of the Centre I suggest that a focal point for the activities of the Centre during the next five years should be:-

THE STUDY OF DIARRHOEA DUE TO INVASIVE ORGANISMS LIKE SHIGELLAE

This does not mean that studies on the fluid-loss diarrhoeal diseases like cholera should be completely abandoned. It simply means that in the near future emphasis should shift to diseases like dysentery which are at present more difficult to treat than the watery diarrhoeas and which moreover are a major cause of death.

Even if all the existing working groups are retained, they could easily readjust and relate to this focal topic. This would have the advantage of ensuring better communication between the groups by bringing

them together to consider a common problem and by stimulating them to consider and ask new questions. This can be illustrated by posing questions relevant to the area of each existing working group and no doubt the members of these groups would think of other, more relevant, questions themselves.

Pathogenesis and Therapy

This covers the hospital and patient oriented aspects and should be able to offer an example to developing countries of the best standards available for the treatment and investigation of diarrhoeal disease in patients under both in-patient and out-patient conditions.

They could be interested in such questions as -

- 1) Is it necessary to use antibiotics for the treatment of shigellosis?
- 2) Can simple criteria be used to classify the severity of dysentery in children?
- 3) How does the nutritional status influence the course of this disease?
- 4) Can useful alternative diagnostic tests for shigellosis be found based upon new sensitive methods like ELISA with monoclonal antibodies or by gene probing by hybridisation and can these be adapted for bedside use?

Host Defence Working Group

At the present time this consists of immunologists who have already prepared a proposal to identify the protective antigens of shigellae using convalescent sera from Teknaf children showing low and high incidence of the disease. Ultimately this approach should lead to cloning work which should produce relatively harmless hybrid strains of bacteria which express these antigens without being invasive or toxic i.e. strains potentially useful as live oral vaccines. The Centre would acquire the skills required for the various techniques used in molecular biology which have such great potential for elucidating problems of pathogenesis.

Disease Transmission Working Group

This group is involved with laboratory studies on shigellosis and has a rabbit model which could be potentially useful in dissecting the parameters of pathogenesis using a number of different cloned hybrid organisms containing various elements of the shigella genome. A current activity of this group is the collection of base line data on the incidence of shigellosis in the Matlab study area as a necessary preliminary to vaccine trials envisaged in the future. It seems reasonable to suggest that base line data on the incidence of rotavirus infections should be collected at the same time, to ensure that a field trial using rotavirus vaccine can be carried out as soon as a suitable vaccine is produced.

Community Services Research

Together with the Disease Transmission W.G. this division will be analysing the data obtained from the field study area and attempting to answer various questions related to shigellosis, including such obvious ones as -

- 1) Are there sex differences in morbidity/mortality?
- 2) Does the geography of the area influence incidence or duration of disease? (Comparison of Teknaf with Matlab.)
- 3) Does immunisation against tetanus, diphtheria, measles etc. have any effect on morbidity/mortality due to shigellosis?
- 4) Does birth weight/nutritional state influence the incidence of Shigella?
- 5) Does shigellosis during pregnancy have any effect on the outcome.
- 6) Does the urban volunteer study provide a useful and cheaper alternative for data collection or for dissemination of simple education on hygiene?
- 7) What are the aetiological causes of infant deaths due to shigellosis?

Nutrition Working Group

There is a basic need to evaluate the nutritional cost both in hospital and in the community of dysentery in children following different regimens of treatment.

Training

The present training courses are oriented towards the application of oral rehydration therapy and consideration should be given to change, both in course content and the level of training. The Centre is an advanced research institute and should offer training at several levels including:

- 1) Continuing education for all staff including technicians (by lecture courses and by apprenticeship)
- 2) Courses in the management of diarrhoeal diseases including use of elementary statistical analysis and possibly a minor research project. Consideration might be given to this being a 3 month diploma course.
- 3) Research training up to Ph.D. and M.Sc. level. This would require affiliation with Dhaka University, some international staff would need appointments at the University and I note that this already exists for example with Dr A.M. Molla. This is the least expensive way of providing additional workers for research projects.
- 4) The provision of extension training materials such as tapes and short films. This could also be valuable in providing information to our donors. A good quality film of the Urban Volunteer Programme (made by Dr Anand) could be very persuasive to donors.

Other Priorities

Although invasive diarrhoea could form a suitable link for all the existing working groups in the Centre, I suggest that a few other themes should be considered. These should be related to the focal topic of diarrhoeal diseases and might occasionally reflect special donor interest, if adequate funding is provided. Such themes might be -

1) Cereal based ORS

This is a subject which is currently popular and could prove worthwhile, provided that scientists within the Centre are able to provide hypotheses which can be tested. An obvious example could be:-

Administration of rice-based ORS in a community reduces diarrhoeal disease morbidity in children more than glucose based ORS.

2) Family Planning at Matlab and Extension to National Schemes

Since the Matlab area has given considerably greater compliance than the Bangladesh average, it seems important to transfer any lessons learned at Matlab to the National plan, if possible. If doing this involves continuing with the Matlab Family Planning programme, then a research component should be introduced relating to diarrhoea. Some of the questions listed earlier under CSRWG would fit this category.

3) Support for the UNICEF GOBI programme

All the four aims of this international programme would interact with diarrhoeal disease control and again provided that Centre staff can identify meaningful research components we should be prepared to accept donor support.

Projects to be avoided

Funded or not, there are some subjects which though health related are too far from our field of expertise to justify expenditure of time and effort by the Centre staff and we should leave these to other institutions in Bangladesh. Examples of these might be -

- 1) Sanitary engineering and water pumps.
- 2) Family planning projects with no relationship to diarrhoeal disease e.g. contraception and pelvic inflammation.
- 3) Acute respiratory infections.
- 4) Strictly nutritional problems with no diarrhoeal research component.

Comments on General Efficiency of the Centre

Fund Seeking

Staff of the Centre should be encouraged to seek external funding provided the project has been approved and the application signed by the Director. This might also be extended to commercial firms once the criteria for such collaboration have been defined. It is conceivable that industry might fund a drug evaluation unit in our hospital in which the efficiency of new antibiotic combinations against shigellosis could be tried. This could include anti-secretory drugs. At a cost to industry of say \$50,000/year they would get well controlled drug trials and the Centre would obtain a significant contribution to hospital costs.

Collaboration with other International Laboratories

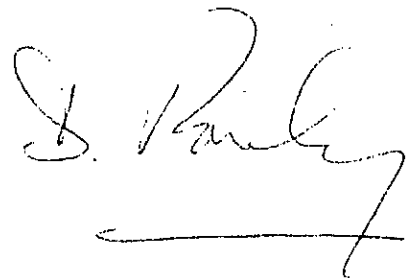
This should be greatly encouraged. The Centre has much to offer which many researchers in developed countries would like to share and, provided that true collaboration develops, even if some of the work is being done outside Bangladesh this could still provide great benefits to the Centre, in terms of financial support, research support and reputations from joint publications.

Annual Scientific Meeting in Dhaka

National staff have difficulty getting funding to attend international meetings in spite of the fact that they need to be exposed to leading scientific figures as part of their development and training. Consideration could be given to holding an annual meeting in Dhaka along the lines of the U.S./Japan Cholera Conference. Up to twenty international contributors could be invited each year and offered a contribution of say \$500 towards their fare plus free accommodation. This would cost the Centre approximately \$15,000/year and could be very rewarding for young local scientists as well as providing an opportunity

to establish a reputable series of scientific meetings in Dhaka with themes taken from within the spectrum of diarrhoeal disease research.

The changes in direction suggested above are intended for discussion and are tentative. In the short term, the changes suggested are more apparent than real but the opportunity would be there to say to our donors - "We have re-evaluated the priorities of this Centre and believe that many problems in diarrhoeal diseases research which existed 20 years ago have diminished. Indeed some of the major solutions have come at least in part from the endeavours of this Centre, viz., all the initial studies on the physiology of gut electrolyte transfer and the evolution of ORS therapy. We have had a hard look at the present state of ignorance in this whole field and as a result we wish to reorient our main thrust towards shigellosis which is clearly one of the main causes of serious morbidity and mortality from this group of diseases." We should emphasise that the change in direction can only be gradual, that we are very pressed for funds and that new activities will inevitably involve increased expenditure and require more funding.



GOALS AND PRIORITIES ICDDR,B
1985 - 1989

The most central principle guiding the establishment of the Cholera Research Laboratory and its successor the International institution capable of fostering scientific thought and technology that is-current-with-"state-of-the-art"-science in technologically advanced countries can exist and prosper in a least developed country setting given the right commitment, charter, governance, and staff. This Centre addresses the cluster of health problems, diarrhoea, malnutrition and excessive fertility which underlie most deaths and illness in Bangladesh and many other countries. The question of why is it worthwhile to struggle to establish an institution of high current technology and expertise in a difficult setting may be answered that there is a commitment to put the best health sciences can offer to work on the most common and major causes of death and disease. Given this central concept the process of setting priorities and goals flows quite naturally. The Centre is located where the problems are. It and its staff must define these and with the best minds and tools available attack them. This attack should be at a basic as well as an applied level, and, once successful means are discovered, they must be applied to alleviate and prevent these problems. Results then must be communicated as rapidly as possible to all who can benefit utilizing all available channels and agencies. As new knowledge is gained the pressure points for rapid advances change. Equally the biology of populations and illnesses changes often with breath-taking speed, especially in the very rich ecology of Bangladesh where the life support system of the great rivers Ganges, Brahmaputra and Meghna create the highest fresh water flux per land area in this planet. Thus in creating priorities goals and plans it is absolutely essential to insure that the institution can be increasingly responsive to the opportunities of scientific advance and exigencies of nature as they impact on one of the very difficult and excludes what is a traditional exercise--"The five year plan". The challenge then is to find an organized

frame-work of priorities and structure for the Centre to insure it does not become frozen and isolated as an academic entity perhaps doing a high quality of work but of decreasing linkage to the realities of its location. The first issue then is how to keep contact with the problem.

From 1962 the CRL/ICDDR,B has followed a philosophy that providing services to all those with diarrhoea that seek its help is an essential basis for research in diarrhoeal diseases. Early this idea was extended to include care of extensive field populations. Later home-care and self care methods have been increasingly emphasized. This extensive service network provides the basis for prompt recognition of new events, epidemics and changes in the biology of diarrhoeal diseases. It also has provided the basis for a burgeoning health services research interest and effort. Thus services must be viewed as a highly desirable and necessary substrate for the research and training efforts of the Centre and central to its mission. Of greater human concern is that it is also an ethical necessity. In general good ethics mean a healthy institution and in my view never detract from the scientific process. This approach however incurs a higher cost to operations.

This raises the single most urgent crisis currently facing the Centre. Clearly to accomplish its overall purpose flexibility of response to local conditions is required and an ability to provide service to a large number of very poor people. There has been over the last 4 years, but accelerating rapidly during 1984 and 1985, a trend for those who support the Centre to designate funds for special projects. This has increased the overall resources but has rapidly reduced the capacity for services and response to problems with which donors and unfamiliar or will not consider of central importance or immediate concern. An example of this is a widespread resurgence of shigella dysentery in 1984 and 1985 in Bangladesh and throughout much of Asia with a very high loss of life. Only the core flexible resources of the Centre have so far been available to address this epidemic which may result in loss of life of the scope of the current famine in Africa.

Two years before this occurred a conference of the few people seriously working on shigellosis had been convened by ICDDR,B and the lack of progress, effort and resources noted. Together with defining areas of priority where work should be done, the Centre must find a way to have some flexible support and be a gadfly to the international community to insure that crucial problems are brought into focus and effective measures to prevent and cure disease propagated rapidly.

Those working in the field of global health and supporting this work must never again allow the major causes of death and illness to be left out of primary focus, as was the case historically when Tropical Medicine omitted the two largest killers in the world, diarrhoeal disease and acute respiratory infections from central consideration.

First let us define those priority areas of work on which the Centre currently focuses its resources. What is expected to happen in the next five years to these areas can then be projected. Finally new areas that are not currently a main effort will be identified.

1. Determinants of Maternal and Childhood Morbidity and Mortality

Central to all else in priority is gaining knowledge on what makes mothers and children sick and causes their deaths or said more technically focus on the determinants of maternal and childhood morbidity and mortality. Always the Centre has taken a holistic view of its work and insisted on studying diarrhoea, malnutrition and the problems of rapid population growth in the overall context of possible relationship to other causes of death and disease. To explain why is most easily seen by example of the studies on measles which have shown that one effective way to prevent dysentery and malnutrition and high mortality in children is to prevent measles. Yet measles is not primarily a diarrhoeal disease. Crowding, low birth weight, close spacing of babies all result in very high diarrhoeal rates yet rest on high fertility. A sharp increase in emphasis is needed to better define and test interventions that can reduce the toll of death and disease in mothers and children.

2. Environmental and Ecological issues in Diarrhoea

The Centre has invested in basic studies on the ecology of V. cholerae to discover its as yet undiscovered biological niche where it hides between epidemics. It also has been testing standard technologies of hand pumps and latrines to assess how much can be accomplished by these traditional measures. Recently increasing attention has been given to behaviour that may enhance or reduce diarrhoea. A recent discovery has been the great power of soap to prevent spread of many diarrhoeal diseases. Over the next five years it is expected that there will be a continued increase in attention to behaviour and education and increasing specification of what are the most important effective preventive measures currently contained in the word "hygiene". Soap appears pivotal and requires full attention as to its potentialities as an inexpensive measure immediately applicable in all settings. Another intervention to prevent cholera is the use of purification of household water with potassium alum sulphate or "Fitkari".

3. Vaccine Development and Testing

The field testing and partnership with developed country institutions in vaccine development has always been a central priority and will remain so. At present oral cholera vaccine is in field test. Rotavirus vaccines are available in planning stages for field trial. Shigella vaccines are surely needed but are at basic developmental states. During the next five years cholera vaccine testing is likely to continue but much depends on the outcome of the present trial to say what kind of effort will be needed. Rotavirus vaccines will be tested in 1986 or 1987 and development of shigella vaccines will be pressed as a major effort which will require partnerships as has been the case for cholera vaccines.

4. Shigellosis and other invasive diarrhoea

The resurgence of a devastating shigella epidemic all over Asia since 1984 has driven this to a central priority. This disease has

been neglected and attention must be focused to achieve an adequate understanding of it and to define effective preventive and curative measures. Antibiotic resistance of an extraordinary degree is now present defeating traditional curative approaches with antimicrobial agents.

5. Cholera and Enterotoxigenic Diarrhoea

A sustained effort will continue to seek to solve the persistent mystery of where V. cholerae hides and why it resurges in epidemic form. Should the vaccine approach not work well there may still be possibilities to interrupt the transmission when the occult part of the cycle is known. Basic studies on mechanism of diarrhoea to work on measures to reduce fluid loss will continue at about the same level.

6. Development of ORT

The discovery of ORT was a breakthrough and the recent findings that using cereals instead of glucose or sugar as a basis for this therapy is another major achievement. Fluid loss can be reduced, duration of illness shortened, vomiting markedly diminished, nutrition improved and recurrent diarrhoea prevented by this simple approach. This is a major area requiring increased emphasis with fullest attention facilities and support to make the most rapid use of our new knowledge.

Training, Extension & Communication

To bring the fruits of completed research to use in Bangladesh and all other countries requires a major effort in training and communication. Furthermore one of the most urgent and exciting opportunities for the Centre is to assist national institutions in and outside of Bangladesh in establishing vigorous effective research programmes of high quality to address problems specific to the country. Scientific thought and technology are established at the Centre and adapted to adverse field

conditions. This adaptation process is often lost sight of in attempting to transfer technology. Countries with problems similar to Bangladesh find that methods adapted to conditions at the Centre usually work well in their country settings. A large demand for "extension" of established methods is growing but can be met. Because of the scope of the problems and interest of many countries we must have a very sharp focus and clear idea of where we are going. This is a very major challenge in the next five years.

Disciplinary Roots

The process of science is based on thought and technology. Both are focused and specialized to increase their power. The challenge of the Centre is to insure the highest quality and power of science without the fragmentation, isolation, and lack of interdisciplinary dialogue that often is the price of specialization and elaboration of technology.

At ICDDR,B, six years ago to break down barriers and throw scientists of different disciplines together five programmes were established that were to achieve interdisciplinary approaches to problem areas. These are Pathogenesis and Therapy, Host Defence, Disease Transmission, Nutrition, and Community Services Research. At present times the specification of priorities and goals into concrete projects takes place in the Working Groups of each programme. What follows is what has been presented by each Associate Director responsible for these programmatic areas and modified by the Director to coincide with overall priorities of the Centre.

Pathogenesis and Therapy Programme

Of the six Centre priorities the Pathogenesis and Therapy Programme will address the following:

1. Shigellosis and invasive diarrhoeas

Basic studies on patients and, as indicated, animal or in vitro systems to define the pathogenetic mechanisms leading to complications and death.

Ways will be sought to effectively treat and prevent illness. This will include detailed pathological investigations, studies of antibiotics, herbal and indigenous remedies, and the effect of cereal ORT on the clinical course of the disease. Campylobacter and amebiasis will be areas of work but of less priority.

2. Studies on how Cereal-based ORT reduces the severity of diarrhoea.
3. Development of antisecretory drugs in cholera and enterotoxigenic diarrhoeas will continue together with basic investigations of disturbance of the control mechanisms and mediators of secretion and absorption in the gut.
4. As a part of the study of the determinants of maternal and child illness and death, complications of diarrhoea seen in the hospital will be studied including what is currently the most important cause of death in patients with diarrhoea, associated with acute respiratory diseases.

Through more active participation in the current surveillance protocol operating on a 4% systematic sample of the hospital patients new areas deserving priority will be detected and explored as these appear. This will demand close cooperation with the Disease Transmission programme.

Host Defence Programme

This programme will cooperate chiefly with the Pathogenesis and Therapy and Disease Transmission programmes to pursue the following priorities:

1. Shigella vaccine development

Basic immunology and immunochemical approaches are needed in partnership with technologically advanced institutions to press forward the development of an effective oral shigella vaccine. Since immune mechanisms may also be involved with some of the morbid phenomena seen in shigellosis (e.g. H.V.S.) these will also be studied.

2. There will be continued work on V. cholerae immunity in conjunction with the cholera vaccine trial.
3. Since it is very likely that a major determinant of childhood mortality is related to malnutrition, studies of basic immune mechanisms may begin in this area. These will require cooperation with the Nutrition programme.

There will need to be a concerted effort to build up adequate laboratory facilities and train staff to effectively approach these tasks.

The Disease Transmission Programme

This programme will cooperate with all other programmes to approach the following priority areas:

1. Vaccine trials and vaccine development

There is a large-scale oral cholera vaccine trial underway which will require, if the vaccine proves successful, at least three to five years follow-up. Work to explore the possibility of live oral cholera vaccines will begin at the

Centre in collaboration with appropriate institutions with competence in Microbial genetics. Selection of a live oral Rotavirus vaccine for field test by 1986 is underway and will involve at least three years of work.

Development of Shigella vaccines will be carried out in close partnership with the Host Defence and Pathogenesis and Therapy programmes and will be emphasized over the coming five year period. Collaboration with institutions of excellence in Microbial genetics and Chemistry will be important. This will include selection and development of a field area to test any candidate vaccine. Developing field detection methods and defining epidemiology of specific areas will be essential.

2. The development of microbiological methods applicable for field use will be a major priority that will serve all programmes as successful techniques are discovered and field tested.

3. As a part of the focus on determinants of maternal and child morbidity and mortality a close look at causes of diarrhoeal diseases and death

will be mounted.

4. As a part of 1 and 3 there will have to be continued descriptive epidemiology of both shigellosis and cholera.

5. Intervention studies in cooperation with Community Services Research will further pursue the way in which soap for handwashing and purification of household water with potassium and sulphate or fitkari can be employed to greater effect.

6. Surveillance systems based on the hospital and field with improved microbiological methods will define new areas where priority must be given to begin to unravel our current ignorance of the causes of longer lasting diarrhoeas of undetermined cause.

Nutrition Programme

1. This programme will cooperate with the Pathogenesis and Therapy and Host Defence Programmes to define better how nutrition leads to and in what way determined the pattern of maternal and child illness and death. These studies may be at a very basic level and seek at issues such as why vitamin A or zinc deficiencies lead to high death rates. Intervention studies may be mounted with the Community Services Research and Disease Transmission programmes to determine how best to reverse high disease and death rates due to specific deficiency states.

2. Shigellosis has as one of its most devastating consequences severe acute protein loss from the gut with acute protein malnutrition. This requires intensive study, especially to determine how best to stop the protein loss.

3. Studies on cereal-based ORT and devising practical home measures to make a simple transition to post diarrhoea feeding will be a focus. Basic work on nutrient absorption and digestive enzyme function will continue. Because of the apparent marked reduction in severity of diarrhoea by cereal-based ORT studies on trophic changes in the gut and improved local immune defences will begin and be emphasized.

4. Work on the causes of more prolonged diarrhoea and their nutritional consequences will begin together with Pathogenesis and Therapy, Host Defence and Disease Transmission programmes.

5. Environmental intervention studies aimed at improving nutrition by interrupting the diarrhoea-malnutrition cycle will be continued.

In all of its work except that related to laboratory and hospital studies this programme will emphasize an approach which includes economics, social sciences, ecological approaches as well as more traditional nutritional and biomedical approaches.

Underlying this programme are requirements for improved biochemistry and immunology, strong statistical and analytic expertise, excellent computer facilities, and good disciplinary strength in anthropology and the social sciences.

Community Services Research

1. Computing, Database and Data-Handling Facilities

A major area of development in the Community Services Research Working Group, relevant to the Centre as a whole, is the radical upgrading of computer facilities.

1.1. A team on international level computer staff is being recruited. A new IBM 4331 mainframe has just been installed. This will allow us for the first time to work on all aspects of our extensive data. New facilities will include a network within Dhaka Station; the possibility of linkages to the field stations and beyond are being explored.

1.2. An immediate priority is development of the data-base, making the Centre's huge data resources available both to ourselves and to collaborating scientists from a wide variety of disciplines, on a local and international

basis. Collaboration with National Research Institutions will become a meaningful possibility on a greater scale than has previously existed.

1.3. The largest single component of this data-base remains the Demographic Surveillance System (DSS). We are critically reviewing the technology of data collection and editing, with the aim of improving the turn-around time and data accessibility in order to maximally facilitate its use and application to other projects.

1.4. A successful example of an improved system of data-handling is the Sample Registration System (SRS) currently in use in the MCH-FP extension activities and in the Urban Volunteer Programme.

1.5. Paralleling the activities of the data management and computer information services, we are strengthening the biostatistics cell. Statistical and computing activities have become dispersed in the last year or two between individual projects. A better approach is strong central branch facilities servicing projects. This will only be acceptable to individual investigators if branch services are seen to be excellent. More formal training and staff development programmes in the branches will help to secure this end. New initiatives are already in place and will continue to be developed in relation to statistical, data management and computer services. Our senior staffing structure will allow much of this training to be achieved on an in house basis.

2. Matlab Field Station, Population Studies, MCH FP and Extension Activities

The main area of activity of the DSS is still Matlab which is currently housing the largest ICDDR,B Cholera Vaccine Trial (CVT) ever carried out. Other vaccine trials are anticipated though not necessarily on this scale.

2.1. To accommodate such activities within the time span of the existing CVT we may need to increase our population currently under surveillance. Furthermore, the flood control component of the Meghna-Dhonagoda Embankment Scheme (MDES) is nearing completion and nearly half of the DSS study population

will be within the empoldered area. This will inevitably affect some of our study variables. In addition, it is almost certain that the ICDDR,B will play a role in monitoring the impact of MDES in other areas. To achieve more representative coverage of the embankment area as a whole, we may recensus some villages previously included in the DSS area, based on Shotaki which has an ICDDR,B initiated Community Operated Treatment Centre. Using this opportunity we will explore and develop new census and data handling techniques. Socio-economic survey data will also be upgraded and updated in the Matlab study area, probably on a village sample basis.

2.2. The main long-term health and population-related research in Matlab supported by the DSS is of course the Family Planning Health Services Project where high levels of contraceptive acceptance have been achieved and sustained over an 8-year period, and continue to increase. Current levels of contraceptive prevalence (c. 45%) are double the national average. Fertility and child mortality rates have declined concomitantly. At the request of the Government of Bangladesh (GOB) a programme is in place to transfer the successful components of this project to the National MCH-FP Programme in two "extension areas". The success of this has already resulted in new policy measures being adopted by the GOB Ministry of Health and Population Control (MOHPC) in relation to the need for more female community health workers and appropriate training and support. Also stimulated by our operations research we are collaborating on a new initiative with UNICEF and the MOHPC to train and develop a mid-level cadre of female supervisors for the country's rural MCH-FP delivery system. We are also helping to develop a field capability within the Management Information System Unit (MIS) of the MOHPC, GOB to strengthen their monitoring and evaluation of the National MCH-FP Programme. Thus we are optimistic of facilitating research utilisation at both policy making and implementation levels of the MOHPC.

2.3. New work on the National Determinants of Fertility will be of limited value if not strengthened by a strong biomedical input including measurements of hormonal status in "at risk" pregnant and lactating mothers. This will not be pursued unless there is a major new initiative to study maternal

health and nutrition in relation to the outcome of pregnancy, morbidity and survival in early childhood.

2.4. Family planning associated infections will be studied in Matlab and, in collaboration with the Mohammadput Clinic, Dhaka. In conjunction with this, facilities for anaerobic microbiology will be developed at ICDDR,B by the Microbiology Branch in the Disease Transmission Working Group.

2.5. The MCH interventions have continued largely unchanged pending the analysis of data accrued over the last three to five years. This analysis is being undertaken as another priority. In the meantime routine immunisations such as measles and tetanus currently limited to our study areas will be extended to the comparison areas as there are no longer scientific or ethical justification for leaving these populations without this benefit. This will not rule out further research such as the use of the newly developed measles vaccine (Zagreb strain) should this be seen as an appropriate at in the future.

2.6. Besides a notable drop in the birth rate, another impact of our combined MCH-FP interventions in Matlab is an improvement in child survival. Current estimates of infant mortality rates, however, are still little below 100/1000 live births and the 1-4 year figure is of the order of 25/1000 of which a quarter are probably due to dysentery. Inadequacies of cause of death data and lack of morbidity data currently impede rational development of the MCH interventions and give little or no insight into observed survival correlates. The lay death reporting system has been improved (and standardized in line with Teknaf) to determine more accurately the nature of childhood deaths which are refractory to our current programme. With the Nutrition Working Group, in the first instance we are attempting to improve the specificity of anthropometric measurements as an indicator of risk of death, in Matlab and Teknaf. This will be followed by morbidity and nutritional surveillance in selected subsamples of the population aimed at the logical development of new health service strategies for improving child survival.

2.7. A systematic effort has been started to upgrade the quality of clinical care, which may eventually include nutritional rehabilitation, at Matlab Treatment Centre and to this end active collaboration with Dhaka Station is being fostered. Cereal-based ORS is being introduced, on a research basis at present, as an extension of current Dhaka ward studies comparing its efficacy with that of WEO ORS.

2.8. The community study based on Chandpur, neighbouring Matlab, of cereal-based ORS is approaching completion and the data will yield far more information than was originally envisaged. The results may be helpful in determining priorities for other phases in the "ORS Programme".

Thus the next five years should see a continued high level of activity centred on Matlab, accommodating service and research activities by at least three of the scientific working groups. The short comings of our current facilities have continued to encumber our activities and have been criticised externally. A new building programme is envisaged to rehouse the treatment centre, support laboratories, offices and some residential accommodation. This should not be seen as introducing undue sophistication and centralization of our Matlab operation but as decentralizing from Dhaka by functionally upgrading facilities which are necessary for (i) improved operational research systems; (ii) accommodating field based training programmes and (iii) better clinical services.

3. Urban Volunteer Programme

3.1. The scale of the rural programme should not overshadow the rapidly developing research component of the Urban Volunteer Programme (UPV) in the urban slums of Dhaka. An ORS delivery system is already in place. Data on diarrhoea and other morbidity rates, stool pathogen rates, indicators of nutritional status, and demographic data have been collected as baseline for subsequent research.

3.2. Efforts towards improved personal and environmental hygiene are being made on the basis of specific epidemiological findings related to

diarrhoeal disease. The effectiveness of nutrition education and supplementation of selected children in the community may also be evaluated in conjunction with UNICEF and GOB. Full use is being made of existing health facilities, mainly supplied by GOB, to facilitate the eventual transfer of technology and maintain self sufficiency within the community. The programme will be linked with the Dhaka Municipal Health System in order to train government workers and to coordinate coverage.

4. The Mirzapur Handpump Scheme

The project is designed to measure the impact of introducing a special handpump and a switchable two-chamber latrine in every household on shigellosis and other diarrhoea rates. The handpump is of new, high output design, associated with a deep tubewell system and is being field tested in the course of this study.

5. National Oral Rehydration Programme (NORP) Project

NORP is part of the GOB Diarrhoeal Diseases Control Programme (CDD). This project to analyse patterns of use, demand and supply of oral rehydration salts by NORP ends in 1985.

6. Summary

Two major branch activities of importance to the whole Centre are being strengthened and improved. Installation of the new computer is being followed by the development of a comprehensive database containing archived and current data to increase accessibility of this grossly under utilised resource.

Matlab Treatment Centre will be upgraded in terms of research facilities, training opportunities and improved clinical care.

New demographic and morbidity surveillance techniques will be developed and refined. Better knowledge of current morbidity and mortality, particularly in relation to diarrhoeal diseases, will be sought.

New health interventions will be developed on the basis of these findings.

The successful transfer of family planning strategies to the MOHPC will be further enhanced by strengthening government health delivery and monitoring systems.

Work on Natural Determinants of Fertility may be phased out unless strengthened by a biomedical component as part of studies of the nutritional status of pregnant mothers.

Cost effectiveness studies will be introduced in Matlab and the extension areas relating to the family planning service component in the first instance.

Family planning related infections will be investigated with concomitant introduction of anaerobic microbiology facilities.

In the Dhaka slum community the effect will be measured on diarrhoeal disease morbidity of health education messages based on local epidemiological studies. A community based nutrition intervention is also being added.

There is a Centre commitment to the Mirzapur handpump project for at least three years.

The National Oral Rehydration Programme Study will be completed during 1985.

Training, Extension and Communication Programme

Centre's mandate to disseminate research findings to be incorporated in health care delivery system in practice in Bangladesh and many other countries have been entrusted with this programme. TEC undertakes health manpower development related activities to fulfil the

institutional objectives. These activities are undertaken in the form of problem specific training, extension and communication programs sometimes tailor made to suit the requirements of any country. In addition, under this program, other activities include workshops and conferences, both national and international; and fellowships - short and long term. The overall aim is to develop a critical mass of manpower in each of the collaborating countries or institutions aiming at self-reliance.

Training

In the first of the projected five years, 12 national and international training courses on different aspects of diarrhoeal disease and directly related subjects, will be organised. This number will increase each year and in 1989 thirty six such courses are planned. Efforts will be made to develop new courses and also to incorporate the new findings in the existing courses. Since the beginning of January 1985, training programmes are being further strengthened by developing training resource materials, such as technical training series, slide tapes, etc. It is proposed to further strengthen and expand this including video tape training material. The training material so developed would also help the program to provide additional training input to the collaborative countries and other national and international agencies to develop their own training capabilities.

A programme of comprehensive evaluation is planned during this period. It is expected the results would help in further improvement of the courses offered at the Centre.

The trainees would be regularly followed up and evaluated to identify the need retraining and the impact of training on the vulnerable population.

International Conferences, Seminars and Workshop:

A number of seminars, workshops and conferences are planned during this period so as to share views and disseminate information of the newer

developments at the Centre. This would cover a wide range of topics, include covering important findings of the five Research Working Groups. Subjects like management, communication, health education, all related to diarrhoeal diseases control would also be included. The centre will provide continuity to the Asian Conference on DD and the "African Conference on Diarrhoeal Disease".

Extension

In order to transfer the techniques and skills on institutional basis to strengthen the organizational capability, the Centre plans to take up a number of extension projects both for the host as well as other countries and institutions.

In addition to the on-going Epidemic control preparedness program and collaboration with Govt. of Bangladesh in its National Control of Diarrhoeal Disease Program, efforts will be made to initiate new extension projects in Asian and African countries.

Communication

In addition to the usual library information and documentation service, internal publications service and the scheduled programmes of the DISC project, a wider range of publications for the dissemination of knowledge are planned. It is proposed to publish monograph on diarrhoeal diseases, annual and retrospective bibliographies, directories of on-going research projects, scientists and practitioners and institutions, involved in diarrhoeal disease research, on a global basis, bi-monthly Current Awareness on Diarrhoeal Diseases Bulletin, introduction of microfiche service and organization of workshops. Computerization of information services is scheduled in the 1985-86 period. The goal is to make ICDDR,B the main global information and documentation centre on diarrhoeal diseases.

The Centre proposes to use mass media to create awareness and understanding of the program for prevention and control of diarrhoeal diseases in Bangladesh. This would be a multi-disciplinary project involving experts from the Centre, health administrators and specialists in mass media.

Summary

New directions to better focus and implement the work of the Centre toward final goals are needed. Attention must be given to building of basic disciplines such as pathology, immunology, microbiology, virology, biochemistry, anthropology, operations research statistical and computer sciences. The means to achieve this are not clearly defined as yet. The programmes were originally meant to be interdisciplinary but are taking on characteristics of departments and finding difficulty in cross-programme cooperation and communication. The step of setting overall priorities for the Centre that require participation by most programmes may resolve this dilemma or it may be well to redefine programmes more along disciplinary lines and have the non hierarchal scientific interest groups be the interdisciplinary areas as they address the priorities of the Centre. I feel that a reorganization is not needed but a redefinition of roles may be required.

Further specification and planning of projects has not been included as yet but is available in many areas of work. These may need modification once there is agreement on the approaches and goals.

Finally for really top performance the Centre must behave as a collegial scientific group with all nationalities and disciplines submerging special personal, national, or disciplinary interests to getting ahead with effective efforts to achieve the goals set. In no case under any sense should special interest supervene over the ecumenical approach. The Centre has achieved much but it is poised to achieve much more to the lasting benefit of all mankind and especially the mothers and children of disadvantaged areas of the world.

REPORT TO THE BOARD OF TRUSTEES

MICROBIOLOGY BRANCH

MAY, 1985

The reorganization of the Microbiology Branch was begun in August of 1984 and continues to date. The following report gives, in outline form, the main activities and reorganizational changes that have been accomplished or begun. The reorganization is not complete. It will need to continue for at least one more year in order to firmly establish the desired administrative and technical foundation for the Branch. However, the reorganization has progressed well and is maintaining momentum.

I. Administrative

1. The proposed reorganizational structure of the Branch has been implemented. The following positions are now officially filled and functioning.
 - a. Branch Manager - a Ph.D. position to supervise Branch activities under the Branch Head.
 - b. Section Supervisors - Five sections have been designated (Research, Diagnostic, Matlab, I.V. Fluid and Technical Support) with supervisors placed over each.
 - c. Branch Personnel - All Branch Personnel were evaluated and subsequent to interviews, 16 individuals were fitted into reclassified positions. This was done in order to accomplish the goals of the reorganization. An attempt

was made to balance the Branch with technically competent workers at various salary levels.

2. Hospital Clinical Laboratory - A hospital-oriented Microbiology laboratory was established in the new hospital in order to better meet the unique needs of that patient population.
3. Cost Accounting - Charges for Microbiological tests have been evaluated and re-established at the appropriate levels. Branch personnel have been instructed in methods of assigning charges. The results have been encouraging. Recovered costs for tests in the first quarter of 1984 were approximately \$6400 (USD). For the same period in 1985 they were \$39,500.00.

If continued, this trend will greatly reduce the net operating deficit of the Branch (the 1984 deficit was \$170,000).

II. Technical

1. Continuing education training seminars were instituted on a weekly basis. Topics (see attached) for these initial seminars are basic in order to strengthen overall technical competence.
2. Establishment of the Clinical Laboratory Committee. A Committee chaired by Dr. Kay was formed to address the ongoing needs of the Centers clinical laboratories (Microbiology, Clinical Pathology and Biochemistry). The Clinical Laboratory Committee meets weekly to discuss and recommend action on all aspects related to the selection, methods, quality and

significance of laboratory tests. This committee also functions as the official intermediary between the clinical and nursing staff and the laboratories.

3. Procedure Manuals - Microbiology Branch, along with Clinical Pathology and Biochemistry, is in the process of developing a comprehensive procedure manual to standardize all routine and specialized laboratory tests. The Clinical Laboratory Committee is overseeing the production of these manuals. A physicians hand book of laboratory tests available in the Hospital laboratories is likewise being developed.
4. Computerization of Laboratory Data - The need for rapid access to laboratory data underscores the need for computerization of Microbiology laboratory results. Dr. David Sack and Dr. Kay have designed computer forms to accept microbiological data and test results. The Branch is in the process of field testing the forms and hopes to have the system operational in the near future. Initial entry of data will be made on a terminal to be installed in the Branch office.
5. Establishment of Anaerobic Culturing Facilities - A fully functional anaerobic bacteriology laboratory is being established in the Branch. This facility will greatly expand the Centers capabilities to more thoroughly investigate etiologic agents. The facility is scheduled to be operational in mid June. Equipment has been obtained and a laboratory technician is currently in the

United States receiving specialized training in these techniques. The bulk of expense for the establishment of this facility is being underwritten by a project grant from an external donor.

6. New equipment - As part of the renovation of the laboratories, it was evident that some old equipment needed to be replaced ... and some new equipment purchased. Attached is a list of new equipment that has been purchased within the past 6 months.

III. Facilities

The renovation of existing support and laboratory space is a high priority and will continue for the next year. The following areas are currently under renovation or have renovation plans submitted :

1. The main research laboratory
2. The outside corridor
3. The Autoclave room
4. The Media Preparation room
5. The Glassware washing room
6. The Plasmid laboratory
7. The Tissue culture room
8. The Employees break room
9. The stock culture collection room
10. The Hospital Clinical laboratory
11. The Branch Office

12. The Matlab laboratory
13. The Clinical Pathology laboratory (hospital)

The strained resources of the Center for workmen and materials has caused this aspect of the reorganization to proceed at a much slower pace than expected. However, progress is being made and the facilities of the Branch are being improved.

IV Future Plans

Continued renovation of laboratory spaces will be an objective for the next six months to one year. The following laboratories are in need of renovation or reorganizations :

1. New Anaerobe laboratory
2. Tissue culture laboratory
3. Molecular biology laboratory
4. Plasmid laboratory

In addition, several large capital expenditures will be necessary in the near future. They are :

1. New I.V. production facilities (an estimate has been obtained for a complete bag-producing plant capable of producing up to one million units per year. The cost will be approximately \$1,000,000 (USD).
2. The laboratory autoclaves and steam generator are in constant need of repair or maintenance and may need replacing in the near future.
3. Two ancient sorvall centrifuges need to be replaced.

4. Several freezers and refrigerators are nearing the end of their useful life and will need replacement.
5. The Branch will need to procure the proper equipment to facilitate computerization of laboratory data.
6. The hospital clinical laboratory will need to be equipped, as the equipment is currently shared with the Research section.

Finally, the Branch will spend a considerable amount of time and energy in the next year reviewing and establishing standardized laboratory procedures and techniques. Likewise continuing education and professional growth of Branch personnel will be a priority. It is a primary goal of the Branch to achieve excellence in Research, Diagnostic and Clinical Microbiology and serve as an example to be followed in these areas.

BK:pm

Microbiology Seminars
Proposed Schedule
Thursday's 2:00 - 3:00 P.M.

<u>Date</u>	<u>Presenter</u>	<u>Topic</u>
2 - 28	Mr. Q. Shafi Ahmed	The Gram Stain - Principles and Practice
3 - 7	Dr. Anwarul Huq	Streaking, Isolation and Pure Culture Techniques
3 - 14	Dr. M.A. Latif	Laboratory Media - Formulations and Use
3 - 21*	Mr. N. Islam	Sterilization, Disinfection and Decontamination
3 - 28	Dr. Ziauddin Ahmed	Dilutions and How to Make Them
4 - 4	Dr. S.Q. Akhter	Kirby-Bauer Method of Antibiotic Sensitivity Testing
4 - 11*	Mr. K. Alam	Specimen Collection
4 - 18	Dr. Brad Kay	Molecular Formulas : Molarity and Normality
4 - 25*	Mr. Ashfaq Hossain	Use of Weighing and Measuring Devices
5 - 2	Mrs. Khaleda Haider	Principles of Biochemical Tests
5 - 9	Dr. Anwarul Huq	Quality Control Procedures
5 - 16	Mr. P.K.B. Neogi	Storage and Preservation of Stock Cultures
5 - 23*	Dr. G. Poddar	Laboratory Safety

* Seminars in Bangla

MICROBIOLOGY EQUIPMENT

1. Olympus Clinical Microscopes (2)
2. Double door Memmert Incubators (3)
3. Laboratory water distillation Unit (1)
4. Magnetic stirrers (2)
5. Laboratory work stools (25)
6. Laboratory coats and name tags (all Branch personnel)
7. Electronic Balance (2)
8. Research pH meter (2)
9. Osborne Computer terminal (1)
10. Split-type air conditioners (3) (For Research laboratory and enclosed corridor area)
11. Water bath (1)

5/BT/MAY.85

RESOURCES DEVELOPMENT REPORT..

RESOURCES DEVELOPMENT REPORT

In December, 1984, the Resources Development Office projected a 1985 income of US \$8.2 million, with an additional US \$1.1 million required to support the oral cholera vaccine trials. The current total projection for 1985 income is US \$9.2 million, of which US \$2.4 million covers activities related to the vaccine trials.

USAID/Washington informed us in December, 1984 that they would support two of the Centre's scientific working groups, and accordingly, we submitted a proposal to them in January 1985, covering all the activities of the Disease Transmission and Host Defense Working Groups. USAID made an allocation of US \$ 2 million that is restricted to vaccine trial costs for 1985-86. It was previously understood that commitments from the Federal Republic of Germany and Sweden would cover the remainder of the vaccine trial costs. This project support from USAID reflects a major shift away from core funding.

We would also like to point out that the oral cholera vaccine trial budget estimates have fluctuated widely since 1983, and have been revised several times. We have now learned that the estimated amount of US \$2.4 million will not be sufficient, and additional funds for the oral cholera vaccine trials are being sought from several different donors.

The vaccine trial is a core project activity. Funds being requested in addition to USAID's commitment of US \$2 million reflect activities and research of the Host Defense and Disease Transmission Working Groups that are related to the oral cholera vaccine trial. The estimated vaccine trial budget now comes to US \$3.3 million, which includes research support and

management costs. If this total amount of US \$3.3 million can be covered by donor commitments, it will be a substantial saving to our core fund.

We have requested Japan for an increase in its restricted core project support. During a recent visit to Japan by the Director and the Associate Director for Resources Development, the Japanese government gave a firm commitment of US \$ 260,000, in support of core activities and the vaccine trial.

Our agreement with the Swedish Agency for Research Co-operation with Developing Countries, (SAREC), is due to expire in June, 1985, and Resources Development is now requesting an enhanced contribution for core project support from Sweden.

In 1984, UNICEF committed US \$250,000 towards our core fund. However, disbursement of this contribution was delayed, and was later viewed by UNICEF as core support for 1985. We have taken up this matter with UNICEF to request that the 1984 commitment stand, and another US \$250,000 be given for 1985 core support.

Negotiations are also in progress for major project support from UNICEF. The requested amount of US \$1.3 million will cover research on Cereal Based ORS, training activities and a portion of the Urban Community Volunteers Programme for 1985 and 1986.

The Canadian International Development Agency's (CIDA) ongoing support for the Demographic Surveillance System activities continues in 1985. In addition, we have submitted a proposal for US \$727,000 to CIDA for support of training and extension activities. Resources Development

estimates that the grant may be at the level of US \$500,000 when approved.

A proposal has been submitted to the Arab Gulf Programme, (formerly the Arab Gulf Fund), for a third phase of project support. A donation of US \$500,000 is estimated for 1985, for training and applied research.

New support has been requested from the European Economic Community for extension activities in the Greater-Rangpur area of Bangladesh. In addition, we have submitted a general request to the EEC for 1986 core support.

NORAD has become a new donor to the Centre by agreeing to give support for village health services in Matlab for an eighteen-month period beginning in June, 1985.

Canada's International Development Research Centre has supported ICDDR,B's DISC project for its initial three years. The funding period ends in June of this year, so a proposal to IDRC for renewal of funding for the next three years has been initiated.

United Nations Fund for Population Activities (UNFPA) support for the Matlab MCH-FP and Extension Project will come to the end of its five year agreement term in June, 1985. We are now negotiating with the Government of Bangladesh and UNFPA for a training project to improve linkage between the ICDDR,B Extension Project information system and Government health services.

USAID/Washington has allocated funding of US \$3.5 million to the United Nations Development Programme (UNDP) for Child Survival activities.

We have submitted a proposal to UNDP for training and technical assistance for Africa. It is a three-year project, beginning in fall 1985, with a total budget of US \$3.3 million. We applied previously to utilize these funds for Bangladesh, but it was suggested by USAID that an African training programme with technical assistance would be a worthwhile undertaking. A copy of our proposal has been forwarded to the World Health Organization, following discussion on the matter.

Resources Development has approached the Aga Khan Foundation for support for our training and technical assistance activities with China. The Foundation has already given US \$30,000 in support of the Chinese agreement, and additional funds may be granted for 1985 and 1986. The Centre is also undertaking collaborative research on Cereal Based ORS with Kenya, under the auspices of the AKF, in 1985-86.

As our technical assistance agreement with France has been completed, we have submitted a proposal to the French government for support of the oral cholera vaccine trial. The vaccine being used in the trial was developed in collaboration with France's Institute Merieux, and is now being produced by the Institute.

The Belgian government has renewed its contribution to the Urban Community Volunteers Programme. Resources Development has obtained agreement for enhanced support for 1985.

We have renewed our agreement with the Kingdom of Saudi Arabia for the Dammam Treatment Centre project for 1985 and 1986. At the request of Saudi Arabia, a new sub-centre will open in Riyadh in July, with our technical assistance, and at the same level of support as Dammam. Resources

Development has also requested the continuation and enhancement of Saudi Arabia's core support for 1985.

The Federal Republic of Germany (FRG) agreed to contribute US \$300,000 in 1984 in support of the Centre's international training courses. Subsequently, they requested us to utilize the funds for the oral cholera vaccine trial, at the recommendation of WHO. Then in March, 1985, the grant was rescinded completely due to questions raised by the Paul Ehrlich Institute of Germany concerning the scientific validity of the trials. These questions have now been answered, and we are requesting the FRG to reconsider their support for 1986.

The Centre has requested the Government of Bangladesh to convert the UNROB interest-free loan to a grant and treat this as a contribution. Although acceptance of this request is very likely, the conversion process has not yet been finalized. We have therefore requested the Government to extend the interest free loan for another year, pending its conversion to a grant.

The USAID offices of Jakarta, Manila and Nepal have requested ICDDR,B to provide training in clinical and laboratory management for health officials in their respective countries. Negotiations are underway to determine the specific types of training, numbers of people to be trained, and for follow-up technical assistance. The Indonesian request is for continuation of on-going activities, following a programme started in 1983; the Philippines government, following a training programme at the Centre in 1984, has requested a collaborative arrangement for technical assistance, and the Nepalese programme is being negotiated following the participation of individual scientists in Centre training activities, and the visit of the

Nepalese Secretary of Health in 1984. These three projects will be fully funded by USAID country offices under tripartite agreements.

The People's Republic of China has signed a five year, collaborative agreement with the Centre in January, 1985. The agreement covers the training of health officials and health trainers, research collaboration, and assisting China in the development of a national institute to promote oral rehydration activities. Initial support for the project has been received from the Aga Khan Foundation, and a requests for support are pending with CIDA and the EEC.

USAID-Dhaka has committed US \$907,000 for 1985 in support of the MCH-FP Extension Programmes. An addendum to the original project grant is being negotiated for US \$ 1.3 million for continued support in 1986.

The Ford Foundation has provided major funding for various projects. These include the Epidemic Control Preparedness Programme, the Operational Research Programme, an evaluation of the National Oral Rehydration Programme and a Study of Family Planning Related Infectious Morbidity. In addition, the Foundation has made a commitment of US \$ 500,000 for the Centre's Reserve Fund.

The Population Council of New York has continued its interest and support for Centre extension activities over the year, and will renew this support for 1986. We particularly appreciate the co-operative spirit of the Population Council in providing technical assistance relative to financial management.

Resources Development would like to express its special gratitude to Mr. Munir-uz-Zaman, our Trustee, for his valuable assistance in our fund raising efforts.

Reserve Fund: At the advice of the Board of Trustees and with the support of the Ford Foundation, James Bausch, Vice President of the Population Council, has visited the Centre and drafted the rules and by-laws for the Reserve Fund. These have now been circulated to the Board for review and comment. Additional support for the Fund is being requested from various donors. We are also trying to raise funds through an additional 6% on project costs in donor proposals.

Consultative Groups: The sixth meeting of the Consultative Group of Governments and agencies interested in ICDDR,B activities will be held June 17, 1985, in New York. Mr. Timothy Rothermel, UNDP Global and Interregional Projects Director, has been nominated by UNDP to chair our Consultative Group meeting. He will replace Mr. W.T. Mashler who recently retired.

Local Consultative Group: The first meeting of the local Consultative Group, chaired by UNDP Representative, Walter Holzhausen, was held at ICDDR,B headquarters in December 1984; the second meeting of this group will be in December 1985. The local Consultative Group meeting provides Dhaka-based donor agency representatives with the opportunity to be informed on all Centre activities and serves as a forum for exchange of knowledge and ideas on Centre-related research, clinical and field-based activities.

New York Office : Mr. William T. Mashler, recently retired from UNDP, has agreed to donate some of his valuable time to the Centre for securing support for the Reserve Fund. Office space has been reserved at the International Institute of Education in New York. This office will support Mr. Mashler's work, in addition to other ICDDR,B activities.

Conclusion : 1985 is proving to be a particularly difficult year for Resources Development. Because of international political and economic uncertainties, donor commitments have been harder to secure. The major shift in donations from core to project support has reduced our capacity for supporting the integrated "core" activities that provide the Centre with its institutional base. In addition, government aid agencies and international organizations are focusing heavily on the famine and refugee situation in Africa this year. In spite of these setbacks, Resources Development has secured commitments for a major part of our budget projection for 1985, and is taking the necessary steps to secure additional support.

5/BT/ May 85

RESOURCES DEVELOPMENT REPORT
FOR FINANCE COMMITTEE
MAY 1985

In December 1984, as reported to the Board, Resources Development estimated an income of \$ 9,130,000 for 1985. We have now received firm commitments of \$ 6.63 million and estimates of \$ 2.57 million for a total estimated income of \$ 9.2 million for 1985 (attachment A).

The Resources Development office will continue its efforts to move estimates into firm commitments and to secure additional core support.

The cash flow disbursement schedule should be able to provide more accurate income estimates when the new financial system and reporting functions are operating smoothly.

The Resources Development estimate for 1986 income is also attached. We hope that all estimates will be received as income and additional funding sources will be explored during the course of the year.

ICDDR,B DONORS 1985 : Commitments & Estimates
(In US Dollars)

5/BT/May 85
Attachment - A
page 1

A. Unrestricted-Core

Donor	Committed	Estimated	Total
5U 1. Australia/ADAB	176,000		176,000
5U 2. Bangladesh	34,000		34,000
5U 3. Saudi Arabia		100,000	100,000
5U 4. Sweden/SAREC	50,000		50,000
5U 5. Switzerland/SDC	345,000		345,000
5U 6. UK/ODA	165,000		165,000
5U 7. UNICEF		250,000	250,000
Sub-Total :	<u>770,000</u>	<u>350,000</u>	<u>1,120,000</u>

B. Restricted-Core

Donor	Committed	Estimated	Total
5R 1. CIDA/DSS	730,000		730,000
5R 2. Japan	260,000		260,000
5R 3. USA/AID(W)	2,000,000	400,000	2,400,000
5R 4. UNDP/UNROB	87,000		87,000
Sub-Total :	<u>3,077,000</u>	<u>400,000</u>	<u>3,477,000</u>

ICDDR,B DONORS 1985 : COMMITMENTS & ESTIMATES
(In US Dollars)

5/BT/May 85
Attachment-7.
page 2

C. Restricted-Projects

Donor	Committed	Estimated	Total
5P1 — AG Fund/UNDP	300,000	200,000	500,000
5P3 — Belgium	65,000		65,000
5P33 — CIDA/Training/UCVP		450,000	450,000
5P4 — The Ford Fdn/Epd Control	119,000		119,000
5P5 — The Ford Fdn/NORP	54,000		54,000
5P6 — The Ford Fdn/Op Res	50,000		50,000
5P7 — The Ford Fdn/Morbid Study	79,000		79,000
5P8 — France	20,000		20,000
5P9 — IDRC/DISC	50,000	25,000	75,000
5P10 — IDRC/Demography		15,000	15,000
5P11 — JHU/Natural Fertility	4,000	10,000	14,000
5P13 — NORAD/MCH	137,500		137,500
5P14 — Nat Acad Sc/BOSTID	20,000		20,000
5P15 — Pop Council/Op Res	19,000		19,000
5P16 — Princeton Univ/Chld Mort	2,000		2,000
5P17 — Saudi Arabia/DCC's	280,000	140,000	420,000
5P18 — Sweden/SAREC	9,000		9,000
5P19 — Swedish/SIDA		100,000	100,000
5P20 — UNDP/WHO Clinical Research	275,000		275,000
5P21 — UNDP/UCVP	102,000		102,000
5P22 — UNDP/Child Survival		250,000	250,000
5P23 — EEC/Greater Rangpur		75,000	75,000
5P24 — UNFPA/MCH-FP Matlab	23,500		23,500
5P25 — UNICEF/ORT & Training	75,000	400,000	475,000
5P26 — USAID/Dhaka-Nutrition		20,000	20,000
5P27 — USAID/Dhaka/MCH-FP Ext	907,000		907,000
5P28 — USAID/Jakarta-Training		45,000	45,000
5P29 — USAID/Manila-Training		25,000	25,000
5P30 — USAID/Nepal-Training		37,500	37,500
5P31 — WHO/Vaccine Trial	50,000		50,000
5P32 — WB/Sanit Intervention	92,000		92,000
5P2 — The AK Fdn/Cereal based ORT in Kenya	22,300		22,300
5P34 — The AK Fdn/Trg for China	30,100	30,000	60,100
5P12 — JHU/Longitudinal Data File	5,400		5,400
Sub-Total :	2,790,800	1,822,500	4,613,300
Total : A - C	6,637,800	2,572,500	9,210,300

May/1985

1985 CASH FLOW STATEMENT

UNRESTRICTED and RESTRICTED-CORE

Donors	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Early 1986	Total
501 Australia	-	-	-	-	-	-	-	176,000	-	-	176,000
502 Bangladesh	-	-	-	-	-	-	-	34,000	-	-	34,000
503 Saudi Arabia	-	-	-	-	-	-	-	-	-	100,000	100,000
504 Sweden/SAREC	50,000	-	-	-	-	-	-	-	-	-	50,000
505 Switzerland	345,000*	-	-	-	-	-	-	-	-	-	345,000
506 UK/ODA	-	-	-	-	-	165,000	-	-	-	-	165,000
507 UNICEF	-	-	-	-	-	-	-	-	-	250,000	250,000
SR 1 CIDA/OSS	194,000	-	194,000	-	-	195,000	-	-	217,000**	-	800,000
SR 2 Japan	-	-	-	260,000	-	-	-	-	-	-	260,000
SR 3 AID/Wash	-	2,000,000	-	-	-	-	-	400,000	-	-	2,400,000
SR 4 UNROB	-	87,000	-	-	-	-	-	-	-	-	87,000
Sub-Total :	676,000	2,087,000	194,000	260,000	-	360,000	-	610,000	217,000	350,000	4,667,000

*Received in 1984

**\$70,000 is for 1986 use

May/1985

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Attachment-B
page 1

ICDDR,B DONORS 1986 PROJECTIONS

(In US Dollars)

A. Unrestricted-Core

<u>Donor</u>	<u>1986 Projections</u>
6U1. Australia/ADAB	176,000
6U2. Bangladesh	34,000
6U3. Saudi Arabia	100,000
6U4. Switzerland	350,000
6U5. UK/ODA	165,000
6U6. UNICEF	250,000
Sub-Total :	<u>1,075,000</u>

B. Restricted-Core

6R1. CIDA/DSS	860,000	
6R2. Japan	350,000	
6R3. USA/AID(W)	2,500,000	
6R4. Sweden/SAREC/SIDA	200,000	
Sub-Total :	<u>3,910,000</u>	<u>4,985,000</u> =====

C. Restricted-Projects

	<u>Donor</u>	<u>1986</u> <u>Projections</u>	
6P 1.	AG Fund/UNDP	300,000	
6P 2.	Belgium	100,000	
6P 3.	CIDA/Training	300,000	
6P 4.	The Ford Foundation/Epidemic Control	60,000	
6P 5.	The Ford Foundation/Morbid Study	80,000	
6P 6.	IDRC/DISC	75,000	
6P 7.	IDRC/Demography	25,000	
6P 8.	JHU/Natural Fertility	15,000	
6P 9.	NORAD/MCH	150,000	
6P 10.	National Acad Science/BOSTID	28,000	
6P 11.	Saudi Arabia/DCC's	560,000	
6P 12.	UNDP/WHO Clinical Research	300,000	
6P 13.	UNDP/UCVP	102,000	
6P 14.	UNDP/Child Survival	250,000	
6P 15.	EEC/Greater Rangpur	375,000	
6P 16.	UNICEF/ORT and Training	500,000	
6P 17.	USAID/MCH-FP Ext	1,300,000	
6P 18.	USAID/Jakarta-Training	45,000	
6P 19.	USAID/Manila-Training	100,000	
6P 20.	USAID/Nepal-Training	80,000	
6P 21.	WHO/Vaccine Trial	50,000	
6P 22.	WB/Sanitation Intervention	127,000	
6P 23.	The AK Foundation/Cereal base ORT in Kenya/China	30,000	
6P 24.	JHU/Longitudinal Data File	6,000	
	Sub-Total :	4,958,000	4,958,000
	Total : A-C		9,943,000

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REPORT OF MANAGEMENT REVIEW

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I. Introduction

Under contract to ICDDR,B, Arthur D. Little, Inc. conducted a review of the financial management of the Centre. From April 5 to April 18, 1985, Frank Feeley met with more than 20 members of the staff of the Centre in Dhaka. His interview program was based on initial interviews and analysis of the Centre's management by Mr. Robert Terry in 1980 and 1985, and on the advice of Dr. William Krebs, a Vice President of Arthur D. Little, Inc. with special experience in research management in developing countries. In addition, Mr. Feeley met with Board members Bell, Bradley and Munir Uz Zamman, as well as officials of the Population Council and USAID. In conjunction with this review, Rahman, Rahman and Huq as a subcontractor to Arthur D. Little, Inc., reviewed the ability of the Centre's cost accounting system to support selected donor requirements. Mr. Feeley reviewed relevant documents including:

- annual reports;
- audit reports and management letters;
- program (protocol) descriptions;
- current budgets and budget estimates;
- selected grants and correspondence;
- minutes of Board and Finance Committee meetings for the last four years;
- organization charts, job descriptions, etc.; and
- financial and personnel practices and procedures.

The following report outlines our findings and conclusions based on this investigation. The appendix outlines selected procedures which could be implemented by the Centre and corresponds to the list of recommendations in Section V. Suggestions concerning Centre organization -- as it relates to financial management -- and plans for the transition in financial management are included. We also provide a preliminary schedule for implementing these suggestions. Timing in this schedule indicates the relative priority of these improvements.

II. Goals and Priorities for ICDDR,B: Our Understanding

In order to recommend improvements in financial management, it is important to understand the goals and priorities of an institution. Good financial management should be a means to achieving the goals of a scientific institution, not an end in itself.

The first and most important goal of the Centre is to perform first-class scientific and clinical research in diarrhoeal and related diseases. In order to do first-class research, the Centre must:

- develop a research plan with predictable financial support;
- attract and recruit new scientists and researchers with internationally-recognized abilities;
- maintain a collaborative atmosphere for investigation;

- provide good laboratory and field testing/research facilities; and
- maintain strong but supportive management framework (from Board to support staff).

Second to research as a Centre priority is the provision of clinical care and the dissemination of knowledge about the clinical care and management of diarrhoeal disease. The care and training which the Centre provides at the Dhaka Hospital and other centers make possible its research program in Bangladesh. Training and assistance in clinical care elsewhere in the world will be undertaken by the Centre if such work:

- meets its full cost and contributes adequately to the Centre's overhead; and
- does not excessively dilute the Centre's program in Bangladesh, or its management capability.

In order to meet these goals, the Centre requires financial stability and good financial management. Specific elements of financial management required include:

- effective budgeting
 - for projects
 - for divisions and the Centre as a whole
- expenditure controls which:
 - keep expenditures within budget
 - prevent financial abuse
- reliable projections of revenue, and comparison to expected expenses
- accounting systems which satisfy donor requirements that the Centre account for the use of funds on specified projects
- good management of receivables and cash flow
- emphasis on efficiency to:
 - enhance credibility with donors
 - free discretionary funds for new research
- flexibility to initiate financing of new avenues of scientific research as they emerge

III. Existing Problems at the Centre

Financial problems have limited the Centre's ability to attract new scientists and provide seed money for new research. Some scientists at the Centre perceive that scientific research has taken second place in Centre priorities, with excessive emphasis placed on financial control and resource development. While the importance placed on financial administration and the courting of donors is understandable, scientists feel that this has tended to distort the Centre's priorities.

Scientists interviewed expressed concern that they spend an excessive amount of time on administrative matters. Support systems -- purchasing, personnel, transport, etc. -- are viewed as cumbersome and slow to respond to the needs of the researcher. While some of this may be attributed to the inevitable comparison between support systems in laboratories in developed and developing countries, scientists cite examples of administrative problems which could have been solved more quickly.

Our own observations also suggest that few, if any programs, have yet suffered substantial cutbacks, despite financial difficulties, and that the Centre has yet to come to grips with the problem of cutting back on unpromising research or consciously diverting resources to alternative programs. Where changes in scientific emphasis have occurred, this has been at least partially a function of the rotation of expatriate scientific staff.

The clinical care provided by the Centre -- particularly at Dhaka Hospital -- is dependent on unrestricted funds, which are a declining portion of the Centre's budget. In training, we see that support is increasingly tied to provision of ICDDR assistance in different geographic locations (Saudi Arabia, Africa) which places further strain on the Centre's management capability and institutional focus.

Based on our review, we find that the following developments threaten the Centre's financial stability:

- 1) ICDDR,B has run consistent operating deficits. The Centre lost money in four of the last five years -- a net loss of \$2.798 million or 10.9 percent of reported income in the period from 1980 through 1984. The actual cash loss (after removing depreciation) was \$2.116 million. The Centre's problem is not just one of cash flow.
- 2) With these losses and no internal source of working capital, the Centre has resorted to increasing use of its overdraft facility. Peak amount of the overdraft has increased to \$2.45 million in 1985.

- 3) The Centre's exposure for repayment of amounts received in project specific grants prior to 1983 and 1984 is substantial, as accounting systems in place prior to 1983-84 cannot fully document the expenditure of donor funds on specified projects. This is confirmed by the USAID audit of expenditures in the MCH program for 1982. We believe that the danger of a full scale audit -- at least by USAID -- is substantial, and could result in the withholding of substantial future payments to offset audit claims.
- 4) The Centre has substantial difficulty in projecting future revenue, and in matching revenue and expense projections.
- 5) The proportion of Centre funding on project specific grants is increasing, from 20-30 percent in 1980 and 1981 to more than 55 percent in 1984. During our field investigation, USAID announced that \$1.9 million in core (unrestricted) funding made available in previous years would be converted to a project specific grant for the vaccine trial. Thus, unrestricted funds will be even more limited in the future. To date, very few grants have provided full contribution to the Centre's overhead, which -- including health care services -- currently runs approximately 60 percent of direct research costs.
- 6) There is a perception among certain donors -- particularly USAID -- that ICDDR is a relatively high cost institution. This is, in substantial part, attributable to the implementation of the UN salary schedule for ICDDR employees. While the Centre is not necessarily expensive as a purveyor of purely scientific research, it will suffer in competition for AID program funds when compared with unit costs at agencies of the Government of Bangladesh or in Private Voluntary Organizations active in the country.
- 7) The Centre's operating managers do not fully accept responsibility for creating their budgets and then managing them. Because these managers have not been fully involved in a participative process for budget development, they view budget and financial controls as an artificially imposed constraint. In a similar fashion, they have not been fully involved in the preparation of grant proposals and accompanying budgets, and are sometimes reluctant to fully assume financial responsibility for these projects. No institution can operate effectively unless its managers are fully involved in preparation of their budgets and accept responsibility for abiding by these budgets.

IV. Assessment of Existing Financial Management System

A. Strengths

Our review showed that financial management systems have improved rapidly in the last two years, and in many areas are satisfactory to meet the requirements of donor accounting and efficient management. Specifically:

- 1) Staff in the Finance Department at senior and intermediate levels -- both expatriate and Bangladeshi -- seem knowledgeable and dedicated. They can explain their responsibilities clearly and were able to answer questions about systems operation.
- 2) A good cost accounting system has been built. USAID has acknowledged that the structure of the system meets their requirements, and the investigation by Rahman, Rahman, and Huq showed generally adequate documentation for claims billed to donors. While a number of system enhancements are needed, the system now provides monthly reports which can be used by program managers attempting to pursue research projects within pre-determined budgets.
- 3) The Finance Department has systems in place to enforce budget limits and assure that expenditures in excess of budget are not incurred. The commitment system (showing pending expenses not yet booked) is manual, but seems adequate. The Finance Department is considering automation of this system, which will require substantial effort.
- 4) The financial accounting system appears to be adequate, although the financial and cost accounting systems are not completely integrated. Some problems have been identified, and documentation of computerized accounting systems is not complete.
- 5) The draft financial procedures manual prepared for Board approval is quite clear, and control procedures are well laid out. In the budget area, however, the manual needs enhancement and will require frequent revision, as well as wide distribution and training so that staff fully understand the procedures.

B. Weaknesses

Significant deficiencies in existing financial management systems are listed briefly below. Note that the definition of financial management includes actions with financial implications taken by other members of the Centre management, and is not limited to those systems entirely within the control of the Finance Department.

1) There is no grants management function. The special assistant to the Director is now serving as a focal point for distribution of incoming grants and follow up on required technical and financial reports. However, at this time the Centre lacks:

- a clearly articulated procedure and format for proposal costing and pricing;
- a centralized review of all financial and contractual/legal aspects of a proposal prior to submission and prior to signing of a proposed contract;
- consideration of tradeoffs in Centre resources when taking grants or contracts paying overhead below the Centre's current rate; and
- specific notification to researchers and follow-up on special terms and conditions or limitations in grants or contracts.

In addition, we identified some situations in which the Principal Investigator was not fully involved in the preparation of a project budget, and could not be expected to manage within the budget.

- 2) The current budget process is not sufficiently interactive, and does not provide managers with clear priorities in the use of funds, nor does the manager receive sufficient information to simplify preparation of a responsible budget. As a result, managers do not feel a sufficient obligation to operate within established budgets.
- 3) Communication between Finance and Administration and other parts of the Centre is relatively poor. The number of memoranda is excessive, and informal cooperative problem-solving (by telephone or meeting) too infrequent. In part, this glut of paper and lack of effective communication seems to be characteristic of many operations at the Centre. In addition, Finance needs to do more training -- which will be easier with the Procedure Manual -- so that scientists and managers understand the control and accounting systems.
- 4) Revenue projections are difficult to match with expenditure projections, and the sources and uses of fund are difficult to follow in the budget presentation. The contribution to overhead by different grant programs is not fully identified. Revenue estimates are not formally revised, nor do projections of revenue on future agreements show specifically the amount of overhead expected. There is no explicit provision for discounting estimates of future grants.

- 5) While a budget control system is in place, the requests for budget variances are frequent, and consume substantial amounts of time, including that of the Director. While small contingencies have been allocated to the Associate Directors to relieve this problem, the Centre does not adhere to the requirement that budget modifications explicitly require a transfer of funds between programs, with corresponding increases and decreases in the affected budgets.
- 6) While the Centre has made extraordinary efforts to improve its accounting system with minimal resources, the systems in place are not fully documented and are vulnerable to the loss of key personnel. Note that the Associate Director for Administration and Finance was forced to personally prepare the financial procedures manual. In addition, resources currently available are inadequate to rapidly improve the accounting and reporting systems and to properly document past and future systems improvements.
- 7) While our investigation showed that the exposure to audit with the current grant accounting system seems relatively small, the exposure prior to the installation of this system is substantial. There is a major risk of further audits -- at least by USAID -- and subsequent withholding of payments under future grants for expenditures not properly allocated in the period 1979-1982..
- 8) The current accounting convention used by the Centre, which books income when cash is received, can be extremely misleading when most income is received from project-specific grants or contract research. Even if a donor provides cash in advance, the income is not earned until the Centre performs the work and incurs expenses in so doing. Conversely, the Centre has a legal right to income for work performed on project-specific grants and contract research, even if payment has not been received. With the apparent heavy reliance on project-specific grants, the Centre should shift to an accrual method of booking income.

V. Steps to Improve Financial Management

We have divided the actions necessary to improve the Centre's financial management into five categories. The most urgent are creation of a grants management system in the Finance Office, and development of a participative management oriented budget system. At the same time that these major systems developments occur, the Centre could take a number of discrete actions which would improve management communications, particularly between the operating divisions and the finance division.

The remainder of our suggestions fall into the category of improved cost recovery/efficiency, and changes or enhancements to the existing accounting system. We have briefly listed each of the specific improvements in each category on the following pages. In the Appendix we provide suggested procedures, forms, flow charts and detailed descriptions which might be used in implementing some of these suggestions.

The relative priority of each improvement is indicated in the proposed schedule for implementation (Figure 5). Those items which are simple to do, or are most important for the Centre, are scheduled for early implementation. Less critical improvements can be delayed until staff and managerial time are available.

We cannot emphasize strongly enough the importance of immediately establishing a contracts management function in the Finance Department. This is necessary in order to assure that future contracts are consistent with the Centre's accounting system, and to assure that projects are fully budgeted, and that donor requirements which are potentially costly to the Centre (matching funds, restricted overhead, etc.) are carefully considered.

Creation of a more participative budget system is only slightly less of a priority. With sufficient effort, it should be possible to do a second iteration of the 1986 budget prior to the December Board meeting using the approach recommended here.

The proposed actions to improve financial management follow:

A. Create a Participative, Management Oriented Budget System:

- 1) Explicit revenue estimation methodology.
- 2) Interactive budget development and management:
 - A&F provides basic data on inflation and existing budgets
 - Director sets priorities, makes preliminary allocation of unrestricted funds
 - Associate Directors build budget proposals
 - Director makes necessary cuts on policy basis
- 3) Plan contingencies at Director and Associate Director level.
- 4) Require explicit budget modification process, including reduction of funds available in one account to offset an increase in another account.
- 5) Quarterly budget updates.
- 6) Use budget information for project, efficiency evaluation.

- 7) Beginning next year -- use a Zero Base Budget or similar system to examine the costs and benefits of existing programs.
- 8) Begin real multi-year planning exercise.

B. Create Grant Management System

- 1) Proposal pricing framework and instructions, potentially including a PC-based standard proposal pricing model to be used by all parts of the Centre.
- 2) Establish grant management office in Finance.
- 3) Require central clearance of all proposals and accepted grants.
- 4) Establish clear Principal Investigator responsibility for development of budgets and then proper execution/management.

C. Improvement of Communications and Routine Administrative Operations

- 1) Outreach by Director of A&F to establish understanding of budget and accounting system.
- 2) Assignment of staff members to serve in administrative officer role in all major programs to provide follow through on details of financial administration.
- 3) Establish council of Administrative Officers and Finance Division Heads to improve informal problem solving and training.
- 4) Increase effort on systems and procedures development.
- 5) Develop forms for routine transactions, such as correction of expense charges.
- 6) Issue simple monthly financial statements for ICDDR to all management staff to create collective interest in, and understanding of, financial problems.

D. Actions to Improve Cost Recovery and Efficiency

- 1) Establish asset register and allocate all items to programs; commence charging depreciation to these programs.
- 2) Shorten period of depreciation for selected items.

- 3) Add maintenance costs to vehicle operation cost center. Revise vehicle mileage changes to reflect full cost.
- 4) Revise costs/chargebacks regularly.
- 5) Include shipping, insurance and commission in inventory prices.
- 6) Implement inventory management system. Inventory last year equalled 78 percent of annual expense for all supplies. Tender for installation of inventory management system and install this system to reduce inventory holding costs.
- 7) Add costs of insurance to appropriate budget codes.

E. Accounting Changes

- 1) Handle health services (Dhaka Hospital) as direct cost items and attempt to "sell" support of these services to charitable donors. This will reduce apparent overhead from 60 percent to 45 percent or less.
- 2) Shift to accrual method of reporting income.
- 3) Book small reserve for current donor audits.
- 4) Plan positive bottom line (5-10 percent).
- 5) Set up reserve fund so that it can be used to cover recovery by a donor of a major audit exception for prior years.
- 6) Maintain manual commitment system and divert computer programming resources to other uses.
- 7) Program a revenue module into grant accounting system so that revenue is generated (accrued) as projects proceed.

VI. Organization

Significant aspects of the present organization of ICDDR,B are shown in Figure 1 (Total Organization) and Figure 2 (Administration and Finance). The salient aspect of the overall organization is the large number of individuals and functions reporting to the Director. In addition to five scientific divisions and Training, the Director supervises Resources Development and Administration and Finance. Because of past problems, the Dhaka Hospital and Personnel effectively report to the Director as well. The Director plays a key role in courting donors and in diplomatic relations with the host country. Because of the unusual multi-national nature of the Centre, relations with the Centre's Board are also a time-consuming activity. In addition, the Director has traditionally dealt directly with the Staff

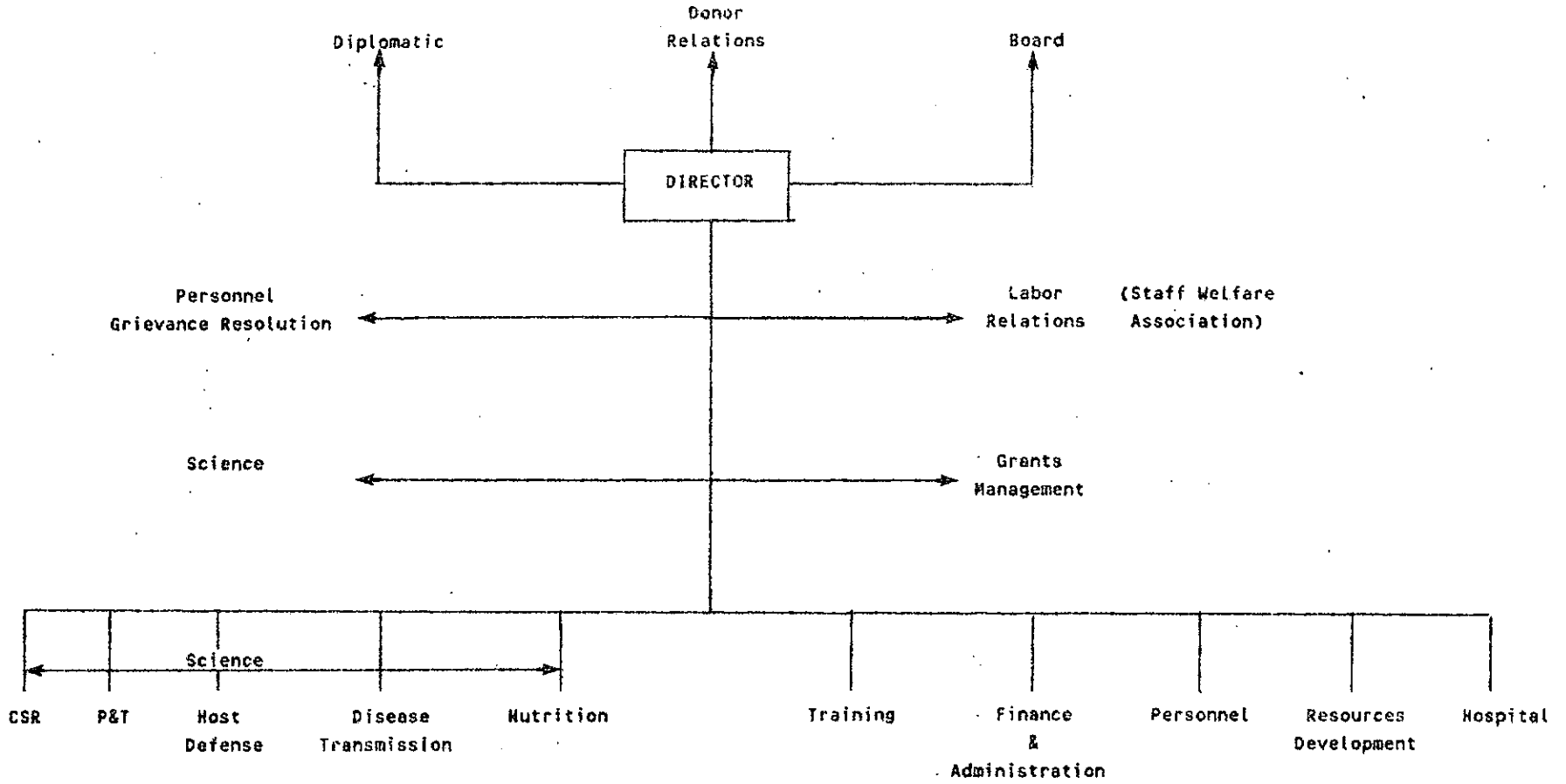


FIGURE 1

CURRENT ORGANIZATION
ICDR, B

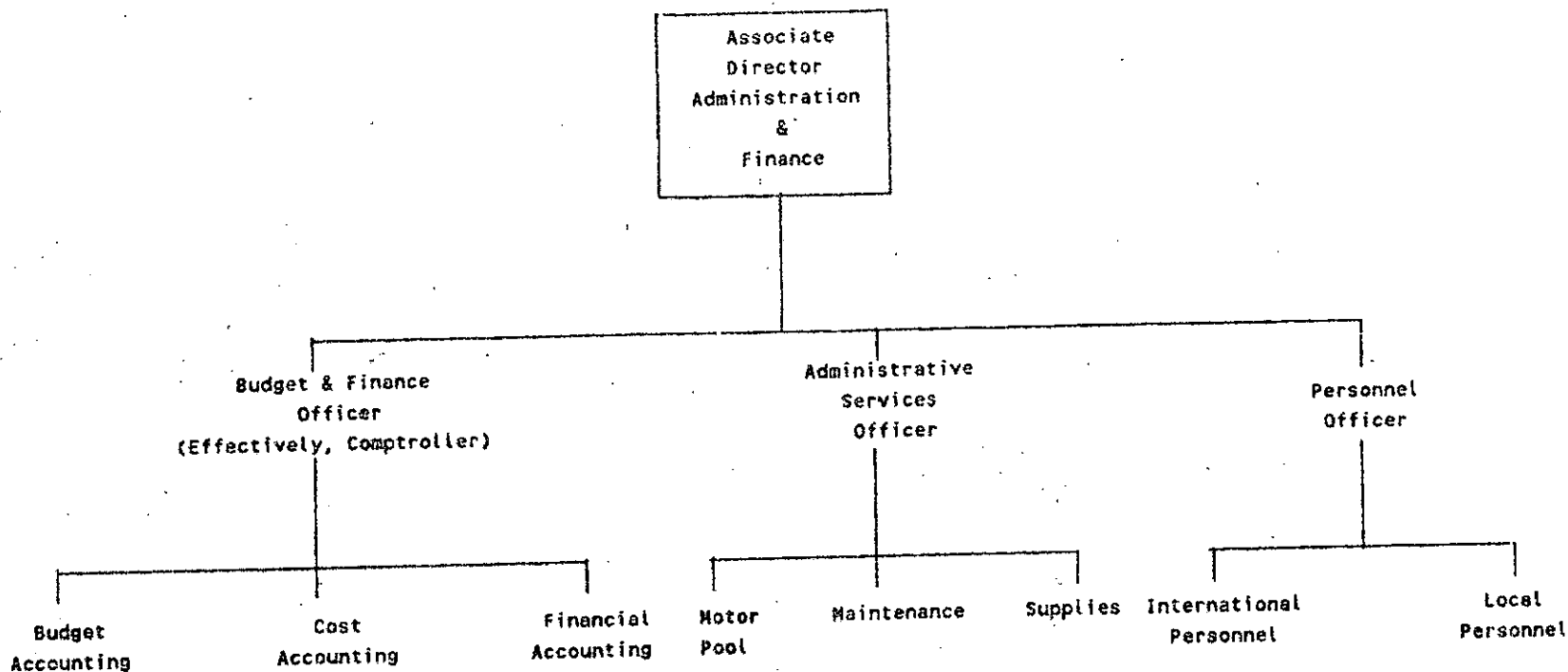


FIGURE 2

CURRENT ORGANIZATION

ADMINISTRATION & FINANCE

Welfare Association (Labor Relations), and has been available to individual staff members in what amounts to an informal grievance procedure. Efforts to track the status of financial and technical reports on grants now focus on the Director's Office, where his special assistant maintains a tickler file on required reports. Finally, we assume that any Director of the calibre of the incumbent and his successor will need to maintain some direct involvement in scientific research.

While a thorough review of the organization of ICDDR is beyond the scope of this assignment, we believe the following observations could be helpful to the new Director. To manage effectively, the Director must reduce the number of issues which require his direct intervention, and reduce the number of activities reporting directly to him. We have indicated in Figure 3 ways in which the reporting relationship might be streamlined. Specific opportunities would include:

- A. Some consolidation of scientific divisions. Two divisions -- Community Services Research (CSR) and Disease Transmission -- are each larger (in staff and annual expenditure) than the other three scientific divisions combined. In addition, CSR and Disease Transmission are predominantly grant funded (more than 70 percent), while research in Host Defense, Pathogenesis and Therapy, and Nutrition is still funded to a large extent from the Centre's own resources. With changing priorities and turnover in Division Directors, the Centre may wish to consider a realignment of research functions which would:
- reduce the number of Associate Directors reporting to the Director;
 - reflect the Centre's research priorities;
 - reflect differences in administration between laboratory, clinical, and field research; and
 - permit the incorporation of Dhaka Hospital into one of the Divisions.

*From 0-20 percent of funds currently coming from restricted grants.

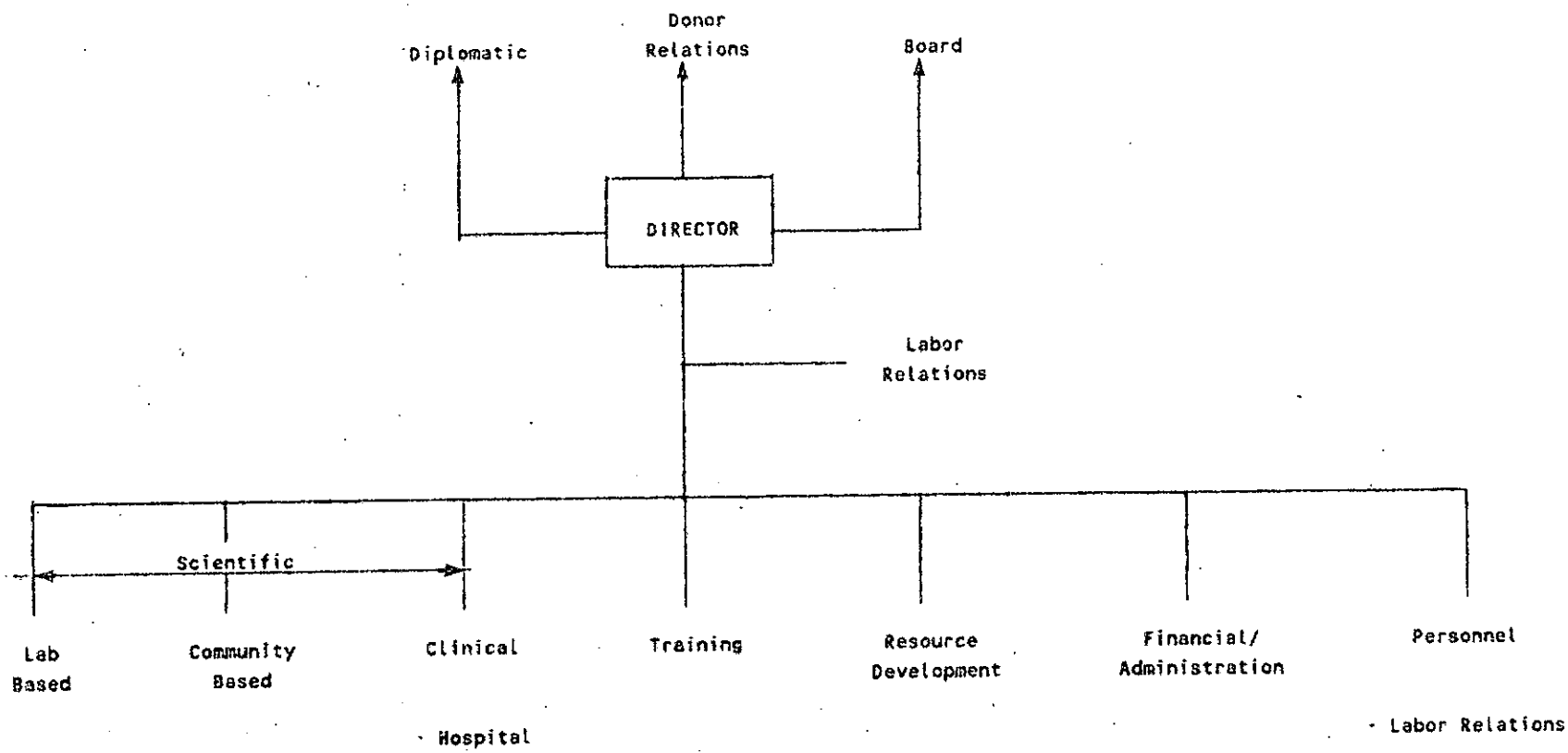


FIGURE 3

PROPOSED ORGANIZATION
ICDDR, 8

- B. A similar reduction in the number of Administrative Functions reporting to the Director is desirable. For the foreseeable future, Resources Development will be a vital activity, requiring an energetic, entrepreneurial, sales oriented leader who is not likely to be well suited to the management of fiscal and administrative controls. Furthermore, the Associate Director for Resources Development must spend long periods of time out of the country, while still maintaining close links to the Director, to key researchers, and to Administration and Finance. Despite the small size of the staff and budget, this function must remain at the Associate Director level, and cannot reasonably encompass other activities.

We also believe that the current split between Personnel, and Administration and Finance, must continue for at least two to three years of growth, with each function reporting to the Director. After the necessary system improvements, and if the Centre reaches a period of relative stability, it may be possible to recombine these functions under a single Associate Director for Administration and Finance. For the period of service of the next Director of Administration and Finance, the Director of Personnel should report directly to the Director of the Centre for several reasons:

- 1) The Associate Director for Administration and Finance faces a task of great complexity in maintaining recent improvements in the financial system and in implementing the improvements outlined here. Not only must the Associate Director for Administration and Finance provide the leadership to implement these changes, he will inevitably become involved in the technical details as well -- given the shortage of available staff with experience in research and grant accounting. To add too much additional responsibility threatens the ability of a new Associate Director for Administration and Finance to implement the necessary changes in the financial system.
- 2) Personnel and Finance will remain the two most controversial and politically sensitive aspects of Centre management. Even if well managed, each is a natural focal point for tension between expatriate and Bangladeshi staff. Focusing all of this tension on a single Associate Director governing Finance, Administration and Personnel threatens to stalemate further progress in each area. Furthermore, sensitive management of Personnel issues will be necessary for the Centre Director to operate effectively, and he will want to be involved in many significant personnel policy decisions. With the Personnel Director reporting directly

to the Centre Director, it will be easier, although still difficult, for the Director to delegate some routine aspects of the labor relations and informal grievance procedures to the Director of Personnel.

- 3) This division of responsibility has been used in some of the international agricultural research centers. For example, at the International Rice Research Institute, Finance reports to the Director separately from Personnel and Administration. At ICDDR,B, the benefits of coordination between Finance and Administration in areas such as inventory control systems suggest that these two functions report to a single Associate Director, while Personnel reports separately.
- 4) The Personnel Office has not yet handled significant transfers or layoffs resulting from program reductions. These will undoubtedly be required as the Centre refines its focus and responds to changes in donor funding policy. This further increases the importance of the Personnel function and a direct link to the Director.
- 5) Much needs to be done in the training and development of Bangladeshi staff in both Finance and Personnel. Expecting one individual to manage both areas makes this training more difficult.

The net effect of these factors suggests an upgrading of the Personnel Director post, although not to a level equal to the Associate Director of Administration and Finance. In recruiting, the Centre should stress familiarity with the UN personnel system and experience in developing counterpart personnel, as well as experience in developing internal transfer and placement programs.

Management burden on the Director can be further reduced by incorporating the grants management function in the Finance Division. As discussed above, this function must be expanded to include approval of proposal budgets; examination of contractual requirements; clearance by the researcher, Resources Development and the Director; and proper accounting and reporting. Most of these functions are tied to existing accounting activities, and contract commitments should be integrated into budget planning. This will occur only if Grants Management is a part of Finance.

The net effect of these changes would be to reduce the Director's span of control by:

reducing the number of scientific divisions;

- placing the Dhaka Hospital within another operating division;
- placing grants management under Administration and Finance; and
- funneling labor relations and informal grievances through the Personnel Director, who will have increased stature.

This will require a Personnel Director with broader experience and a higher salary than the current P-3 level. However, in recruiting for this position, the Board should explicitly make the appointment for a three year period, with an option to reintegrate Personnel into Finance and Administration when major improvements in both Departments are in place.

A proposed organization for the Finance and Administration Division consistent with these changes is shown in Figure 4. The Comptroller and Administrative Services Director continue to report to the Associate Director for Administration and Finance. New functions also reporting directly to the Associate Director are Grants Management and Systems and Procedures Development. Grants Management is an extremely important function which will be critical to financial administration, and must be integrated with accounting and budgeting activities. The Grant Manager must be capable of effectively integrating the grants management system into other financial systems, and must relate well to the Principal Investigator. The Grant Manager must identify issues raised by contractual language in proposed grants or contracts, but does not have to resolve these policies issues personally.

Past experience (the Associate Director wrote the procedures manual) suggests the need for dedicated staff for systems and procedures development. Without dedicated staff for this purpose, there is a danger that undocumented existing programs may break down, and necessary improvements will not occur.

Budgeting might in fact become a separate function reporting to the Associate Director, as it does in many health care institutions. However, improvement in the budgeting system will probably require the personal leadership of the Associate Director for Administration and Finance, as only he will be able to create a truly interactive process which involves the other Associate Directors and principal staff, and produces a budget which is accepted and manageable. We have shown this function separately, but expect it to be managed by the Associate Director for Administration and Finance over the next three years. Staff support in budget preparation can come from the budget accounting department.

The remaining major function on the organization chart is receivables management, a task currently handled by the Executive Assistant to the Associate Director. This function can continue at this level, as the

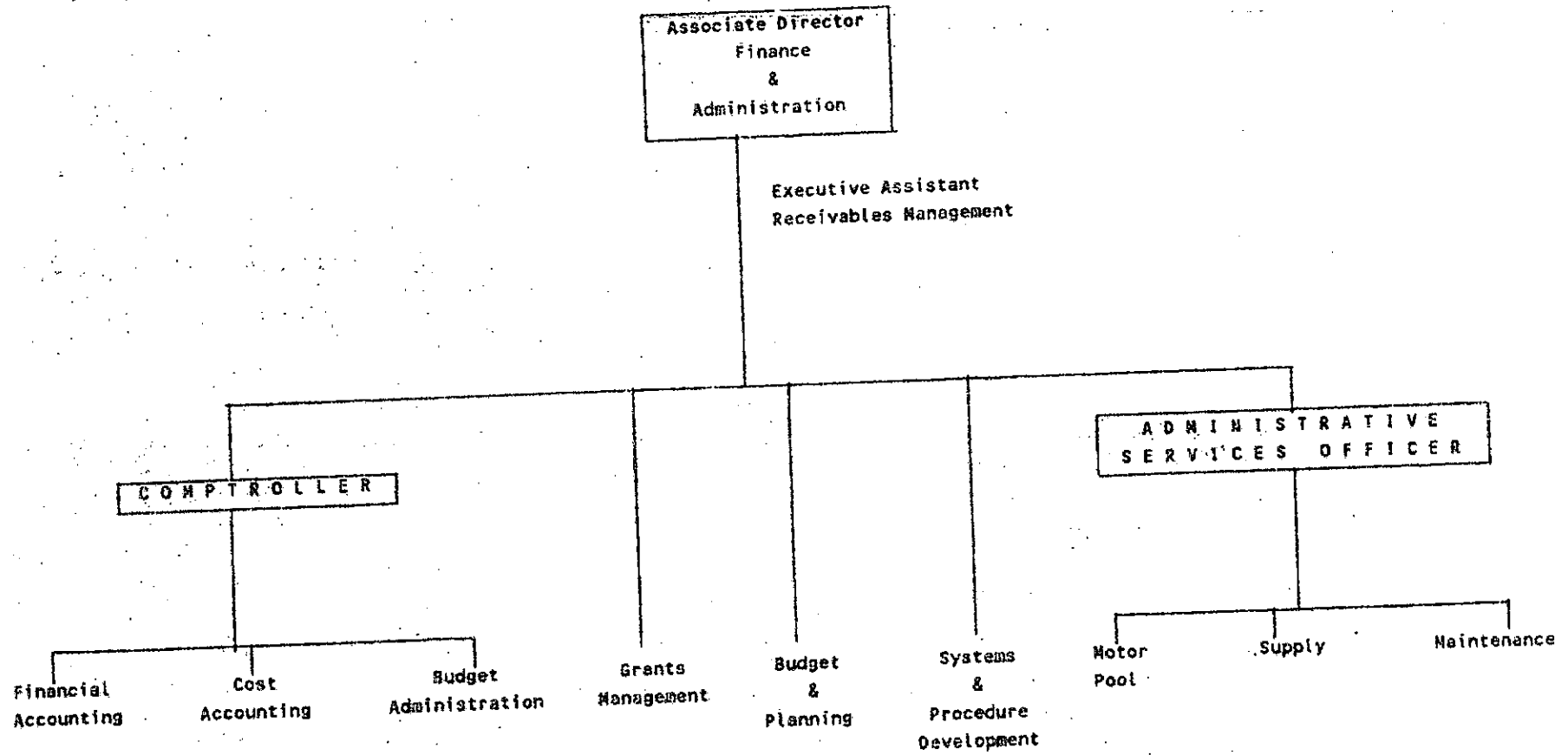


FIGURE 4

PROPOSED ORGANIZATION

number of separate bills will remain relatively small -- although they will increase -- and direct follow-up on overdue obligations will generally be done by the Resources Development Department.

We have not shown an internal auditor position in the organization chart. There is clearly a need for periodic independent investigations to determine if financial systems and procedures are effectively enforced. This requires both independence and careful attention to detail. The first Operational Audit by the Centre's auditor shows the value of this independent investigation, and we recommend that such reviews be continued twice yearly and targeted on areas of potential abuse, or where management and the Board are uncertain about compliance with Centre procedures. The Comptroller (Budget and Finance Officer) should then have the responsibility for taking action to remedy any identified deficiencies. In our experience, creation of an internal audit function would require a staff of two or three within the Finance Division. Use of the Centre's auditors for this purpose assures independence and provides such reviews quickly, and probably at lower cost than creating an entire internal audit office.

With this organization, the requirements for the Associate Director for Administration and Finance do not change greatly for the next recruitment. A knowledge of personnel systems is not required, but excellent skills in financial administration and financial systems building are required. An MBA or equivalent is the most desirable academic credential, but the Board should seriously consider broadening the degree category to include Master's level degrees in Public Health or Public Administration with experience in financial management in non-profit organizations in developing countries. Private voluntary organizations running health programs in developing countries might be a good source of such candidates; financial managers in medical research institutions are another possibility. A candidate will find the task easier if he has some familiarity with health care and medical research, so that he/she can understand the needs of scientific staff. It is also extremely important for the new Associate Director to have good interpersonal and communications skills, so that he can explain budget and control systems to the rest of the Centre's staff. The successful candidate must be capable of enforcing the control systems fairly and effectively, and must also be dedicated to training of staff members in the financial division.

VII. Transition

It is apparent that the Centre must continue for several months, probably up to a year, before a search process can put a new Director of Finance and Administration in place. As we understand the current plan, a consultant now on board -- Hartley Janssen -- will serve as interim finance director during the search. He should be able to provide fair and independent administration of the existing financial control system, and should be able to improve communications in the

budget process. However, he has no specific experience with financial systems development in a non-profit research institution, or in grants management. The Centre will therefore need to provide additional technical resources during this interim period. Of particular importance are:

- 1) Training and advice in creating the Grants Management office. The job description and materials provided by the Population Council are a good start. If possible, it would be desirable to have a qualified Bangladeshi serve in this position. However, any candidate is unlikely to have the specific experience and should have:

- some counterpart training (perhaps with the Population Council); and
- access to an experienced grants administrator for questions of systems development and contract interpretation. Perhaps one of the donor agencies would consider assigning a staff member with this experience to assist through periodic visits to Bangladesh over the next year.

- 2) Resources in the development of computerized accounting and budgeting systems. Perhaps the simplest approach would be to combine specialists from accounting firms in Bangladesh (two persons for six months each) with an advisor seconded from a grant or medical research agency. Some staff members thought that skilled staff would be hard to find in Bangladesh, but qualified Bangladeshis abroad could be brought back on contract at a cost lower than using an outside accounting firm. Through one route or the other, the Centre should add at least one man year of staff with computerized accounting experience to push forward documentation and improvement of existing systems.

- 3) Figure 5 which follows give a timetable for implementation of the various recommendations listed above and discussed in more detail in the Appendix. The schedule is perhaps optimistic and requires the commitment of additional resources, particularly the appointment and training of the Grants Administrator and additional systems development resources. Also required until the Centre obtains an Associate Director of Finance and Administration with the skills outlined above is advice and follow-up on these recommendations. An optimum arrangement might be identification of an experienced financial staff member at a donor agency or medical research institution who would spend two weeks each quarter at the Centre, working with the Finance

Division staff and systems development personnel to review progress and make detailed plans for the next set of improvements. In the alternative, the Centre might consider obtaining consulting assistance for a similar task of review and more detailed planning.

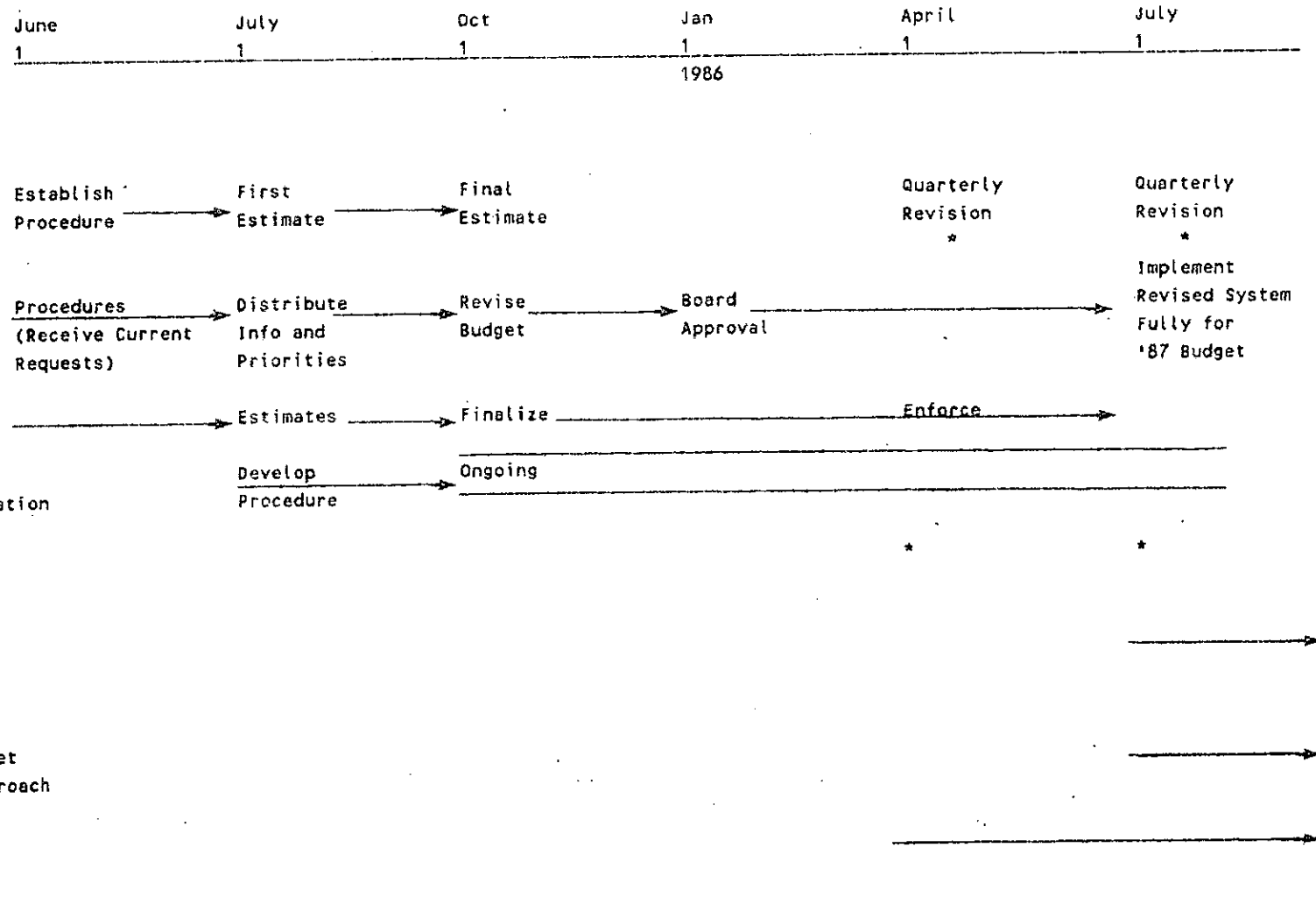
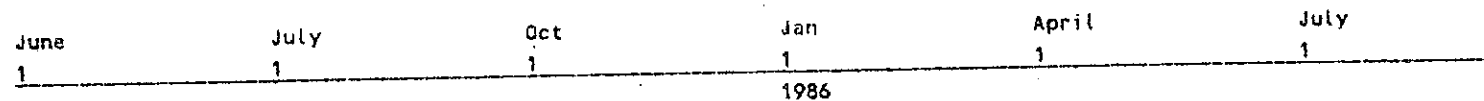
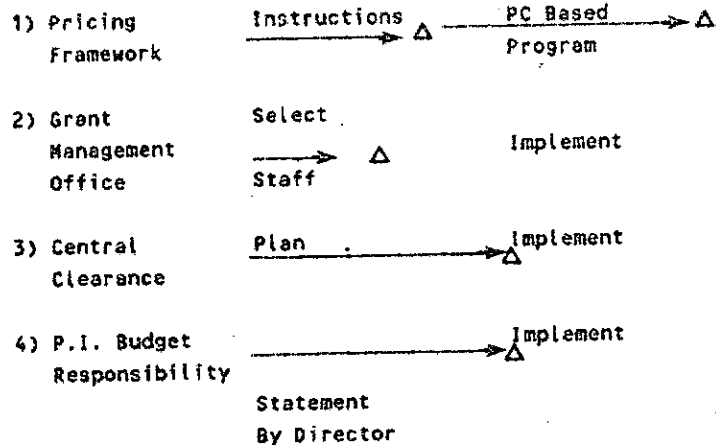


FIGURE 5

SCHEDULE/PRIORITIES



B. GRANTS MANAGEMENT



C. COMMUNICATION

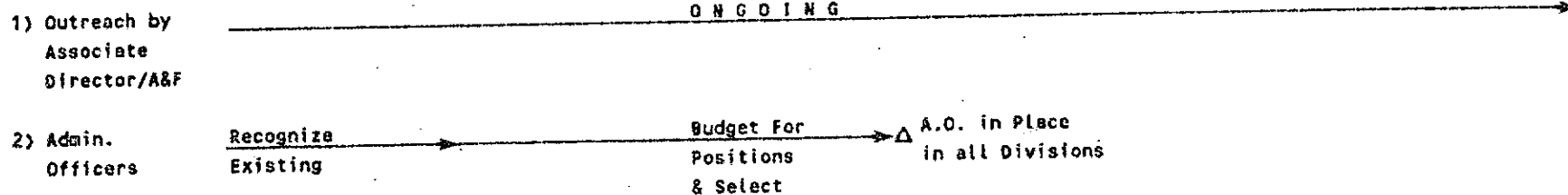
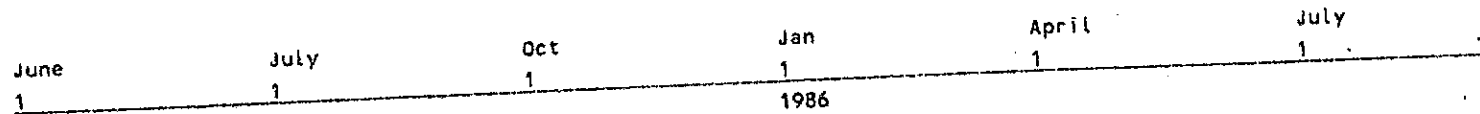


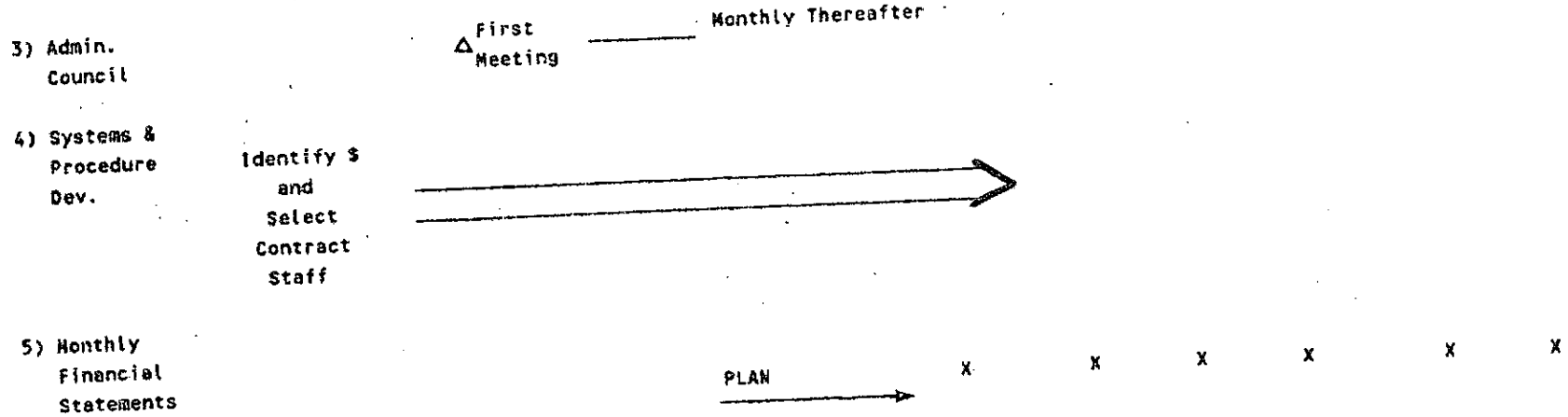
FIGURE 5

SCHEDULE/PRIORITIES

Continued



C. COMMUNICATION (Continued)



D. COST RECOVERY/ EFFICIENCY

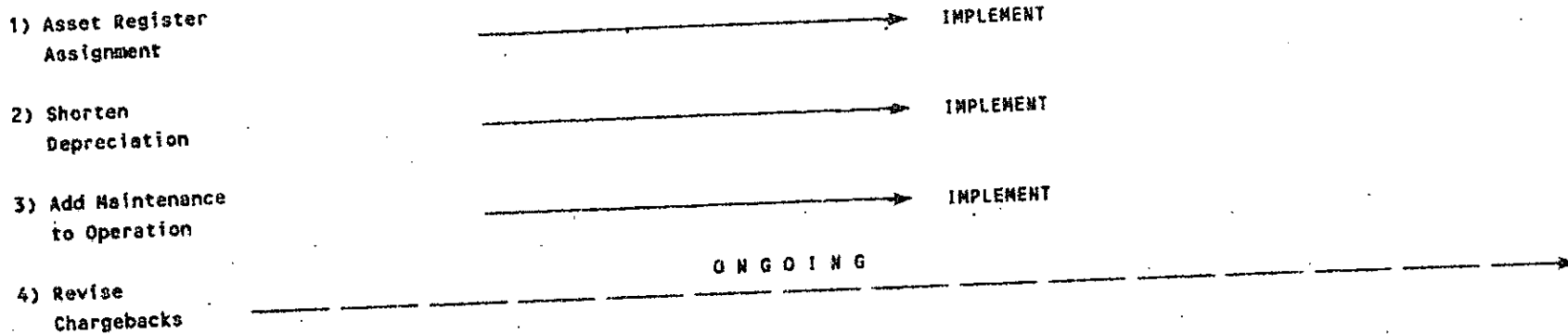
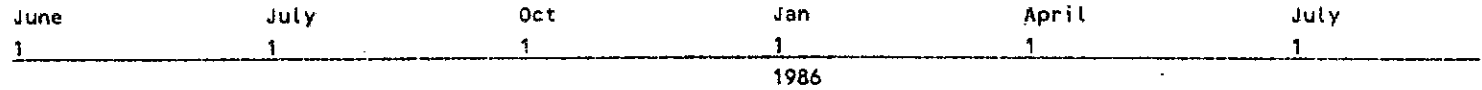


FIGURE 5
SCHEDULE/PRIORITIES
 Continued



**D. COST RECOVERY/
EFFICIENCY
(Continued)**

5) Include Shipping
in Inventory Price



6) Inventory
Management

o Tender

PREPARE
TENDER



BID
AWARD



IMPLEMENT

o Installation

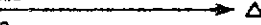
7) Add Costs of
Insurance



**E. ACCOUNTING
CHANGES**

1) Health Services
as Direct Cost

Systems
Change



2) Accrual
Method
for Income

Propose
to

Discuss

Systems Planning

Final

IMPLEMENT

Board

w/Auditors

Board Approval

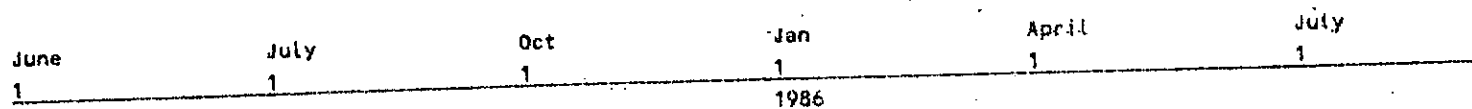
3) Reserve for
Current
Donor
Audits

BUDGET

Board
Approval

Include in
'86 Budget

FIGURE 5



E. ACCOUNTING CHANGES
(Continued)

4) Positive Bottom Line

BUDGET

△
Board

Include in '86 Budget

5) Reserve Fund for Major Audit

Discuss
△ w/
Board

6) Revenue Module in Grant Accounting System

PLAN

IMPLEMENT

(Will Have to be Done Manually for First Quarter)

FIGURE 5

SCHEDULE/PRIORITIES
Continued

7/BT/MAY 85

REPORT OF FINANCE COMMITTEE
(INCLUDING APPROVAL OF FY 1984
AUDIT REPORT AND 1986-87 BUDGETS).

FINANCE COMMITTEE REPORT TO BOARD OF TRUSTEES

1.1 The Finance Committee met on 25th May, 1985. The major issues dealt with concerned, for the short and medium term, the financial management of the Centre, and the implementation of changes in this; for the longer term, steps towards an effective reserve fund; and in the present and immediate future, cash flow problems of running the Centre. However, all these items are inter-related and any attempt to consider them in isolation will be profoundly unsatisfactory in its effects. Moreover, the financial issues, though of crucial importance and especially so at present, are a means to facilitate the research of the Centre, and not an end in themselves, though the problem is accentuated because the Centre is also a substantial employer in a country where jobs are scarce.

FINANCIAL MANAGEMENT OF THE CENTRE

2.1 Development of the Centre's financial systems, to improve the accuracy of budgetting and cash flow and to facilitate implementation of changing research priorities for the Centre, has been of concern to the Board for some years. Many improvements have been made, but the change to predominantly project support has increased the demands made on the system.

the benefit of James Bausch and his colleagues at the Population Council visiting and most kindly providing advice at no cost to the Centre, an operational audit by Mr. Gupta of the Centre's auditors, and a review of the Financial Management of ICDDR,B commissioned by the Centre and carried out by Mr. F. Feeley for Arthur D. Little Inc. (hereafter called the Review). The advice given by all these was remarkably convergent and was considered together by the Finance Committee who greatly appreciated their careful work. The A.D. Little report is the most comprehensive. The proposals made, both broadly and in detail, were welcomed by the Committee as being lucid and appropriate. The Board is recommended to accept the broad recommendations of the Review and to pass the responsibility for implementation to the Director as soon as possible, leaving him latitude to decide upon which of the detailed recommendations to introduce.

2.3 In general, and these findings concurred with the views of the committee, the Review found that the financial control systems were by early 1985 relatively satisfactory but that significant improvements were needed in budget development, grants management, interdepartmental communication, revenue projections, budget modification and income accounting conventions.

The Review recommends five categories of improvement, and they are endorsed by the Committee. They are:

(i) to create a participative management-oriented budget system;

(ii) to establish a grant management system with an office for that purpose and clear responsibility of Principal Investigators for budget development and execution of projects;

(iii) to improve communications between programme heads, finance and resources development and improve routine administrative operations;

(iv) to increase cost recovery and improve efficiency; and

(v) to make various accounting changes of which the most significant are to shift to the accrual method of reporting income and to disaggregate research support overhead, in particular handling health service provision as a direct cost.

2.4 Several organisational improvements are suggested in the Review, chiefly focussed on reducing the direct burden on the Director, possibly reducing the number of Associate Directors reporting to him, and separating the Personnel and Finance offices. The Committee commends these suggestions to the consideration of the Director. The need for a grants management officer is endorsed and such an appointment is considered essential.

2.5 The Review also draws attention to development of computerised systems for budget development and for inventory control. Both are urgent needs endorsed by the Committee and the latter is likely to more than pay for

itself through stock reduction in the short term. They can be undertaken on a contract basis.

2.6 The components of the recommendations are given in the Review. The Appendix to the Arthur D. Little report contains detailed steps for the implementation of their proposals to improve financial management. Almost all of the proposals are clearly specified and should be implemented. Several can be introduced immediately. It is recommended that in general these proposals be accepted and that the new Director should draw up a timetable for their introduction.

2.7 Implementation should put the financial systems of the Centre into good order. The Committee above all recommends that participatory budget generation by programme heads and other Principal Investigators in consultation with Finance, Resources Development and the Director be got underway without delay so that the definitive 1986 budget proposals presented to the Board in November 1985 are of this type, so making for a research programme budget for the Centre to whose implementation all staff are fully committed.

2.8 The operational audit largely addresses matters already dealt with above, with the addition of specific illustrative examples and these will be dealt with in detail by management.

2.9 The most helpful advice from the Population Council goes into particular detail on the grants office and

includes a detailed job description of the associated post which focussed a discussion in Committee and provided several suggestions to management.

FINANCES 1984 - 1986

1984

3.1 The financial outcome of 1984 was, in the event, less satisfactory than expected at the previous meeting in two respects. Some donors who were expected to contribute during the year failed to do so in time so that their contributions totalling 1.3 million were not received until the first quarter of 1985. To make matter worse financially, the Centre had to finance the vaccine pre-trials, build up large supplies, recruit, set up cold chains and back up facilities as well as finance additional field logistics and equipment for the vaccine trial, whose unfunded build-up cost nearly .4 million in 1984. Consequently the overdraft costs were very high and the Centre ended the year 1.6 million overdrawn rather than the predicted 0.7 million.

3.2 In scientific terms the research staff and activities were stronger than before, and senior staff were recruited who will be essential for raising project funds and implementing the subsequent research.

1985

3.3 There were substantial improvements in the reports of income and expenditure presented to the Committee and for the first time it was possible to relate line items of

anticipated income to line items in the budgetted expenditure. Moreover, Resources Development provided a schedule of expected receipts by month which will be of great importance in the present situation where cash flow is a major consideration. Both this and the budget should now be updated quarterly. However, precise interpretation will remain difficult until income is booked on an accrual basis as discussed above.

3.4 The total projected income for 1985 is expected to reach \$9.2 million. This is expected to be made up of the following:-

Firm Commitments

Unrestricted core	\$ 770,000	
Restricted core	\$3077,000	
Restricted project	\$2485,000	
Capital	\$ 300,000	\$6632,000

Estimated

Unrestricted Core	\$ 350,000	
Restricted core	\$ 400,000	
Restricted projects	\$1048,000	
New Projects	\$ 775,000	\$2573,000

Total income projected for 1985 \$9025,000

Less Funds restricted to Capital expenditure (300,000)

Incremental cost on new proj. estimated (595,000)

Net income available to meet expenditure \$8310,000

=====

3.5 The problems created for the Centre by the fall of unrestricted core funding to very low levels has already been emphasised. The other funds can be loosely subdivided into 'project' and 'restricted core' funds, the latter being limited to the support of certain broad programme areas, while the former are restricted to a specific project. The USA has very generously supported the Centre as its largest single donor since its beginning, and these funds have been essential for both survival and growth. USAID (Washington) has, following a thorough review of the Centre's work by a mission led by Dr.A.A.Buck, agreed to continue its funding at a substantial level, but with some restriction to two or three programme areas and the Committee is most grateful. In the last few months USAID has proposed to restrict these funds specifically to the cholera vaccine trial. This change has made the financial management of the Centre much more difficult and precarious at a time of great flux of senior management and the Committee most earnestly requests USAID to reconsider their decision to be so restrictive. No doubt it was intended to help the Centre by so labelling the grant, but it would in fact be much more beneficial during a difficult time to make the grant a little more flexible in its reported terms. There is a deficit of about one million dollars between the likely income of the Centre for 1985 and the likely committed expenditure of the Centre. On the assumption (except where the donor documents explicitly state

otherwise) of full proportionate contributions of the project grants to the costs of research services and management services provided by the Centre, the Centre then has a residual core budget of 3.03 million dollars of which 1.38 million can be offset by core contributions. Provided that .54 million of USAID funding for vaccine research can be applied to closely related vaccine and disease transmission research, the basic deficit approximates one million.

3.6 The present disastrous financial situation has resulted from the interaction of several causes.

Within the Centre, research programmes, finance and administration, and resources development, have acted as three separate sections and have not interacted adequately. Consequently, although each section has done its best at its particular activity, there has been no integration. Therefore, the working group heads have not felt any commitment to their budget ceilings, finance has not provided them with usable information, and resources have not been integrated closely with the programme priorities. The director has concentrated on expansion of the research activity of the Centre and has been insufficiently unequivocal in restraining expenditure on worthy but unfunded activities.

3.7 This difficulty in relating expenditure accurately to income up to the present, together with the expedients adopted to get the Centre under way have led to the

creation of a cumulative deficit which is the second cause of the problem. It will be essential for management to return to financial orthodoxy, for all to stay within budget, and for the Board to insist on balanced budgets and to deal with past deficits to cope with this problem.

3.8 But the largest factor in the present acute problem has been the switch from core to project funding by donors at an excessively rapid rate for any system to absorb. The late arrival of committed funds, and several specific problems dealt with below, have contributed to the immediate cash flow crisis. Moreover, the practice - inevitable with the early accounting systems derived from the CRL - of lumping income together and comparing it with expenditure, has concealed cumulative deficit problems.

3.9 How is this to be handled? First by reducing expenditure. The vast bulk of the core expenditure on research comprises staff costs. These are very inelastic in the short run, but must be contained in every way possible as proposed below. Second, unbudgetted expenditure must be ruthlessly curtailed. Third, project grant holders must do everything possible to take over core responsibilities for their work. Thus if staff are needed, they should be transferred from core if possible, if materials are needed they should be from general stocks if possible, if equipment is bought, it must be

of projects as well as of the Centre: if there is no Centre the projects will also fold.

3.10 It is clear that in the present situation no additional financial responsibilities should be entered into that are avoidable and the utmost economies should be practised, that are compatible with the continued research productivity of the Centre.

3.11 The Committee strongly recommends to the Board a total ban on incremental expenditure, on promotions and on filling of new posts until 1st July with specified exceptions and that thereafter no appointment at any level nor any promotion or incremental expenditure above that budgetted whether from core funds or from project funds, may be made without written approval of the Director until he or the Board shall determine otherwise. We include project funds in this recommendation because the past history of the Centre has shown that project activities do have implications for the core subsequently, and that it is much easier to increase than decrease the number of employees of the Centre.

3.12 The acute and severe need for massive economies if the Centre is to improve its financial position of necessity must restrict recruitment of staff paid from core funds. Eleven such posts were to have been presented to the Personnel and Selection Committee for their approval. The Finance Committee with regret

considers that seven of these must be deferred until the financial situation has substantially improved. Of the remaining three, two concern the raising of funds and their proper administration. The proposed Programme Officer at the P2 level would simply replace a long-term consultant, who is leaving, and can therefore be financially approved, though every effort should be made to recruit someone at a lower pay scale if at all possible. Secondly, the grants administrator is an essential part of both the management review recommendations and the Centre's adaptation to largely project funding. Such a staff member would have earned his or her salary several times over in recent years. The post is approved financially at a local salary scale; if it can be filled by reallocation of duties without increase of staff members so much the better. Lastly, the Finance Committee was very much aware of the importance of the post of Head, Dhaka Hospital. While the Personnel Committee may wish to review the appropriate grading for this post, the Finance Committee has with great regret to defer a substantive appointment to the post until the financial climate revives somewhat. Project positions with limited term contracts, wholly supported by project funds that cannot be otherwise utilised to the good of the research of the Centre, may be filled. However, the Personnel Committee may wish to look at considerations of equity with core funded posts in deciding whether to go ahead. Moreover, the loss of

any implied security of tenure, should a local person be appointed, must be made abundantly clear.

3.13 The Committee is much concerned about salary costs within the Centre. With the transition to WHO salary scales the staff have been better paid. This in itself is an excellent thing. However, in a competitive project funding situation this renders the Centre relatively expensive as a way of getting some research done. If the Centre is to continue to compete successfully for funding, each staff member at every level will have to be more hardworking and productive than staff at other institutions who are less well paid. The alternative is that everyone will lose their employment.

3.13 a) The question now arises in an acute form of whether, for the longer run in a competitive project situation, the Centre can survive if it continues to pay WHO rates which considerably exceed rates paid by other institutions within the Country. Some members of the Committee believe that the Board should authorise the Director to explore the implications for the Centre of changing these rates if it is the only way to survive.

3.14 The Committee remains concerned also about the tendency of staff numbers to grow. There has been an evaluation of those seeking promotion. The Committee would wish to encourage regular evaluation of staff at all levels to ensure that continuing employees are as diligent and productive as possible.

The Finance Committee considered both the financial reports of recent years and the prospects for future fund raising. In spite of the Centre's excellent record of resource development and the improving financial control of expenditure, it was a fact that the Centre had run a deficit for several years, had no endowments, and the prospects were of a move to level funding in real terms. The implications of this for a labour-intensive institution are clear: improvements in the rate of remuneration paid to individuals, whether because of promotion, post reclassification, reduced working hours for the same salary, or increased over-time rate can only be achieved in the long or short run by reduction of the number of employees. It must be realised that one man's promotion is another's redundancy and that improvements in terms of service will only be achieved by having a smaller workforce.

3.15 Since staff costs comprise by far the greater part of the Centre's expenditure on core funded research activities and also comprise the majority of research support costs, expenditure can only be controlled by attention to this area. Moreover rapid economies can most easily be made among the contractual P-level posts. In decisions over renewal of contracts, both the scientific priorities of the Centre and the record of the individual research worker must be the decisive factors.

3.16 The Centre has operated on the basis that professional promotion is on the basis of scientific

achievement alone. In a research institution this is in general right and proper. The additional responsibility of leading a working group was viewed as also highly desirable when core funding was the rule. In the present and likely future situation this may increasingly be viewed as an onerous responsibility as the programme head will on average be responsible for having to write or cause to be written some 2 - 3 million dollars worth of successfully funded grant applications per year. Given that funds will be tight, the Centre management may need to link the higher level posts to acceptance and performance of this responsible but in many ways uncongenial task.

3.17 It is perhaps insufficiently understood by staff that promotion to a P-level position involves loss of the traditional relative security of employment provided for long-serving national staff who work well. The Board has made it clear that usually P-level staff will be given up to two 3 year contracts and then cease to be employees of the Centre. Acceptance of a P-level post implies acceptance of this resulting insecurity and that the person concerned realises he or she will after one or two contract periods is likely to have to seek employment in another institution. (People cannot both have their cake and eat it).

3.18 If a long-term employee of the Centre below P-level be temporarily transferred to project funding at a higher

grade for any reason, on reversion to core funding he shall revert to his previous grade. This is merely restatement of what is a rule, but it is necessary to enforce it.

3.19 Because the Finance Committee cannot foresee any substantial rises in real funding and because in recent years expenditure has exceeded income, the personnel of the Centre will need to decrease rather than the reverse. Therefore, to avoid creating expectations that are unlikely to be realised, any core appointments that have to be made should be on contract and not indefinite terms.

3.20 Compared with 1984 programme funding, 1985 sees a marked improvement in the recovery of both research support and management support costs.

It is important that all indirect support costs are either recovered from project funding or they have to be separately funded. Otherwise there will be a continuing deficit arising from these unfunded support costs.

3.21 There is the possibility of a grant from the UN Capital Development Fund for improving the Matlab and Teknaf field stations. This would by no means cover the whole cost of the works as it does not cover fees etc. The recurrent approved budget does not include such costs. Not only must management ensure that these costs are known and can be met from the Centre's Capital fund or from a new donation prior to accepting any grant from UNCDF, but also an analysis is required of the recurrent

budget implications in terms of staff, medicines and other expenses from these improved facilities to ensure that they will not add any increased burden on the Centre's finances.

3.22 Second, income needs to rise in the short run. A one-time extra set of donations to core funds while expenditure is rigidly controlled, can stabilise the Centre in four ways: improving cash flow, reducing overdraft interest, reducing the deficit, and providing time for the new management, using the financial systems created, to run the Centre within its means in a way that management felt unable to do during the start-up stage of the Centre.

3.23 Substantial improvements have been made to the financial systems available in the Centre. This year clear monthly computer outputs have been generated for each grant or protocol, providing principal investigators with a clear picture of their budgetary position. As the scientists become used to working with these and ensuring that their own and the finance department's perceptions coincide, the flow of information will be adequate for informed expenditure control.

3.24 Secondly, the budgetted expenditures for the Centre have this time been produced with a clear line for each research project or protocol so that both the detailed costs of each may be seen readily and the allocation of overhead is also clear. Within the core-funded

activities, information on the costs of protocols will aid in decisions on priorities, though the high proportion of costs due to personnel limits the scope for rapid changes.

3.25 Thirdly, for the first time the codes for resource development and for budgetted expenditure are identical and the amounts under each code reconciled, so that rational budget preparation by principal investigators can be undertaken.

3.26 These very considerable advances during the last year mean that the tools are in place for participatory budgetting and that, with implementation of the additional improvements put forward in the management consultant's report, the Centre can meet the massive challenge provided by the switch of funding from 67% unrestricted core in 1983 to 42% in 1984 to approximately 12% for 1985. The extreme difficulty for management posed by so rapid a swing (particularly in an institution in a developing country relatively isolated from extensive expertise in such matters and having to cope with an unusual variety of donor national systems for these) is probably not fully realised by donors and the committee is much concerned that they should be fully aware of the consequences. In particular, the imposition of greatly increased restrictions at short notice on an anticipated grant is highly disruptive to rational planning and contributes to the amount of "crisis management" needed which the committee deprecates strongly.

3.27 The research overheads of the Centre at present are large, because unlike laboratories in developed countries where the facilities are largely capital items of equipment, the facilities at the Centre comprise chiefly the labour-intensive diarrhoea management services of the hospitals in Dhaka and Matlab, as well as the defined communities at Matlab, Teknaf and elsewhere. The largest single item is the Dhaka hospital and treatment centre, and if the purely service aspects of this can be separately funded both the overhead costs will fall and the budgetary situation will improve markedly.

3.28 Income Estimates

Current estimates of income for the fiscal year 1986 are \$9.943 million, made up of:-

Unrestricted core	\$1.075
Restricted core	\$3.910
Restricted projects	\$4.958

Compared with funds projections for 1985, unrestricted core income is expected to fall by \$45,000 and restricted core is expected to increase by \$433,000. Project funds are also projected to increase by \$351,000.

3.29 Expenditure Estimates

The extension of present projects and research activities into 1986 would give an estimated expenditure of around \$12.94 million, an increase of 45% over 1985 expenditures. The estimated "minimum obligation" generated by keeping the research and administrative

support, funded research, and bare salaries of other staff (without any research expenditure from non-project funding) would cost \$10 million, the rise from 1985 being due mainly to an 18% anticipated scale increase for local pay scales (\$694,700) and three newly internationalised posts.

3.30 It is clear that the Centre, firstly, must do a massive amount of research to justify its cost so that a "minimum obligation" approach is not valid. It is equally clear that no further budget deficits can be tolerated and that a target of 0.5 million excess of income over expenditure is needed to reduce the overdraft or build up the present reserve needed to pay back the UNROB loan. There should also be 0.3 million of contingencies budgetted. Since the anticipated income for 1986 is \$9.9 a budget ceiling of \$9.4 should be set, to include the 0.3 million contingency allocation.

3.21. This return to orthodox fiscal planning will indeed be hard but the expansions of recent years at the expense of financial stability cannot be allowed to continue. Moreover, donors should be aware that, with the move to project funding, the operating budget can best be viewed (if we treat restricted core as "half-core") about \$2.5 million plus a lot of specifically funded projects. In view of the liabilities for labour intensive research facilities in the field, hospital, and laboratory, this forms a small substantive budget, even if it appears large when the projects are included.

3.32 The proposed operating budget ceiling of \$9.4 is so different from simply projecting all the programme heads' planned research to give nearly \$13 million (or their ideal wish list at \$15 million) that it will be essential for the participatory budget system, proposed above, to be used to generate the detailed 1986 proposals, bearing in mind the Programme Committee recommendations, for detailed review at the next meeting of the Board.

3.33 Of course, if new sources of project, or core funding can be established supplementary to those at present anticipated and if none of the latter drop out, a larger budget can be considered. It is suggested that incremental budgets of + 1 million and + 2 million be separately presented at the next meeting. In considering new funding, it will be essential to consider the incremental costs as well as income or the problems of the past will be accentuated.

IMMEDIATE FINANCES OF THE CENTRE

4.1 The Auditors' report for the 1984 accounts was received by the Committee. Specific matters raised with management were the increase of stores, partly due to the vaccine trial and the adherence to strict discipline over advances made to firms or individuals.

In view of the operating deficit shown in those accounts, and the extremely difficult cash flow situation the various economy procedures outlined under the 1985

financial report are recommended for implementation.

4.2 The Finance Committee were grateful to learn from Mr. Munir-Uz-Zaman that steps had already been taken to continue the interest-free UNROB loan made available by the Government of Bangladesh for a further year. The Committee sincerely hope that, when the reserve fund is floated, some way might be found to transform this into a donation to that fund. Donors are likely to be more put off by the financial encumbrances of the Centre than by any imagined affluence of it, provided salaries are controlled.

BANK LINES OF CREDIT

4.3 The Centre's funds arrive in a series of grants and other funds, a substantial part of which arrive in the form of large single payments. Disbursement of these is subject to substantial random delay beyond the control of the Centre, whereas most expenditure is regular and cannot be deferred (staff need regular payment!). This creates a substantial need for operating capital. In the long run the new Reserve Fund is designed to help meet this need, which has been increased by the cumulated deficit which management of the Centre considered essential to build up the research of the Centre. (The present reserve fund is maintained for its ability to repay the UNROB loan to the Centre). The Centre therefore has need for an overdraft facility large enough to meet the vagaries of cash flow and after thorough

discussion based upon recent experience, the Committee recommends that the Centre seek an overdraft facility of \$3 million. The Committee emphasises the obvious, that the smallest practicable use be made of this facility and that the financial policy of the Centre be directed to reducing the need for it.

SECURING THE LONG TERM FUTURE

Management of Reserve Fund

5.1. It is clear from the preceding sections of this report that, even when the operations of the Centre show a balance or small budget surplus, the Centre's operation will remain very precarious, depending as it does upon short-term project funding from varied donors. The havoc wrought to the Centre's financial planning, directly by the cholera vaccine trial and indirectly by the subsequent earmarking of funds by donors towards that trial, further demonstrates the need for reserves than can give scientific flexibility. In accordance with the Board's wish to create such a Reserve Fund as could provide stability, flexibility and bridging finance, Mr. James Bausch of the Population Council, very generously and at no expense to the Centre, visited it in March 1985 and has produced a detailed report on the management of such a Reserve Fund.

5.2 It recommends the following procedures:

(1) Establish an initial goal for the size of the fund at

US\$ 10 million.

- (2) Adopt rules for the investment of assets which are covered in detail in Appendix A and include:-
- a six percent cumulative annual real rate of return;
 - a minimum US\$ 1.25 million in liquid assets to meet temporary cash flow needs;
 - the asset mix of the portfolio may vary but be not less than 20 percent in equities or 20 percent in fixed income obligations (excepting US\$ 1.25 above).

There are other provisions which together with the above, would form the bases for commencing discussions with an investment management firm.

- (3) Establish rules governing the addition and withdrawal of funds, namely:-

- the Centre's officers are authorised to credit and make deposits to the Fund;
- investment gains and losses are accrued to the Fund, as are expenses and costs associated with managing the fund;
- that fund income will be used for operating purposes but that the principal may be used temporarily and on an emergency basis (see resolution VIII p.10 of the Report). The rules governing the expenditure of funds and approving authorities are quite detailed and explicit.

5.3 The Finance Committee recommends that, in order to establish the Reserve Fund, the Board pass the proposed

Resolutions and that management seek proposals from the investment management firms listed by Mr. Bausch, on the basis of the Statement of Investment Objectives and Guidelines, in Appendix A, which it fully approves with a view to the Director negotiating with one or more so as to submit a final recommendation to the next meeting of the Board.

5.4 The Committee both thanks Mr. Bausch for his excellent report and accepts it and also commends the discussion in it to the Board and other interested parties.

CHEQUE SIGNATORIES

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Following the request for a revision of the proposals for cheque signatories, made at its previous meeting, the Board resolves that the authorised signatories of cheques to be issued by the Centre shall be as set out in section 3 of the chapter entitled 'Bank Accounts' in the draft financial manual placed before the Finance Committee, and annexed to their report.

CHEQUE SIGNATORIES

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RESOLUTION - cheque signatory

Effective from the date of departure of Michael Goon,
Hartley Janssen will have the signing authority of the
Associate Director, Administration and Finance.

1. RESOLVED: That the Reserve Fund of the International Centre for Diarrhoeal Disease Research, Bangladesh is hereby created, the principal and income of which shall be held by the Centre for disposition at the discretion of its Board of Trustees in pursuit of the Centre's established purposes and in accordance with duly provided provisions governing the Fund.

2. RESOLVED: That any monies now held in any Centre reserve fund previously initiated shall be considered transferred, credited and deposited in their entirety to this Reserve Fund at the time this resolution is approved; that the officers of the Centre shall act to accomplish any necessary actions in this regard on the first business day following such approval or as soon as practicable thereafter; and that any previously initiated reserve fund shall be correspondingly debited, closed and terminated.

III. RESOLVED: That the initial goal of the Reserve Fund shall be US\$ 10 million.

IV. RESOLVED: That, except where contrary provisions may prevail, the Board of Trustees gives to the Finance Committee acting within its own approved set of procedures (or, in the event of the unavailability of such a committee when action is required, to the

Chairperson of the Board of Trustees) the powers to determine all matters pertaining to the management of the Reserve Fund including but not limited to the establishment of investment policies for the Reserve Fund and the oversight of such policies. Further, the Board requires that the Finance Committee shall report immediately any policies that are established or changed to the Chairperson of the Board and to the Director of the Centre, and shall also report such policies or changes to the next meeting of the Board of Trustees.

V. RESOLVED: That the officers of the Centre are authorised and directed to deposit and credit to the Reserve Fund all assets received or to be received that are designated for the Reserve Fund by donors or by the Board of Trustees acting as a whole, through its Chairperson, or through the powers it has invested in its Finance Committee.

VI. RESOLVED: That the officers of the Centre are authorised and directed until further resolution of the Board of Trustees to cause all capital gains and losses of the Reserve Fund to be accrued to the Reserve Fund.

VII. RESOLVED: That the officers of the Centre are authorised and directed until further resolution of the Board of Trustees to cause all expenses of the Reserve Fund including investment management fees, segregated

management costs, Reserve Fund development, and all other costs reasonably associated with the Reserve Fund to be charged to the Reserve Fund.

VIII. RESOLVED: That the Reserve Fund shall function largely as an endowment in that, ordinarily, the Centre will use only its income to fund operating expenses, under provisions provided for in other Board actions. The Centre's Board of Trustees may, however, authorize the use of the principal of the Fund according to the following schedule:

- the Director of the Centre may make temporary withdrawals of cash from the Fund to meet the Centre's cash flow demands pending receipt of assured or reasonably expected operational funds from donors, provided that such withdrawals shall not exceed in their total US\$ 1.2 million at any given time, and further provided that any amounts so used shall always be repaid in full to the Fund as soon as the expected donor funds are received. Separate withdrawals and repayments shall be made for each such occurrence; this Board action does not constitute authority to keep a single withdrawal out of the Fund for use on a continuing or rolling basis. In exercising this authority, the Director is required simply to notify the Finance Committee and the Chairperson of the Board whenever such withdrawals are

made, noting the amount of each withdrawal, the expected revenues that funds are being withdrawn against, and the expected date of repayment of the amount withdrawn; the Director is also required to report in the same manner the actual date(s) on which any withdrawn funds are repaid;

- up to ten percent of the total value of the Fund may be withdrawn for the Centre's operating expenses in any fiscal year by a simple majority vote of the Board;

- up to 30 percent of the total value of the Fund may be withdrawn for emergency use* in any fiscal year by a two-thirds vote of the Board;

- more than 30 percent of the total value of the Fund may be withdrawn for emergency use* in any fiscal year by a four-fifths vote of the Board;

- whenever withdrawals of more than ten percent of the fund shall be made in any fiscal year for emergency use*, the Board shall instruct the Centre's Director to notify any donor that shall have contributed more than five percent of the total value of the Fund at the time the withdrawal is made of the action taken and the reasons for that action, and the Board shall further instruct the Centre's Director to inform such other persons and organisations as the Board considers appropriate of such

action and reasons:

- * "Emergency use" shall be defined by the Board of Trustees at the time such withdrawals are proposed and reasons supporting the wisdom and prudence of such action will be then set in writing by the Board, which shall act in the best interest of the Centre and in ways consistent with the Centre's established purposes. Whenever possible, funds withdrawn for emergency purposes shall be repaid to the Fund in full or in part as soon as possible, provided that the Centre or any successor organisation shall continue to exist and to operate in ways consistent with the Centre's established purposes.

IX. RESOLVED: That the Director is authorised to withdraw and to use the Fund's annual income, up to an amount to be specified by the Finance Committee as provided for below, for the Centre's operational purposes, upon application to the Board for approval to do so. Ordinarily, the Director shall apply to the Board for authority to withdraw and to use such funds through inclusion of a specified amount in the Centre's annual budget at the time the budget is submitted to the Board for approval: and, further,

That the maximum amount of such income withdrawn for this purpose is to be fixed by the Finance Committee in

advance of the year in which it is to be used. This amount shall be determined annually, in advance of the Board meeting at which the Centre's budget is presented for approval. In determining this amount, the Finance Committee shall seek and be guided by the written advice of the Fund's outside investment manager(s) as to what income can conservatively and reasonably be anticipated for the coming year given past experience, the current value of the Fund, and the expected value of the Fund during the year ahead based upon the addition of assured or reasonably anticipated future contributions to the Fund during that period and further,

That 75 percent of the income so withdrawn may be included in the budget simply as the "Director's Programme Fund" to be used throughout the year as s/he determines, subject only to the provisions below in Resolution X, and need not be tied at the time this approval is sought to specific programme or project purposes; and, further,

That the remaining 25 percent of each annual withdrawal of income shall be separately set aside for use as a "Contingency Fund," also under the Director's control. This Contingency Fund may be used for the sole purposes of meeting unforeseen fiduciary requirement(s) or for safeguarding the Centre's programmes against shortfalls in expected revenues (except for shortfalls due to

temporary cash flow demands that are to be met by other provisions). If all of the funds available for the Contingency Fund are not used within a fiscal year, the Director shall not cause them to be transferred to other uses, but any balance shall be carried over to the subsequent year's Contingency Fund, and in that subsequent year supplemented by the addition of new income to bring the Contingency Fund up to a level equal to 25 percent of that year's withdrawn income. Reserve Fund income thus freed up from assignment to the Contingency Fund in such carryover years is then to be made available for the Director's Programme Fund which, in such years, can be increased beyond an actual 75 percent of the withdrawn Reserve Fund income. It is thus the intention of the Trustees that "savings" in the use of the Contingency Reserve Fund will result in a direct addition of income to the less restricted and more exciting Director's Programme Fund.

X. RESOLVED: That the Director shall be responsible for the expenditure of the funds from income identified in the above resolution except that:

- before applying them, the Director shall seek the advice (but not necessarily the consent) of an "Advisory Group of Scientists" whose members shall be a combination of those on the staff of the Centre and appropriate

outside persons. The members of this advisory group, who shall be appointed by the Director for terms of at least one year, may change from time to time and their names shall be reported to the Board annually when approval of the budget is sought;

- where the withdrawal of income is to be applied to specific programmatic purposes that can be identified in advance of the coming fiscal year, the Director shall report such purposes to the Board at the time that Board approval of the Centre's annual budget is sought;

- where the purposes of the income to be withdrawn cannot be identified in advance, such revenue shall be considered as flexible funding except that its use shall be restricted to one or more of the following : (1) to supplement funding in those projects where donors are not paying the full costs of important Centre work; (2) to underwrite innovative work for which donor support has not yet been identified; and (3) to explore promising new lines of research and training;

- the Director shall be required to provide to each meeting of the full Board information on how funds derived from Reserve Fund income are being used in that current year.

RESOLVED

- 1) To approve in principal a change in the basis of the Centre's accounts to the accrual method of booking income, effective with the beginning of the 1986 financial year, subject to review by the Centre's auditors and staff.
- 2) To direct the Centre's staff and auditors to review the depreciation periods currently used in the Centre's accounts, and to recommend appropriate reductions in such depreciation periods for approval of the Board at its next meeting.
- 3) To direct the management of the Centre to obtain and install through appropriate tender, a computerised system for management of the inventory of stores and equipment.
- 4) To require that all modifications of an approved budget, other than costs associated with a grant or contract received, but not contained in the revenue estimates on which the budget was based, shall be done in such a manner that the total amount of expenditure approved by the Board is not increased.

5) To approve the general recommendations contained in the Arthur D. Little management review and instruct the Management to implement them as soon as is practically feasible. Adoption of detailed procedures shall be decided by the Director.

IMMEDIATE FINANCES OF THE CENT
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RESOLVED

- 1) To write off the advance of \$8,807 to Dr. S. Kabir and of \$11,225 to Messrs. Skipper Shipping Private Limited, Singapore, extensive attempts to reclaim the sums by the Centre having failed.
- 2) To accept the audit report for 1984 finances of the Centre.
- 3) To implement the proposals for immediate control of expenditure set out in the report of the Finance Committee and to authorise the Director to explore the most appropriate way to bring down costs of research done at the Centre.

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Attachment

APPROVAL OF 1984 AUDIT REPORT

Deloitte Haskins + Sells

Chartered Accountants

8-1B, Chowringhee Lane
Calcutta 700 016
Telephone 24-4938
24-0837
Cable Dehanda

TELEX NO. 21 2028

ANSWERBACK: DHSI IN

May 7, 1985.

The Board of Trustees,
International Centre for Diarrhoeal
Disease Research, Bangladesh,
G.P.O. Box 128,
Dhaka - 2,
BANGLADESH

Dear Sirs,

We have examined the Financial Statements of International Centre for Diarrhoeal Disease Research, Bangladesh for the year ended 31st December, 1984. We have also made a general review of the accounting procedures and other related areas. We set out in this letter, number of comments and recommendations resulting from our examination of the above areas. Our comments and recommendations resulting to performance audit are being submitted separately.

DHS

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1. FIXED ASSETS

Fixed Asset Register has not been prepared as yet. Even items like Personal Computers purchased and used in the Centre could not be reconciled during the course of our audit.

In the absence of a Fixed Asset Register, we were unable to verify the existence of the Fixed Assets.

The Fixed Asset Register detailing the description of assets, original cost, other allocated costs, location and depreciation charged should be prepared immediately.

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2. BUILDING CONSTRUCTION

During the year, 1st phase of the Dhaka main building was completed and now being used for the hospital. The original estimate for civil construction of the building was TK 136,30,205 but the actual expenses incurred was much higher than the original estimate.

There was absolutely no control over the use of materials and other costs. No control was exercised over the services of the architect and the contractor. The tender document was drawn in a way which is against the interest of the Centre.

Well laid procedures should be developed and followed for construction of buildings or any other civil construction.

JHS

Deloitte Haskins + Sells

Chartered Accountants

8-1B, Chowringhee Lane
Calcutta 700 016
Telephone 24-4938
24-0837
Cable Dehands

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3. BUDGET AND BUDGETARY CONTROL

The budget preparation and control procedures are not satisfactory.

The process of preparation of budget and budgetary control system should be documented and preferably prepared as a manual, so that the expected result from a system of budgetary control can be ensured.

DKS

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4. ADVANCES FOR TRAVELLING

- (a) The system of payment of travelling advances and its recovery and adjustment have not been followed as per the resolution of the Board of Trustees passed in their meeting last year.

Few instances of overdue unadjusted Advances for Travelling are :-

- (i) Paid to Dr.K.M.S.
Aziz U.S. \$ 11,667 This amount include as advance which remained unadjusted for more than one year. No deduction is being made.
- (ii) Paid to Dr.M.M.
Rahman U.S. \$ 9,708 Unadjusted for more than one year. No trip report or bill submitted, no deduction ordered.
- (iii) Paid to Dr.Sushum
Bhatia U.S. \$ 2,301 Unadjusted since April 1984. No deduction

D.H.S.

. 6 .

(iv) Paid to Dr.M.I.
Haq U.S. \$ 10,817 No deduction
ordered.

The decision of the Board of Trustees for recovery of Advance for travelling should be followed strictly.

The following advance paid for travelling is irrecoverable and a resolution of the Board of Trustees will be required to write-off the amount.

(i) Travelling advances paid to Dr. S. Kabir who has left the Centre and the amount will not be recovered U.S.\$ 8,807.

DKS

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5. PURCHASE OF STORES AND MATERIALS

Supply stores and maintenance stores are purchased by different departments without virtually any control. There are many stock items where more than three years requirements are in stock.

The year end closing stock of supply stores and maintenance stores amounts to U.S. \$ 611,931 which is abnormally high compared to the total consumption of stores during the year of U.S. \$ 980,347.

A scientific system for inventory management should be introduced immediately so that money is not blocked unnecessarily.

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6. ADVANCES FOR SUPPLIES

Large amounts have been paid as advance to suppliers for procurement of stores and other materials from Bangladesh and other countries. At the year end, the advance against supplies amounted to U.S.\$ 307,807, as against \$92,745 at the end of last year.

There is no laid down procedure to ensure that advances for supplies are made strictly according to requirements.

An advance paid to M/s. Skipper Shipping Private Limited, Singapore of U.S.\$ 11,225 is irrecoverable as the party is untraceable.

The Board of Trustees will have to pass a resolution for writing off these amounts.

It should be explored whether without paying cash advance for supply of materials it is possible to open L.C. through Banks so that, large amounts of fund is not locked unnecessarily. Opening of L.C. for purchase of materials is a recognised international system for procurement of materials.

DAK

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7. PURCHASE OF DRUGS

There is no laid down procedure for purchase of medicines used in the Centre. Medicines are purchased in some cases without considering the possibility of its use. Many items of medicines are in stock for long period.

The following amounts should be written off as these medicines are unusable :-

- (i) Drugs in stock as on 31st December, 1984, which were declared as unusable by the Government of Bangladesh U.S. \$ 31,731
- (ii) Karamycin injections purchased during 1984 with expiry dates as :
- | | | |
|---------------|---------------------|----------------|
| December 1984 | U.S. \$7,388 | |
| March 1985 | <u>U.S. \$5,581</u> | U.S. \$ 12,996 |
- The dates for use of these injections have expired.

The method of indenting and stocking of the medicines requires review.

DHS

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8. INSURANCE

We suggest insurance against fire and theft of all assets. Some donors have retained the ownership of assets purchased from grants sanctioned by them. It will be advisable to insure such assets.

9. SEVERANCE PAY LIABILITY

The method of funding of the arrear severance pay liability is required to be developed.

10. RESERVE FUND

During the year U.S. \$ 441,629 was transferred from the operating fund to the reserve fund, though the year ended with a deficit of U.S. \$ 605,613.

Policy regarding the creation of reserve fund is required to be formulated.

We would like to take this opportunity to thank I.C.D.D.R.-B management and staff for the co-operation extended to us during the course of our audit.

Yours faithfully,
for DELOITTE HASKINS & SELLS

Salil K. Gupta

[SALIL K. GUPTA]
PARTNER

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Attachment

PRESENTATION OF FY 1986-87 BUDGET

THE BUDGET
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RESOLVED

- 1) To direct the staff of the Centre to prepare for Board approval at the next meeting a 1986 Budget:
 - for a total expenditure of US\$ 9.4 million
 - containing an unallocated contingency of core/unrestricted funds of US\$ 300,000
 - showing a surplus of revenue over expenditure (including contingencies) of US\$ 500,000.

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul- tants	Travel Costs	Contractual Services	Supplies & Interdepartmental Materials Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
	D.T. - FUNDED	388405	181935	9000	16460	32235	262015	143995	1034085	247600	329610	1611255	2149875	400000	
	UNFUNDED	67655	140868	0	13325	12045	48340	37030	319263	166400	82348	568011			
	P.T. - FUNDED	18750	0	0	8	1675	1085	55	21573	330	437	22340	40000		
	UNFUNDED	38220	164434	5000	10500	2910	34815	32668	288547	472558	110563	871668	90535	87000	
	H.D. - FUNDED	2280			1500	380	2350	360	6870	1715	2265	10850	9000		
	UNFUNDED	30476	99575		13500	1305	25299	3140	173295	175285	41735	390315		100000	
	NUT. - FUNDED	9000	0	0	3200	500	3000	3000	18700	4675	6170	29545		20000	
	UNFUNDED	81113	199370	0	7100	36078	13589	53108	390358	181902	131830	704090		100715	
	ORT. - FUNDED	0	33399	12141	9000	6722	24100	57500	142862	76423	0	219285		219285	
	UNFUNDED														
	CSR. - FUNDED	876748	380121	71175	117567	159493	199206	53199	1857509	152556	486186	2496251	2212090	153008	
	UNFUNDED	56621	241418	0	1894	1542	2362	4324	1308161	275444	130814	714419	142900	25000	
	TEC. - FUNDED	65248	73157	0	22923	15749	16678	7484	3201239	19060	24701	245000	244000	27000	
	UNFUNDED	45615	93764	16060	21292	61236	55231	7032	3300230	222940	159299	682469	46400	1037500	
	S.P. - FUNDED	69965	85637	0	74389	5880	4330	804	241005	10958	90000	341963	280000	140000	
	UNFUNDED														
	TOTAL PROGRAMME COST	1750096	1693678	113376	312658	337750	692400	403699	5303657	2007846	1595958	8907461	5214800	2122500	87000

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
	MAINTENANCE/LOGISTICS	269999			5624	3784	175179	3343	458469							
	RESEARCH SUPPORT	874787	130000	35000	6498	44872	417698	40522	1549377							
	TOTAL RESEARCH SUPPORT	1144786	130000	35000	12122	48656	593417	43865	2007846					350000	260000	770000
	MANAGEMENT	295654	489223	31826	36750	213361	32184	17565	1116563							
	RESOURCES DEVELOPMENT	28403	116616	8597	18000	13740	4672	1395	191423							
	MANDATORY COMMITTEE	1606	854	1434	100000	492		188	104574							
	GUEST HOUSE	12097				4604	1008	7	17716							
	CANTEEN	25643				176	1104	38	26961							
	EMPLOYEE BENEFITS	17023			996	38584	10832	5241	72676							
	STAFF DEVELOPMENT	53875	569		2	1180		108	55734							
	CAPITAL DEVELOPMENT	2569			204		7496	42	10311							
	TOTAL MANAGEMENT	436870	607262	41857	155952	272137	57296	24584	1595958							
	OVERALL TOTAL	3331752	2430940	190233	480724	658743	1343113	472148	8907461				5214800	2572500	1030000	

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Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consultants	Travel Costs	Contract Services	Supplies & Materials	Interdepartmental Recovery	Total Operating Cost	Direct Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
017000	VACCINE FIELD TRIAL	571545	152170	9000	16000	28000	238000	127675	42390	223785	290805	1465070	2000000	400000		USAID/SRE
014600	ICDDR&B SURVEILLANCE MATLAB FIELD STATION	4300			210	1070	3650	1970	11280	3415	3930	18625	50000	18625		WHO/SP31 UNWHO/SP20
014900	ICDDR&B SURVEILLANCE PROGRAM DHAKA HOSPITAL	9520	9870		250	2165	16790	12450	51025	10150	17095	81250	81250			UNWHO/SP20
016100	ANTIBODY RESPONSES TO DIFF. FORMULATIONS OF ORAL SUBUNIT..	2960	19895			1000	3575	1920	29350	7270	9690	46310				
	<u>TOTAL FUNDED</u>	388405	101935	9000	16460	32235	262015	143995	1034045	247600	329610	1611255	2149875	400000		
014300	DOES HAND WASHING PREVENT SPREAD OF NOA VIRUS INFECTION	5820	1115				2720	1600	11255	2815	3715	17785				
014400	CELLULOSE OMI BINDING OF CHOLERA TOXIN IN FAMILY CONTACT	13250	10000		5000	950	615	10340	40155	10040	15250	63445				
014500	ECOLOGY SURVIVAL OF VIBRIO CHOLERA RELATED.....	4750	11165		2000	375	150	2870	21290	5325	7025	33640				
015000	ISOLATION OF E. COLI PHAGES FOR 19040		2680			1040	3330	850	17920	4480	5915	28315				
015500	INTERVENTION & TRANSMISSION OF CHOLERA BY HAND WASHING		6480		150	770	9180	17180	54080	13520	17850	85450				
016000	IMPLEMENTATION OF BIKEN TEST AT ICDDR&B AS ROUTINE....				1475	2550	1450		5475	1370	1805	8650				

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consultants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
CONT'D																
016300	SAFETY OF KILLED K.12 E.COLI STRAIN...VACCINE TRIAL	1205				150	250	1335	2940	735	970	4645				
016400	CHARACTERISATION OF V.PARA ISOLATION FROM CLINICAL CASES	3400	43400		4700	4200	17100	1340	74140	18535	24465	117140				
016500	CAN DEHYDRATING DIARRHOEA BE ASSOCIATED WITH PRECIPITATI	520	1350			600	215	350	3035	760	1000	4795				
016600	CHARACTERISATION OF MULTIPLE ANTIBIOTIC RESISTANT ...SHIGEL	810	2680			160	1580	160	5190	1295	1710	8195				
016700	ISOLATION & CHARACTERISATION OF VIERIO MINICUS....	85					2200	285	2580	645	850	4075				
016900	ROLE OF CHOSTRIDUM DIFFICISE IN DIARRHOEA...	2750					2250		5000	1250	1650	7900				
017100	MOLECULAR CHARACTERISATION OF MULTIPLE ANTIOTRE RESIST....	4460	6060			1250	4500	520	18790	4695	6200	29685				
017200	ADAPTATION OF AN ADULT RABBIT MODEL TO SHIGELLA DYS.....	760					3000		3760	940	1240	5940				
018400	MANDIPARA CLINIC	1415						220	1635	410	540	2585				
	P.T.W.G.		52018						52018	99585	(5037)	145766				
	<u>TOTAL UNFUNDED</u>	67655	140568	0	13325	12045	48340	37030	719263	166400	82348	568011				
<u>GRAND TOTAL</u>		456060	322803	9000	29785	44280	510355	181025	1353308	414000	411958	2179266	2149875	400000		

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
024300	EXPLORATORY WORK (DR. PATTEL	0	0	0	0	1100	160	55	1325	550	437	2090	20000			FRANCE SP8
	BOSTID RESPIRATORY	18750	0	0	0	575	425	0	20250			20250	20000			BOSTID SP1
	<u>TOTAL FUNDED</u>	18750	0	0	0	1675	1085	55	21575	550	437	22340	40000			
023300	CEREAL STUDIES	0	0	0	0	0	0	84	84	21	28	133				
024200	CLINICAL STUDIES IN SHIGELLOSE	0	0	0	0	0	0	24	24	0	8	56				
24900	LOPERAMIDE IN TRAVELLERS DIARR	2400	7600	0	0	500	1000	890	12410	3100	4095	19605				
25300	ROLE OF YERSINA INFECTION IN CHILDRENS DIARRHOEA	2080	3750	0		720	6350	1670	14570	3600	4810	23020				
025400	ANTI SECRETORY DRUG TRIAL	550	0	0		0	0	1270	1820	455	600	2875				
025500	INDIGENOUS PLANTS ON THE TREATMENT OF C.DYSENTRY	1735	0	0		0	2090	3675	7500	1875	2475	11850				
025600	DEV. AND EVALUATION OF NEW IMMUNOLOGICAL TECHNIC GIARDIA	900	0	0		240	400	1460	3000	750	990	4740				
025700	EVALUATION OF CHLAMYDIA TRACHMATIC.....	1600	7600	0	2500	500	7005	1500	20505	5125	6765	32395				

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DUNR	CORE FUNDED	DUNR
025000	TYPHOID FEVER DETERMINATION OF CAMP. PROSTAGLA.....	4245	8550	0	2000	500	1275	4200	20770	5190	6855	32815				
026100	ROLE OF PROSTAGLYNE IN THE DEVELOPMENT OF	5940	0	5000		450	5575	3920	20885	5220	6890	32995				
026200	ROLE OF ENDOGENOUS PROSTA. GLANDINS.....	1290	3200				390	875	5255	1440	1900	9095				
026300	SINGLE DOSE FURAZOLIDONE	3360	2000		6000		2100	6800	20260	5065	6685	32010				
026400	ROLE OF ANTIBIOTIC-RESISTANCE AND TREATMENT	680	1200					700	2580	645	850	4075				
026500	PATHOLOGICAL STUDIES ON FATAL COMPLICATIONS	11640	13400				8150	3500	32770	9190	12135	58095				
026600	RANDOMISED CONTROL TRIALDIARRHOEA	1000	5000	0			500	2000	9300	2325	3070	14695				
	P.T.B.G.		112314						112314	428511	52407	593232	98535			
	<u>TOTAL UNFUNDED</u>	38220	164434	5000	10500	2910	34815	32668	289547	472558	110563	871668			87000	UNR08/SR4
	<u>GRAND TOTAL</u>	56970	164434	5000	10500	4585	35900	32723	310120	472898	111000	894008	130535		87000	

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
032500	EXPERIMENTAL CRYPTOSPIDIOSIS IN BABY CHICKS	2290	0	0	15000	380	2350	360	6870	1715	2265	10850	9000			SAREC/SP18
	<u>TOTALS FUNDED</u>	2280			1500	380	2350	360	6870	1715	2265	10850				
031800	MODULATION OF MURINE ANTIBODY RESPONSE TO CHOLERA	6380	0	0	0	1125	4205	465	12175	5045	4015	19235				
031900	AN ANIMAL MODEL FOR THE STUDY OF INVASIVE COLITIS	2915	3500	0	0	0	1865	460	8640	2160	2850	13650				
032100	POTENTIAL CONTRIBUTION OF ENDOTOXIC/TOXIC ACTIVITIES	3100	22900	0	0	0	2800	280	29080	7270	9595	45945				
032200	IMMUNO CHEMICAL ANALYSIS OF V. CHOLERA	2995	33500	0	2500	180	6945	1300	47420	11855	15650	74925				
	H.D.N.S.	15186	39675	0	11000	0	9484	635	75980	150955	9625	236560				
	<u>TOTAL UNFUNDED</u>	30476	99575		13500	1305	25299	3140	173295	175285	41735	390315		100000		SIDA/SP19
	<u>GRAND TOTAL</u>	32756	99575	0	15000	1685	27649	178425	180165	177000	44000	401165	9000	100000		

Project Budget Number	TITLE	Local Staff Costs	Intern't Staff Costs	Consultants	Travel Costs	Contract Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
42800	CULTURALLY BASED NUTRITION EDUCATION ACTION	9000			3200	500	3000	3000	18700	4675	6170	29545		20000		SP26
	<u>TOTAL FUNDED</u>	9000	0	0	3200	500	3000	3000	18700	4675	6170	29545				
041100	WATER SANITATION INTERVENTION TEXNAF	31440	24665		1275	31096	2210	1330	92016	23000	30365	145381				
042300	HEALTH EDUCATION PHASE I ADDENDUM TO WATER SAN. TEXNAF	761					132		893	243	303	1439				
042500	EFFECT OF CERONIC CALORIC MALNUTRITION							9	9	2	3	14				
043500	ANTHROPOLOGICAL RESEARCH TO PROMOTE CEREAL.....	2770	6000		1800	450	780	2500	14300	3575	4719	22594				
043600	VIDEO DOCUMENTATION OF WATER SAN. PROJECT							13	13	4	5	22				
043700	PRIMARY HEALTH CARE	91	1080						1171	306	394	1871				
043800	TRIAL OF WHEAT BASED ORS	1512					912	1800	4224	1056	1340	6620				
044000	SOCIO ENVIRONMENTAL DETERMINANTS....	10309	9280			400	250	1997	22736	5684	7503	35923				
044200	EFFECT OF ZINC SUPPLEMENT ON..	2904	6358				340	2244	11846	2962	3909	18717				

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Operating Cost	Direct Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
044300	ABSORPTION OF MACRONUTRIENTS FROM FAMILIAR FOOD IN.....	2118	6374				940	25580	41012	16253	15534	64799				
044500	FEEDING/REHABILITATION UNIT	9236			19	3000	140	5	12400	3112	4109	15621				
044600	ANALYTICAL INVESTIGATIONS INTO MORTALITY IMPLICATIONS	364				852		12	1200	302	394	1909				
044700	ENVIRONMENTAL INTERVENTION CONTAMINATION	4944	6960			300	1799	13756	33739	8435	11134	53308				
044800	EVALUATION OF RISKS OF DEATH	118					86	1	205	51	68	324				
	H.M.S.	2046	130653		4006	0	0	3281	154586	122917	54045	331548		100715		SP25A
	<u>TOTAL UNFUNDED</u>	91113	199370	0	7100	36578	16389	56108	409039	184577	130080	733635		120715		
	GRAND TOTAL	90113	199370	0	10300	36578	16389	56108	409039	184577	130080	733635		120715		

NUTRITION WORKING GROUP 1985

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs Funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
	TRIAL OF RICE ORS		5250				2000	11000	18250	7009		25259		25259		UNICEF
	CLINICAL BASED RICE CITRA		4333			74	1500	5000	10907	4444		15351		15351		UNICEF
	CLINICAL TRIAL RICE SALT		1083			225	1000	5500	7808	3716		11524		11524		UNICEF
	STABILITY OF CEREAL ORS					165	1500	4000	5665	2918		8583		8583		UNICEF
	ON GOING CHANDPUR STUDY		6500	8741	6000	5000	2000	1000	29241	24954		54195		54195		UNICEF
	ANTHROPOLOGICAL STUDIES			3400	3000	758	3000		10158	5537		15695		15695		UNICEF
	TRIAL OF SUPER ORS		7250				9600	12500	29350	11576		40926		40926		UNICEF
	CONTINUATION OF DIFF. ORS		8983			500	3500	18500	31483	16269		47752		47752		UNICEF
	CEREAL BASED WITH VIT.A.															
	TOTAL	0	35399	12141	9000	6722	24100	57500	142862	76423	0	219285		219285		5P258

CEREAL BASED ORT 1985 FUNDED

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consultants	Travel Costs	Contract Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
050301	DSS MATLAB															
050302	DSS MATLAB TRAINING															
050303	DSS MATLAB DHAKA ACTIVITIES															
050304	CIDA DSS COMPUTER ACTIVITY															
055501	DSS TEKNAF (FIELD)															
055502	DSS TEKNAF (DHAKA) CIDA/DSS PROJECT	205970	152000	24175	20035	75120	44180	23545	523025	150755	172600	826380	730000			CIDA/SRI
051000	INTERACTIONS BETW. MATERNAL NUTRITION MORBIDITY		3288			12	14	135	3449	905	1160	5512	4000			JHU/SP11
052401	COMMUNITY HEALTH SERVICES	14614			7435	1809		1938	25796	6449	8512	40757	10965			UNFPA/SP24
052402	COMMUNITY HEALTH SERVICES MCH															
054601	MCH-FP EXTENSION PROJECT DHAKA															
054602	MCH-FP EXTENSION SIRAJGANJ															
054604	MCH-FP EXTENSION NOAPARA															
054607	MCH-FP SIRAJGANJ REPLICABLE															
054608	MCH-FP NOAPARA REPLICABLE															
	TOTAL MCH-FP/CHS/EXTENSIONS	446177	72000	45000	64772	34400	61100	10500	731949		176110	908059	907000			USAID/SP27
054605	MCH-FP EXTENSION TEKNAF	1850			220		100	700	2870	720	945	4535	4535			UNFPA/SP24
054609	POP. COUNCIL OPERATIONAL RESEARCH ACTIVITY	19974							19974			19974	19000			POPCO/SAFE
054710	BANGLADESH GOV'T. MATERNAL CHILD HEALTH PROGRAM					34000			34000			34000	50000			FORD/SP6
054701	UVP - WATER SANITATION													100000		AGF/SP1
054702	UVP - SERVICE															UNDP/SP21
054703	UVP - NUTRITION/FIELD SUPPORT															BELG/SP3
	TOTAL UV PROGRAMME	99329	77284	4000	22980		57250		260842		80861	341703	167000	53000		UCF/SP25C
	NORP	10686	30165			240	1036	684	42811		11189	54000	54000			FORD/SP5

PROJECT Budget Number	TITLE	Total Staff Costs	Internal Staff Costs	CONSULTANTS	TRAVEL Costs	CONTRACTUAL Services	SUPPLIES & Materials	Interdepartmental Recovery	total Direct Operating Cost	Research Support	Management Support	Total Operat Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	LORE FUNDED	DONOR
054800	CIDA HANDPUMP PROJECT	50249	28305			5905	3320	3940	91719		281	92000	92000			CIDA/SP32
055100	IMPACT OF MEASLES IMMUNISATION	27900	5436		625	9427	1400	8750	53538	13384	17668	94590	84590			UNDP/SP20
054400	CHILD MORTALITY SOCIO AND BIOLOGICAL DETERMINANTS		1315					7	1522	345	307	1974	2000			PRIN/SP16
NEW	FAMILY PLANNING INFECTIOUS MORBIDITY STUDY		30328		1500	500	30906	3000	66214		16553	82767	79000			FORD/SP7
<u>TOTAL FUNDED</u>		876748	380121	71175	117567	159495	199206	53199	1857509	152556	486186	2496251	2212090	153000		
053100	ANTENATAL/POST NATAL CARE							5	5	1	2	8				
053400	DYNAMICS OF NUTRITION							51	51	14	17	82				
054602	MCH-FP EXTENSION MUMSHIGANI	42					1	22	65	17	22	104				
054900	FIELD COMPARISONS BETWEEN WHO.	51349			625	1530	2197	1088	56789	14197	18740	89726				
050200	INFANT MORTALITY DYNAMICS IN...							2	2	1	1	4				
055300	STUDY ON SOCIO-ECONOMIC/MORTAL							3000	3000			3000				
055700	ICDDR/B/JHU COLLABORATIVE PROJ.	5230					150		5380			5380	5400			JHU/SP12
	C.S.R.W.G.		241418		1269	12	14	156	242869	261214	112032	616115	137500			NORAD/SP13
<u>TOTAL UNFUNDED</u>		56621	241418	0	1894	1542	2362	4324	308161	275444	130814	714419	142900	10000 15000 25000	0	0
<u>GRAND TOTAL</u>		933369	621539	71175	119461	161035	201568	57523	2165670	428000	617000	3210670	2354990	176000		

Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consul-tants	Travel Costs	Contract Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
071000	CHOLERA EPIDEMIC	43596			10488	9460	5367	7328	76239	19060	24701	120000	119000			FORD/SP4
071100	DISC	21307	12404		10000	6289			50000			50000	50000			IDRC/SP9
071400	TRAINING MATERIALS DEVELOPER	345	60753		2435		11311	156	75000			75000	75000	27000		UCF/SP25D
	<u>TOTAL FUNDED</u>	65248	73157	0	22923	15749	16678	7484	201239	19060	24701	245000	244000	27000		
071000	CHOLERA EPIDEMIC (BALANCE)					8040	41071		49111	15778	20827	85716				
071100	DISC (BALANCE)	15450	7136			51203	14000		87789	34447	45470	167706		25000		IDRC/SP9B
070602	3RD ASIAN CONFERENCE				20000				20000			20000				
070625	EMBANKMENT WORKSHOP							8	8	2	3	13				
070630	COLLABORATIVE ACTIVITIES		2960						2960			2960				
070631	RESEARCH TRAINEESHIP		3416						3416			3416				
070632	INTERNATIONAL FELLOWSHIP		2732					36	2768			2768				
070633	OTHER TRAINING		2960					68	3028			3028				
070638	TRAINING COURSE ON DIARR. DISEASE/LAB ASPECT (INDON)							12	12	3	4	19				

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Operating Cost	Direct Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
070639	TRAINING COURSE ON D/D EPIDEMIOLOGICAL ASPECT (INDON)		2048						2048			2048				
070653	AFRICAN CONF. ON D/D				1292	17	28	19	1356	280	436	2072				
070654	TRAINING COURSE ON D/D ASPECT FOR MEDICAL OFFICERS							12	12	3	4	19				
070656	TRAINING IN INDONESIA							24	24	6	8	38				
070657	ORGANISATION/MANAGEMENT OF NATIONAL REHYDRATION							444	444	100	144	696				
070658	D/D MANAGEMENT FOR C - PARTICIPATION						132	720	852	172	272	1296				
071303	CIC NATARGAON	1327							1327	336	428	2091				
070300	TRAINING BRANCH	23308	7577	3120		1976		5689	41670	14280	18850	74800	30000	30000		ARE/SP34
	T.E.C.W.B.	5530	64935	12940					83405	157525	72853	313783				US/SP28/P29/P30
	<u>TOTAL UNFUNDED</u>	45615	95764	16060	21292	61236	55231	7032	300230	222940	159299	682469		107500 100000 450000 250000 75000		AGF/SP18 CIDA/SP33 UNDP/SP22 EEC/SP23
	GRAND TOTAL	110863	166921	16060	44215	76985	71909	14516	501469	242000	184000	927469	290400	839500		

TRAINING BRANCH

Project Budget Number	TITLE	Local Staff Costs	Intern'l Staff Costs	Consultants	Travel Costs	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
151400	SAUDI PROJECT - DAMMAN	69965	70637	0	54389	5880	4330	804	206005	10958	90000	306963	140000	140000		SAUDI/SP17
	SAUDI PROJECT - RHYADH	0	15000	0	20000	0	0	0	35000	0	0	35000	140000			
	TOTAL	69965	85637	0	74389	5880	4330	804	241005	10958	90000	341963	280000	140000		

SPECIAL PROJECTS 1985

Pro Bud Num	TITLE	Local Staff Costs	Interat'l Staff Costs	Consul- tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Interdepartment Materials	Recovery	Total Direct Operating Cost	RECOVERY	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
	DISEASE TRANSMISSION FUNDED	480446	183694	32000	86000	0	47520	385557	474425	1689642	557582	447755	2694979				
	DISEASE TRANSMISSION UNFUNDED	57705	112957	22050	0	36603	14984	44196	22163	310658	111022	82324	504004				
	PATHOGENESIS FUNDED	27819	1033		1183			1770	2107	33912	11191	8987	54090				
	PATHOGENESIS UNFUNDED	45100	180877	3367	0	18850	5043	13113	20249	286599	103083	75949	465631				
	HOST DEFENSE FUNDED				0			10406	9561	216302	79885	57319	353506				
	HOST DEFENSE UNFUNDED	38652	131533	11025	0	11616	3509	41689	102901	391329	129136	103702	624167				
	NUTRITION FUNDED	125835	95260	9178	6600	0		74919	49891	430543	150584	114093	695220				
	NUTRITION UNFUNDED	104869	160785	14392	0	11985	13732	270175	176578	2729610	900772	723346	4353728				
	COMMUNITY SERVICES FUNDED	1330789	587631	115782	102886	0	145769	30781	17364	734863	251010	194738	1180611				
	COMMUNITY SERVICES UNFUNDED	137046	413437	32050	0	25381	78804	70978	41321	701674	231553	185942	1119169				
	TRAINING FUNDED	140900	111009	15612	158134	0	163720	23595	17200	199109	74212	52763	326084				
	TRAINING UNFUNDED	57539	72604	10747	0	9680	7744	9680	4477	355420	117290	94087	566797				
	SPECIAL PROJECTS SAUDI	139240	104738	19845	68365	0	9075	9680									
	TOTAL	2685940	2155558	286048	423168	114115	499736	976859	938237	8079661	2717320	2141005	12937986				
	MAINTENANCE & LOGISTICS	318599	44100	0	0	14299	8960	260634	17459	664051							
	RESEARCH SUPPORT	1032225	421995	38500		7148	49359	459460	44574	2053269							
	TOTAL RESEARCH SUPPORT	1350824	466095	38500	0	21447	58319	720102	62033	2717320							
	MANAGEMENT SUPPORT	348872	538145	46715	0	66381	290300	45035	87503	1422951	0	0	1422951				
	RESOURCES DEVELOPMENT	34365	128278	33075	0	43660	22564	10706	1600	274248	0	0	274248				
	MANDATORY COMMITTEE	2831	11025	18853	0	149193	6595	4598	7744	200839	0	0	200839				
	GUEST HOUSES	14274	0	0	0	0	13915	1271	304	29764	0	0	29764				
	CANTEEN	30259	0	0	0	0	500	3694	243	34696	0	0	34696				
	EMPLOYEES BENEFITS	20087	0	0	0	1096	42442	11915	18415	93955	0	0	93955				
	STAFF DEVELOPMENT	55000	0	4060	0	5000	800	0	155	64955	0	0	64955				
	CAPITAL DEVELOPMENT	11948	0	0	0	0	0	7045	604	19597	0	0	19597				
	TOTAL MANAGEMENT	517636	677448	102643	0	265330	377116	84264	116568	2141005	0	0	2141005				
	GRAND TOTAL	4554400	3299101	427191	423168	400892	935171	1781225	1116838	12937986							

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consul-tants	Travel Costs Funded	Tran- Cost Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Man- ent Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS TO BE PRESENTED TO DONOR	CORE FUNDED	DONOR
01-49-00	SURVEILLANCE BHAYA HOSPIT 11234						2057		14425	27716	2146	7345	34207				UNDF/WHO
01-70-00	VACCINE FIELD TRIAL	219212	83694	12000	50000		27520	103500	240000	801926	264636	212510	1279072	50,000			USAID
	NEW PROTOCOLS ESTIMATED	250000	100000	20000	50000		20000	200000	220000	360000	283800	227900	1371700				USAID
TOTAL		480446	183694	32000	86000	0	47520	385557	474425	1689642	557582	447755	2694979	50,000	0		

DISEASE TRANSMISSION FUNDED 1980

Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED (U DONOR)	CORE FUNDED	DONOR
01-01-00	DT WORKING GROUP	28349	112957	22050		36603	12765	8470	11785	232979	85388	61739	380106				
01-34-00	HANDIPARA CLINIC	9356					219	726	378	10679	3524	2830	17033				
01-46-00	SURVEILLANCE MATLAB								3000	3000	990	795	4785				
01-59-00	ROLE OF CHOSTRIDUM	10000						10000	2000	22000	7260	5830	35090				
01-71-00	MOLECULAR CHAR. OF MULTIPL							10000	2000	12000	3960	3180	19140				
01-72-00	ADAPT. OF AN ADULT RABBIT	10000					2000	15000	3000	30000	9900	7950	47850				
TOTAL		57705	112957	22050	0	36603	14984	44196	22163	510658	111022	82324	504004				

DISEASE TRANSMISSION UNFUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
92-33-00	CEREAL STUDIES		6						354	350	119	95	574				UNICEF
	EUSTID	27500							925	28425	9380	7535	45338	28000			BOSTID
	TREATMENT OF AMPICILLIN I SHIGELLA	313	1035		1183		1770		828	5127	1642	1359	8178				UNICEF
	TOTAL	27819	1035	0	1183	0	0	1770	2107	33912	11191	8987	54090	28,000			

PATHOGENESIS & THERAPY FUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul- tants	Travel Costs Funded	Travel Costs Un-fundd	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CONE FUNDED	DONOR
020100	P & T WORKING GROUP	16261	145044	3367		7335	4317	3029	5716	185069	69578	49043	303690				
024200	CLINICAL STUDIES OF SHIGELLOSIS	98				3272			37	3407	1124	903	5434				
026300	SINGLE DOSE FURAZOLIDONE	1013	1502			5324			4719	12558	4144	3328	20030				
025700	EVALUATION OF CLAMYDIA	1114	8269					4253	1210	14846	4899	3934	23679				
025800	TYPHOID FEVER DETERMINE	12604	2302			2919	726	726	7574	26851	8861	7116	42828				
026200	VAN LOONS PROTOCOL							5000		5000	1650	1325	7975				
026400	ROLE OF ANTIBIOTIC RESIST		3000							3000	990	795	4785				
026500	FATAL COMPLICATIONS CHILD	13735	16250					105	85	30175	9959	7996	48129				
032400	BROVINE COLOSTRUM ANTI CHOLERA TOXIN	275	4510						908	5693	1879	1509	9081	300,000			unφ
TOTAL		45100	180877	3367	0	18850	5043	13113	20249	286599	103083	75949	465631	300,000			

PATHOGENESIS & THERAPY UNFUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	ADDITIONAL
030100	HOST DEFENSE W. GROUP	27515	94048			6776	242	5566	970	135115	53093	35805	224013				
032100	ENDOTOXIN TO ENTEROTOXIN	11139	26460	5512		4840	2662	2420	1331	54364	17940	14406	86710				
032200	V. CHOLERA ANTIGUS		11025	5513			605	2420	7260	26823	8852	7108	42783				
TOTAL		38652	131533	11025	0	11616	3509	10406	9561	216302	79885	57319	353506				
HOST DEFENSE UNFUNDED										1986							

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	-FUNDED AMOUNT	PROPOSALS TO BE PRESENTED TO DONOR	CORE FUNDED	DONOR
NEW	TRIAL OF RICE ORS	7426	11460				323	550	15400	35159	11602	9317	56078				UNICEF
NEW	CLINICAL TRIAL OF RICE CITRATE	5060	7260				110	1650	5500	19580	6461	5189	31250				UNICEF
NEW	CLINICAL TRIAL RICE SALT	11529	5850				550	3300	17050	36059	11899	9556	57514				UNICEF
NEW	ON GOING STUDIES CHANDPUR	46937	7260	9178			5500	2090	1100	72065	23781	19097	114943				UNICEF
NEW	PERFUSION STUDIES ON RICE	9892	6050				820	6600	4400	27752	9161	7357	44280				UNICEF
NEW	ANTHROPOLOGICAL STUDIES	8058	19650		3300		1950	3200	7351	42609	14061	11291	67961	400,000			UNICEF
NEW	MOTHER TRAINING PROMOTION	10091			3300		1100	13849		28340	9352	7510	45202				UNICEF
NEW	TRIAL OF SUPER ORS	15172	15660					2200	24750	57782	19068	15312	92162				UNICEF
NEW	CONT. DIFFERENT ORS	3748	11460				413	1650	11850	29121	9610	7717	46448				UNICEF
NEW	CEREAL BASED VIT A	7922	12950					6600	15500	42852	14141	11356	68349				UNICEF
TOTAL		125805	118950	9178	6600	0	9066	41689	102901	391529	124156	103702	624167	400,000			

NUTRITION FUNDED 1996

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Costs	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
041100	WATER SANITATION TEKNAF	25986	11080	442		968	5643	2650	1912	46861	15464	12418	74743				
044000	DIARRHOEA & MALNUTRITION A' SLUM/A VILLAGE	3262	3822			17		80	1584	8745	2986	2317	13948				
044300	ABSORPTION OF MACRONUTRIE	8048	16840				635	1592	4815	31930	10537	8461	50928				
	INCLUSION OF ALL UNFUNDED PROJECTS AS PER 1985 BUDGET PLUS INFLATION	59417	123513			11000	7224	55017	35000	299971	104195	76842	471008				
	TRIAL CEREAL BASED DIET	9156	5730	13950			2200	15400	6800	53056	17502	14055	94593				
	TOTAL	104869	160785	14392	0	11985	13702	74919	49991	430543	150584	114093	695220				

NUTRITION UNFUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS TO BE PRESENTED TO DONOR	CORE FUNDED	DONOR
050301	DSS MATLAB	25238			5500		5412	16500	22660	75310	24852	19957	120119	860,000			CIDA
050303	DSS MATLAB/DHAKA	91409	152460	21000	19470		22550	19800	1100	327769	108170	86864	522823				CIDA
054701	URBAN VOLUNTEERS (WATER SANITATION)	32956	30000		3000		5000	5000	10000	85956	28365	22778	137099	102,000			UNDP
054702	URBAN VOLUNTEERS (SERVICE)	59855	31000	6000	21480		10000	10000	20000	158335	52251	41959	252545	300,000	207417		AID/AGFUND/BELG
054703	URBAN VOLUNTEERS (NUTRITION FIELD SUPPORT)	46575	20000		7500		2500	2500	5000	84075	27745	22280	134100		110138		UNICEF
054800	CIDA HANDPUMP PROJECT	76147	46058	4410	4065		8421	5630	15356	158087	52169	41893	252149	127,000			CIDA
055100	IMPACT OF MEASLES IMMUN. MATERNAL CHILD HEALTH	56403			1887			4356	7429	70075	25125	18570	111770		87593		UNDP/WHO FORD
NEW	EFFECTS ON MEN MIGRATION	15216	23400		5100		600	8900		53216	17561	14102	84879		66520		POP. COUNCIL JHU
NEW	ROCHE YETI PROPOSAL	6614								6614	2183	1753	10550	6,000			IDRC
NEW	INFANT MORTALITY DYNAMICS	22975			4000		500			27475	9067	7281	43823		27475		
NEW	ADOLESCENT PREGNANCY OUTCO	1200	6240		5944				600	13984	4615	3706	22305		17480		PRINCETON
055501	DSS TERNAF	74340			2750		3300	4950	6853	92193	30424	24431	147048				CIDA
055502	DSS TERNAF/DHAKA	39448	20790	9482	5170		13200	2970	880	91940	30340	24364	148644				CIDA
NEW	INFECTIOUS DISEASE RESEAR	12165	18750		2500		355	32243	2000	68013	22444	18023	108480	80,000			FORD
054801																	
054803	MCH-FP EXTENSION	755248	238933	74890	14520		73931	156326	84700	1398548	461521	370615	2230684	150,000			USAID
054804														1300,000			
TOTAL		1330789	587631	115782	102886	0	145769	270175	176578	2729610	900772	723346	4353728	2925,000			

COMMUNITY SERVICES RESEARCH FUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Intern'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
050100 050200	COMMUNITY SERVICES WORKING GROUP	22278	357925	22050		10285	63646	2420	9317	487921	169519	129299	786739				
054605	MCH-EP EXTENSION TEKNAF	5395				769		436	2512	9112	3007	2415	14534	15,000			
NEW	DYNAMICS OF	21004				1000	2000	1200		25204	8517	6679	40200				
NEW	INFANT MORTALITY DYNAMICS	7800					2450	250		10500	3465	2782	16747	25,000			IDRC
NEW	METAB CURREY	20000	50000	10000		10000		17400		107400	35442	28461	171303				
054900	FIELD COMPARISON RICE SAL	60569	5512			3327	10708	9075	5535	94726	31260	25102	151088				
TOTAL		137046	413437	32050	0	25381	78804	30781	17364	734863	251010	194738	1180611	40,000			

COMMUNITY SERVICES RESEARCH UNFUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Intern'l Staff Costs	Consultants	Travel Costs Funded	Tr. Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
	INT. TRAINING COURSES	9134	8820		96800		4840	7260	83490	135203	44617	35829	215649		215649		
	SECOND AFRICAN CONF.							6050		6050	1997	1603	9650		9650		
071000	EPIDEMIC CONTROL	37509		4410	19360		9680	7260	124023	90621	29905	24014	144540	60,000			FORD
071400	TRAINING MATS. DEVELOPER	8084	61464		6353		19360		124633	107724	35549	28547	171820		94171		UNICEF
	MASS COMMUNICATION	19264		9702	6050			3908	314611	42070	13883	11148	67101				
	DISC	53092	22050		12221		125840	24200	496103	242364	79980	64226	386570	75,000			
	NATIONAL TRAINING COURSES	13817	18675	1500	750		4000	22300		61042	20144	16176	97362		64075		UNICEF
	TRAINING IN KENYA				18600					16600	5478	4399	26477	30,000		5478	AGA YHAN
	TOTAL	140900	111009	15612	158134	0	163720	70978	41321	701674	231553	185942	1119169	165,000			

TRAINING FUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
070100	TRAINING	9020	26299	9079		6655	3751	1210	3509	54523	26498	14448	95469				
070300	TRAINING BRANCH	45734	44100	6668		2420	3751	9680	12723	125076	41275	33145	199496				
070500	COLL. ACTIVITIES							6050	605	6655	2196	1764	10615				
070632	INTL. FELLOWSHIP	2785	2205			605	242	605	563	6805	2246	1803	10854				
070633	OTHER TRAINING							6050		6050	1997	1603	9650				
	TOTAL	57539	72604	10747	0	9680	7744	23595	17200	199109	74212	52763	326084	1350,000			

375,000
250,000
300,000
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EEC
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TRAINING UNFUNDED 1986.

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Operating Cost	Direct Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED	DONOR
141400	SAUDI ARABIA	139240	104750	19845	68365		9075	9680	4477	355420	117290	94087	566797	560,000			SAUDI
	TOTAL	139240	104750	19845	68365	0	9075	9680	4477	355420	117290	94087	566797	560,000			

SPECIAL PROJECTS FUNDED 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
090101	DIRECTORS OFFICE	16144	237733	33075		28070	255431	6655		33759			610867			
090103	ADVISORY COUNCIL MEETING					666	91	30		182			969			
090104	SCIENTIFIC ADVISORY COUNC	385				1694	182						2261			
090105	RESEARCH REVIEW COMMITTEE	1903	9477	1025		121		605		787			13918			
090106	ETHICAL REVIEW COMMITTEE	1903	3791	5308		242	303	440		847			10834			
090107	DIRECTORS PROGRAM DEVELOP					5388	363	1331					5082			
090201	ASS.DIR. FINANCE		108982	6000		8712	5143	1815		2301			132953			
090202	PERSONNEL & GSB	173769	61599			6111	12826	9075		11375			274755			
090203	TRAVEL OFFICE	8558				50	460	400		800			10268			
090204	ESTATE OFFICE	22640				121	8409	16940		6898			55008			
090501	BUDGET FINANCE OFFICE	110483	52121	3307		5106	4611	6050		30008			211686			
090601	ADMINISTRATIVE OFFICE	13087	64442			12100	2481	1694		546			94350			
TOTAL		348872	538145	46715	0	66381	290300	45035		87503		0	0	1422951		

MANAGEMENT

SUPPORT

1996

Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
100100	RESOURCES DEVEL. OFFICE	125865	128278	33075		43560	22264	10406		263448			263448			
100200	PUBLIC RELATIONS OFFICE	9500				100	300	300	1600	10800			10800			
TOTAL		54365	128278	33075	0	43660	22564	10706	1600	274248	0	0	274248			

RESOURCES DEVELOPMENT 1986

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
110100	BOARD OF TRUSTEES	418				101055	3388	2662		4840			112343			
110300	EXTERNAL SCIENTIFIC REVIE			13230		26257	363			1210			41060			
110500	CONSULTATIVE GROUP			662		21780	2662	1331		605			27040			
110600	PROGRAM COORDINATION COMM	2413	11025	4961		121	182	605		1089			20396			
TOTAL		2851	11025	18853	0	149193	6595	4598		7744			200839			

MANDATORY COMMITTEE 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul- tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
170101	CAFETERIA DHAKA	27259						1694	243	29196			29196			
170201	CAFETERIA MATLAB	3000					500	2000		5500			5500			
	TOTAL	30259	0	0	0	0	500	3694	243	34696	0	0	34696			

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
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946 5500 5500 5500 17446 17446

120100 STAFF CLINIC 20087

150 36942 6415 12915 76509 76509

TOTAL 20087 0 0 0 1096 42442 11915 18415 93955 0 0 93955

EMPLOYEES BENEFITS 1986

Project Budget Number	TITLE	Local Staff Costs	Internat'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO BOMR	CORE FUNDED
160101	GUEST HOUSE NO. 1	776					9075	666	1182	17709			17709			
160102	GUEST HOUSE NO. 2	608					4840	605	122	12055			12055			
TOTAL		1384	0	0	0	0	13915	1271	1304	29764	0	0	29764			

GUEST HOUSES 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
140100	RESEARCH STAFF	55000		1000		5000	250			61405			61405			
140200	OTHER TRAINING			3000			550			3550			3550			
	TOTAL	55000	0	4000	0	5000	800	0		64955	0	0	64955			

STAFF DEVELOPMENT 1986

Project Budget Number	TITLE	Local Staff Costs	Intern't'l Staff Costs	Consul-tants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartmental Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	FUNDED AMOUNT	PROPOSALS PRESENTED TO DONOR	CORE FUNDED
150103	CAPITAL PURCHASES															
150101	CONSTRUCTION	11139					1210		121	12470			12470			
150102	CONSTRUCTION	209					4235		183	4627			4627			
150201	LAND PREPARATION						600		100	700			700			
150202	CONSTRUCTION	400					600			1000			1000			
150205	CONSTRUCTION	200					400		200	800			800			
	TOTAL	11948	0	0	0	0	7045		604	19597	0	0	19597			

CAPITAL DEVELOPMENT 1986

Project Budget Number	TITLE	Local Staff Costs	Internt'l Staff Costs	Consultants	Travel Costs Funded	Travel Costs Un-funded	Contractual Services	Supplies & Materials	Interdepartment Recovery	Total Direct Operating Cost	Research Support	Management Support	Total Operating Costs	RECOVERY	CORE FUNDED	DONOR
080101	SUPPLY BRANCH	53025	44100			7623	2966	6050	4175	117939			117939		132552	
080102	SUPPLY STORE DHAKA	2163					424	139150	545	142284			142284		142880	
080103	TOOLS AND SPARES	2163					122	8470	243	15000			15000		16699	
080201	TRANSPORT MANAGEMENT	98070				6615	3631	67155	909	176380			176380	160450	42956	
080301	MAINTENANCE	98374				81	847	24200	19255	134737			134737		162122	
080304	BIO ENGINEERING CELL	23500					243	726	303	24802			24802		31286	
080306	TRANSPORT MAINTENANCE	36270					727	14885	1029	52909			52909		62905	
TOTAL		318599	44100	0	0	14299	9960	260634	17459	664051	0	0	664051	160450	591400	

MAINTENANCE & LOGISTICS 1986

RESERVE FUND REPORT

**REPORT ON THE MANAGEMENT OF THE RESERVE FUND OF THE INTERNATIONAL
CENTRE FOR DIARRHOEAL DISEASE RESEARCH, BANGLADESH (ICDDR,B)**

Submitted by James J. Bausch

Vice President, The Population Council

Under a Ford Foundation Consultancy to ICDDR,B, 10 through 15 March 1985

SCOPE OF THIS REPORT

There are two primary groups of actions required to put ICDDR,B's Reserve Fund on a firm basis:

1. The first involves a coherent, coordinated set of procedures for managing and controlling the Fund, including establishing an initial goal for its size, rules for investing its assets, for adding to and for withdrawing its funds, and for governing the use of such funds as may be withdrawn. These items are the essential ones and require decisions by the Centre's Board of Trustees and subsequent actions by the Finance Committee of the Board to implement them.

2. The second involves preparation of an attractive document for dissemination to the Centre's current and prospective donors to tell briefly the exciting and promising story of the Centre and its work, to describe the need for a Reserve Fund, to summarize for the outside reader how the Centre and the Fund are managed, and to provide information on how donors may contribute to the Fund.

This report concentrates on the first point. It is very much to be considered a working draft open to further input, modification and interpretation by Centre trustees, staff and donors more knowledgeable of the Centre's particular nature and characteristics than I. Ten resolutions, beginning on page 7 of this draft, are proposed for trustee action. The language of these

resolutions is in conventional board resolution form, which entails a certain degree of formality; I have tried, nevertheless, to make sure that it is also lucid and precise enough to enable action to be taken easily and quickly should the proposed resolutions be adopted.

I would be pleased to answer any questions, to incorporate suggestions into a further draft, or to take a different approach if that appears to be indicated, and otherwise to continue to assist the Centre in this task--recognizing, of course, the demands of my own schedule in limiting how much additional time I might be able to devote.

PRELIMINARY NOTES TO THE PROPOSED RESOLUTIONS

I should call initial attention to the fact that some of the proposed resolutions may, perhaps, seem overly detailed when compared to other resolutions of the Centre's Board, and I would argue that such detail (set down in written form in the resolutions or elsewhere) is appropriate for at least four reasons: (1) this is a new kind of venture for the Centre rather than one in which it has a history of relevant experience; (2) it involves a fund that will likely have its assets managed in the United States and its use managed by a corporate entity headquartered in Bangladesh. With that unusual geographic separation, more detail and clarity seems preferable to less; (3) I believe that the present less than encouraging state of the Centre's financial management operations indicate that very detailed resolutions from the Board are required at this particular time to assure the proper management of the Fund from the outset. Such detail seems all the more appropriate in that a new Centre Director is about to take over and the Associate Director for Finance and Administration is leaving in June with a successor not yet identified; and (4) I believe that donors are adding to their knowledge and appreciation of the Centre's superb professional work an increasing awareness that the Centre's financial management as it now exists is not of that same high level but needs revision and improvement, and such donors would be reassured and

encouraged about the Reserve Fund if its guiding principles and operational guidelines were very clearly established in some detail by formal Board action.

The Board may wish to decide to excerpt some of the details presented within the proposed resolutions and to incorporate them instead into a separate report that is approved by the Board and filed with the resolutions as part of the Centre's official records, thus keeping the resolutions themselves somewhat simpler and shorter. On the other hand, there is much to be said for having any necessary detail included within the resolutions themselves especially in light of points (2) and (3) immediately above. It should also be noted that, while resolutions are not to be considered lightly, neither are they set in stone; they can be quite detailed in their initial form and can be simplified or otherwise changed by subsequent Board action as appropriate. A final argument for considering many details now is that it is preferable to include them rather than to omit them at this stage in a working draft, and then to reduce or delete unwanted ones, should the Board choose to do so.

Resolutions I and II call for the establishment of an ICDDR,B Reserve Fund and the simultaneous closing of any present reserve fund held by the Centre. This may seem to be redoing something that has already been done, inasmuch as the Board has previously voted on this subject and a reserve fund now appears to exist. It is my judgment, however, that these first two resolutions are prudent and probably even necessary (a) because of the vagueness of the previously recorded discussion and resolutions that called for the establishment of a reserve fund; (b) because of potential conflict between any provisions concerning the governance of a reserve fund that may now be understood to exist and the provisions proposed in this set of resolutions; and (c) especially because of the absence of clear regulations regarding the management and disposition of any present reserve fund or any convincing indication that such a fund could be consistently and properly managed under the language that now exists. It is advisable, for these reasons as well as for future reference; to begin again and to have all regulations regarding the

establishment and management of a reserve fund collected in one place and approved at one time by the Board of Trustees.

Resolution III calls for an initial Fund size of US\$10 million. To be effective as intended, the Centre's Reserve Fund ought to be at least equal to its annual budget, especially given the need for both income from the Fund and the potential of heavily borrowing from it for cash flow purposes. Further, the establishment of an initial goal tends to stay in donors' minds for some time and a \$10 million goal is likely to be a realistic one for the foreseeable future; if an interim initial goal were to be set lower--for example, at \$5 million, as had been proposed--there is both difficulty in changing it if that target is quickly achieved and even more difficulty in telling donors that, whereas the Centre once needed \$5 million, it now needs \$10 million.

The main point, however, is that \$10 million appears to me to be the appropriate size of a Reserve Fund needed for the uses intended. Not included, for example, in any past Board, donor or staff discussions that I have seen on the need for a Reserve Fund is what I think to be the near certainty that, precisely as the Centre's programs and projects become more exciting and promising, the amount of donor funds available for that work will increase, but will do so at the expense of flexible, unrestricted funding.

I believe this to be a true if insufficiently-discussed fact of life for grantee institutions such as the Centre: that, as the institution matures and its programs improve and become more attractive, donors will increasingly want to attach their funds more narrowly to those programs and will less and less support the broad core programmatic expertise of the organization, thereby forcing it to struggle increasingly harder in its efforts to remain innovative, to set its own priorities, and to maintain its own special professional identity--the very qualities that attracted donors in the first place and that made possible the currently promising program activities they wish to support. This is all the more true when, as increasingly is happening, donors that support programs and projects do not really support the full costs of such

work frequently because they decree artificially low ceilings on the indirect costs they will pay for that work.

Indirect costs for Centre programs and projects, while very real and needing payment if the institution is to continue to exist, simply appear to donors to be less attractive. This, in turn, forces the grantee institution to complement its program-restricted donor funds with unrestricted funds from elsewhere, thereby cutting into its ability to remain innovative, to undertake new pilot work, and to pursue fresh leads. This is not a complaint against donors, which supply the life-blood of organizations such as the Centre, but merely recognition of a fact of present donor-grantee life. A corollary of this fact is that, more and more, the source of these needed unrestricted funds must come from the grantee institution itself. The twin needs that will force the Centre to rely increasingly upon its own income--the underwriting of some of its most promising experimental work as donors opt for restricted rather than flexible support, and the need to fill the gap left by donors that do not cover the full costs of restricted work--form a strong argument for the creation of a \$10 million Reserve Fund for the Centre if its future is to be assured.

Resolution IV empowers the Finance Committee to act on behalf of the Centre in Reserve Fund matters, and Resolution V allows the Centre's officers to cause appropriate deposits to be made to the Fund.

Resolutions VI and VII require all gains and losses of the Fund and all expenses of administering the Fund to be borne by the Fund itself. As the Fund exists to support the Centre's operations, and not vice-versa, these two resolutions assure that monies will not be diverted from program purposes to underwrite the Fund's costs.

Resolutions VIII and IX set down in some detail the main provisions for withdrawals from the Fund. Resolution VIII provides for temporary withdrawals

for cash flow purposes, for invasion of principal up to 10 percent in any fiscal year (which gives the trustees the flexibility to do this if the Centre is faced with unusual program opportunities and/or if the Fund grows substantially through capital appreciation), and for increasing levels of principal invasion for emergency purposes. Actions to invade principal require increasing levels of trustee approval.

Resolution IX requires the Finance Committee, acting upon the advice of the Reserve Fund's outside investment manager(s), to fix a dollar amount for Fund income that can be spent in an upcoming fiscal year, and thus to determine a specific dollar sum of such income in advance of when it is actually earned. It may seem strange to attempt to fix the dollar amount of such anticipated income in advance of the year in which the Fund will earn it in that such a figure will, of course, only be approximate; but it is necessary to fix that amount in advance to maintain proper budget planning and control, and to do so conservatively to protect the Fund's value, while also trying to keep in mind the changes in that value during any upcoming year because of the temporary withdrawal of various sums during the year for cash flow purposes. As the Fund matures and temporary cash flow withdrawals appear to approach an annual pattern, this exercise will become easier and more reassuring in that it can then be increasingly based on cumulative performance and Fund value over several previous fiscal quarters, and less upon prognostication. Inexact as this exercise may appear (and is), it determines in advance a known dollar limit and forces over the use of such funds some degree of budgetary control (a degree that notably exceeds the control presently evident in some of the Centre's other financial management practices. Such evidence of prior planning and control is, I believe, a necessity to assure knowledgeable donors of the sound management of the Fund).

Resolution X gives guidelines for the Director's use of the Reserve Fund's income.

PROPOSED RESOLUTIONS FOR THE ICDDR,B RESERVE FUND

The following resolutions are proposed for consideration by the Centre's Board of Trustees at its May 1985 meeting:

- I. **RESOLVED:** That the Reserve Fund of the International Centre for Diarrhoeal Disease Research, Bangladesh is hereby created, the principal and income of which shall be held by the Centre for disposition at the discretion of its Board of Trustees in pursuit of the Centre's established purposes and in accordance with duly provided provisions governing the Fund.
- II. **RESOLVED:** That any monies now held in any Centre reserve fund previously initiated shall be considered transferred, credited and deposited in their entirety to this Reserve Fund at the time this resolution is approved; that the officers of the Centre shall act to accomplish any necessary actions in this regard on the first business day following such approval or as soon as practicable thereafter; and that any previously initiated reserve fund shall be correspondingly debited, closed and terminated.
- III. **RESOLVED:** That the initial goal of the Reserve Fund shall be US\$10 million.
- IV. **RESOLVED:** That, except where contrary provisions may prevail, the Board of Trustees gives to the Finance Committee acting within its own approved set of procedures (or, in the event of the unavailability of such a committee when action is required, to the Chairperson of the Board of Trustees) the powers to determine all matters pertaining to the management of the Reserve Fund including but not limited to the establishment of investment policies for

the Reserve Fund and the oversight of such policies. Further, the Board requires that the Finance Committee shall report immediately any policies that are established or changed to the Chairperson of the Board and to the Director of the Centre, and shall also report such policies or changes to the next meeting of the Board of Trustees.

- V. **RESOLVED:** That the officers of the Centre are authorized and directed to deposit and credit to the Reserve Fund all assets received or to be received that are designated for the Reserve Fund by donors or by the Board of Trustees acting as a whole, through its Chairperson, or through the powers it has invested in its Finance Committee.
- VI. **RESOLVED:** That the officers of the Centre are authorized and directed until further resolution of the Board of Trustees to cause all capital gains and losses of the Reserve Fund to be accrued to the Reserve Fund.
- VII. **RESOLVED:** That the officers of the Centre are authorized and directed until further resolution of the Board of Trustees to cause all expenses of the Reserve Fund including investment management fees, segregated management costs, Reserve Fund development, and all other costs reasonably associated with the Reserve Fund to be charged to the Reserve Fund.
- VIII: **RESOLVED:** That the Reserve Fund shall function largely as an endowment in that, ordinarily, the Centre will use only its income to fund operating expenses, under provisions provided for in other Board actions. The Centre's Board of Trustees may, however, authorize the use of the principal of the Fund according to the following schedule:

- the Director of the Centre may make temporary withdrawals of cash from the Fund to meet the Centre's cash flow demands pending receipt of assured or reasonably expected operational funds from donors, provided that such withdrawals shall not exceed in their total US\$1.2 million at any given time, and further provided that any amounts so used shall always be repaid in full to the Fund as soon as the expected donor funds are received. Separate withdrawals and repayments shall be made for each such occurrence; this Board action does not constitute authority to keep a single withdrawal out of the Fund for use on a continuing or rolling basis. In exercising this authority, the Director is required simply to notify the Finance Committee and the Chairperson of the Board whenever such withdrawals are made, noting the amount of each withdrawal, the expected revenues that funds are being withdrawn against, and the expected date of repayment of the amount withdrawn; the Director is also required to report in the same manner the actual date(s) on which any withdrawn funds are repaid;

- up to ten percent of the total value of the Fund may be withdrawn for the Centre's operating expenses in any fiscal year by a simple majority vote of the Board;

- up to 30 percent of the total value of the Fund may be withdrawn for emergency use* in any fiscal year by a two-thirds vote of the Board;

- more than 30 percent of the total value of the Fund may be withdrawn for emergency use* in any fiscal year by a four-fifths vote of the Board;

- whenever withdrawals of more than ten percent of the fund shall be made in any fiscal year for emergency use*, the Board shall instruct the Centre's Director to notify any donor that shall have contributed more than five percent of the total value of the Fund at the time the withdrawal is made of the action taken and the reasons for that action, and the Board shall further instruct the Centre's Director to inform such other persons and organizations as the Board considers appropriate of such action and reasons;

- *"Emergency use" shall be defined by the Board of Trustees at the time such withdrawals are proposed and reasons supporting the wisdom and prudence of such action will be then set in writing by the Board, which shall act in the best interests of the Centre and in ways consistent with the Centre's established purposes. Whenever possible, funds withdrawn for emergency purposes shall be repaid to the Fund in full or in part as soon as possible, provided that the Centre or any successor organization shall continue to exist and to operate in ways consistent with the Centre's established purposes.

IX. RESOLVED: That the Director is authorized to withdraw and to use the Fund's annual income, up to an amount to be specified by the Finance Committee as provided for below, for the Centre's operational purposes, upon application to the Board for approval to do so. Ordinarily, the Director shall apply to the Board for authority to withdraw and to use such funds through inclusion of a specified amount in the Centre's annual budget at the time the budget is submitted to the Board for approval; and, further,

That the maximum amount of such income withdrawn for this purpose is to be fixed by the Finance Committee in advance of the year in which it is to be used. This amount shall be determined annually, in advance of the Board meeting at which the Centre's budget is presented for approval. In determining this amount, the Finance Committee shall seek and be guided by the written advice of the Fund's outside investment manager(s) as to what income can conservatively and reasonably be anticipated for the coming year given past experience, the current value of the Fund, and the expected value of the Fund during the year ahead based upon the addition of assured or reasonably anticipated future contributions to the Fund during that period; and, further,

That 75 percent of the income so withdrawn may be included in the budget simply as the "Director's Program Fund" to be used throughout the year as s/he determines, subject only to the provisions below in Resolution X, and need not be tied at the time this approval is sought to specific program or project purposes; and, further,

That the remaining 25 percent of each annual withdrawal of income shall be separately set aside for use as a "Contingency Fund," also under the Director's control. This Contingency Fund may be used for the sole purposes of meeting unforeseen fiduciary requirement(s) or for safeguarding the Centre's programs against shortfalls in expected revenues (except for shortfalls due to temporary cash flow demands that are to be met by other provisions). If all of the funds available for the Contingency Fund are not used within a fiscal year, the Director shall not cause them to be transferred to other uses, but any balance

shall be carried over to the subsequent year's Contingency Fund, and in that subsequent year supplemented by the addition of new income to bring the Contingency Fund up to a level equal to 25 percent of that year's withdrawn income. Reserve Fund income thus freed up from assignment to the Contingency Fund in such carryover years is then to be made available for the Director's Program Fund which, in such years, can be increased beyond an actual 75 percent of the withdrawn Reserve Fund income. It is thus the intention of the Trustees that "savings" in the use of the Contingency Reserve Fund will result in a direct addition of income to the less restricted and more exciting Director's Program Fund.

X. **RESOLVED:** That the Director shall be responsible for the expenditure of the funds from income identified in the above resolution except that:

- before applying them, the Director shall seek the advice (but not necessarily the consent) of an "Advisory Group of Scientists" whose members shall be a combination of those on the staff of the Centre and appropriate outside persons. The members of this advisory group, who shall be appointed by the Director for terms of at least one year, may change from time to time and their names shall be reported to the Board annually when approval of the budget is sought;

- where the withdrawal of income is to be applied to specific programmatic purposes that can be identified in advance of the coming fiscal year, the Director shall report such purposes to the Board at the time that Board approval of the Centre's annual budget is sought;

- where the purposes of the income to be withdrawn cannot be identified in advance, such revenue shall be considered as flexible funding except that its use shall be restricted to one or more of the following: (1) to supplement funding in those projects where donors are not paying the full costs of important Centre work; (2) to underwrite innovative work for which donor support has not yet been identified; and (3) to explore promising new lines of research and training;

- the Director shall be required to provide to each meeting of the full Board information on how funds derived from Reserve Fund income are being used in that current year.

Appendix A: Draft of the Finance Committee's Statement of Investment Objectives and Guidelines

Appendix B: Selected Investment Management Companies

APPENDIX A

DRAFT OF ICDDR,B FINANCE COMMITTEE ACTION March 1985

Proposed by James J. Bausch

Consultant to the Centre, 10-15 March 1985

The Finance Committee of the International Centre for Diarrhoeal Disease Research, Bangladesh, acting upon authority given to it by the Centre's Board of Trustees at its May 1985 meeting, hereby proposes to the manager(s) of the Centre's Reserve Fund the following statement of objectives and guidelines.

THE RESERVE FUND

of

The International Centre for Diarrhoeal Disease Research, Bangladesh

Statement of Investment Objectives and Guidelines

Background

The Reserve Fund was created in 1985 to provide a financial base to

ensure support for the Centre's operations. The income and principal are used by the Centre at the discretion of its Board of Trustees under provisions adopted by the Board. The Reserve Fund functions largely as an endowment and, ordinarily, the Centre uses some or all of the income for operating expenses. The Centre may also, from time to time, make temporary withdrawals of cash to meet cash flow needs, but these amounts are always repaid to the Fund upon receipt of other revenues. The Board of Trustees can authorize the expenditure of up to 10 percent of the current value of the Fund in any fiscal year in support of current work and, further, can authorize the expenditure of larger percentages of the Fund for emergency purposes. The income requirement is defined by the Centre's annual operating budget which is approved by the Board of Trustees. It is not anticipated that the operating budget should have a liquidating effect on the Fund's investments; therefore, the assets of the Fund should be invested for growth to increase the Fund's capital in real terms, with the exception that, to meet possible temporary withdrawals for cash flow purposes, at least US\$1.25 million shall be kept in safe short-term cash investments to allow ready access to these funds without danger of real loss of principal.

Discretionary Authority

We grant the manager full discretion to buy, sell, invest and reinvest the assets of the Fund consistent with the policy and guidelines set forth in this document.

ObjectivesGoal

Simply stated, the goal of the Fund is to maximize long-term total return through a combination of income and capital appreciation in a manner consistent with sound investment practice. Accordingly, the manager will be required to exercise a high degree of fiduciary care, skill, prudence, and diligence in the management of the Fund's assets.

Absolute investment objectives

The Fund's total return objective is to earn at least a 6 percent cumulative annual real return, after adjustment by the U.S. GNP Implicit Price Deflator over such rolling periods of up to five years as we shall reasonably select. In this respect, the Fund will be measured on an "internal rate of return" basis to provide actual rates of return. The manager should avoid a portfolio composition which might lead to a 5 percent negative total rate of return in any fiscal year, even under extraordinarily bad market conditions. "Total return" means return derived from dividends, interest, and realized and unrealized gains and losses.

We expect that there will be some periods within which the Fund's absolute objective cannot be met because of general securities market conditions, hyperinflation or other factors unrelated to good long-term investment judgment. Since we do not wish the manager to change investments simply to meet our

stated rate of return objective each year, we have stated relative as well as absolute performance goals to be considered during interim periods in a market cycle.

Relative investment objectives

For most successive three-year periods, we wish to see relative equity performance better than the average performance of a suitable index of other managed equity oriented portfolios, not merely the standard market indices. We shall also, from time to time, compare results with a suitable index of historically outstanding investment management firms.

Other characteristics of rate of return

We emphasize that growth can be achieved in part through the buying and holding of at least some securities whose principal attraction is the steady growth of dividends, or the unusually high rate of current income. Lower volatility of total return make dividend paying securities attractive investment candidates. In general, equity securities in this category should demonstrate dividend growth at least equal to the rate of inflation as measured by the U.S. GNP Deflator. However, it is also our expectation that to reach our goal the principal source of return will be the timely purchase of securities, stocks or bonds, whose prices will appreciate.

In complying with our objectives, the manager is to avoid becoming

wedded to a narrow investment style or to mechanical investment practices. We encourage the manager to be flexible, and we expect that strategies and tactics will shift as may be called for by the economic and securities environments. Fundamental industry and company analysis should be the primary basis for investment decisions, coupled, however, with sensitivity to both market and price.

Asset mix

Except for the provision noted above for a minimum investment of U.S.\$1.25 million to meet temporary cash flow needs, the assets can be distributed among all classes of equities and fixed income securities, provided, however, that there shall never be less than 20 percent of the portfolio in equities or less than 20 percent in fixed income investments. (Convertible securities shall be classified as equities.)

Diversification and investment quality

Even though it may have adequately diversified the portfolio geographically and by industry, in our view the portfolio is not diversified if it contains a large proportion of interest sensitive stocks (such as utility, bank, finance, insurance, construction or companies with unsound debt structures), or other such groups subject to a single significant economic, social or political event, as, for example, a cut in U.S. defense spending.

General Provisions

Investment strategy should be implemented with a relatively long-term

perspective; equity turnover should be moderate. The manager should take advantage of trading opportunities without becoming a "trader," as the dominant style. We emphasize the importance of adhering to a sell discipline, and expect that sell decisions will be made as carefully as purchase decisions.

Investments shall be only in marketable stocks and bonds; this precludes not only private placements, restricted securities and real estate investments, but also nominally public issues for which the market is severely restricted. No investments can be made in pooled funds, except short-term investment funds. As a rule, at least 75 percent of the market value of the equity portfolio should be securities listed on The New York Stock Exchange. All other securities shall be of a class listed on a national securities exchange or traded in the over-the-counter market and quoted in the National Association of Securities Dealers Automatic Quotation Service.

Except for securities issued or guaranteed by the United States of America, the manager shall not purchase the securities of any issuer if the purchase would cause the Fund to have more than 4 percent of the market value of assets at the time of purchase invested in the securities of such issuer.

The manager shall not purchase stock (or securities convertible into stock) of any issuer if the purchase would cause the Fund's assets to include more than 2 percent of the outstanding voting stock, or more than 2 percent in value of all outstanding shares of all classes of stock of the issuer (assuming all

conversions had been made by the Fund). Further, such securities when taken together with all identical securities held for accounts under the manager's control, shall not constitute an illiquid position.

The portfolio should comprise the securities of quality companies; not necessarily only those of large companies.

The manager may invest in fixed income securities as it deems prudent, including U.S. Government and agency obligations, marketable corporate bonds and debentures, commercial paper, certificates of deposit, short-term investment funds and other such instruments. The quality shall be at least "A" or equivalent in a standard rating service. The quality rating of short-term paper purchased individually shall be rated A-1 or P-1.

The manager shall not purchase equity securities on margin, sell short, trade in commodity futures, or deal in put and call or other option contracts.

Fund Reviews

Reviews with the Finance Committee or its representatives will be held at least annually and sufficiently after the close of the period to have performance measurement results available for review. During each meeting the manager's investments will be compared with this document, in summary form, to ensure compliance with the objectives and guidelines. Performance will be measured.

quarterly but judgments on performance will be made over appropriately longer periods.

All material to be covered during each meeting should be mailed to a designated person for distribution to the Finance Committee in summary form so as to arrive ten days prior to the meeting.

A written quarterly review is required which should include the following:

- Investment environment and strategy employed for the most recent past period and especially departures from the prior outlook report.
- Forward look at the economic and market situation and the Fund's posture given alternative futures.
- Statement of Assets in the manager's current format.
- A listing of the ten largest equity securities holdings showing market value and percent of total Fund market value for each, and for all ten.
- A listing of new securities acquired and those disposed of during the period including book and market value for each.
- Changes, if any, in fixed income/stock ratios.

Other items of importance which may occur, such as changes in our working relationship necessary to comply with pertinent legislation; material changes in the manager's organization, investment philosophy, or outlook; recommendations concerning any change in policy which the manager believes should be considered by the Finance Committee.

On a monthly basis the manager shall provide a statement of assets. The manager shall also, upon the request of the Finance Committee, furnish other pertinent information in a timely manner.

Miscellaneous

For making calculations of percentages in one kind of security or another, market value will be used as the basis unless otherwise indicated. With respect to the asset mix percentages, maximum levels should not be exceeded for a period greater than thirty days without consultation with the Finance Committee.

If any performance figures are presented by the investment manager, they must be reconciled in advance with whomever is preparing such figures for the Finance Committee.

Gains or losses shall not be realized simply for reporting appearances. The manager will be required to notify the Finance Committee of the intent to realize particularly large losses before the fact.

The manager shall use its own judgment, subject to the periodic directions of the Finance Committee, in placing securities transactions with brokerage firms. In general, it should deal with financially sound firms capable of giving the Fund a good combination of price, commission and service.

This statement is not immutable, but any changes or exceptions to it will be in writing and delivered to the manager.

Agreed to by the Fund's Investment Manager:

By: _____

Title: _____

Date: _____

SELECTING AN INVESTMENT MANAGER

Selecting an investment manager for the ICDDR,B's Reserve Fund is a task made more complex than normal because (a) the Fund will be actively managed by a U.S.-based firm guided by policy decisions made in Bangladesh; (b) the firm must make timely reports to persons based in Bangladesh; (c) the requirement that U.S.\$1.25 million of the Fund be kept in safe, short-term cash instruments for possible temporary cash flow use may be unattractive to some managers; and (d) the small size of the Fund excludes it from consideration by many good investment firms.

The first problem can be largely dealt with through the provision of guidelines and objectives that are mutually agreeable to the Centre and to the investment firm; a set of possible guidelines and objectives is presented in Appendix A. The reporting problem can be easily met by designating someone in the United States with whom an investment manager can be quickly in touch should the need arise; other reporting requirements can simply be accommodated to the mail schedules between the U.S. and Bangladesh. The real problems involve the large cash demand and the Fund's size, which excludes a major portion of U.S.-based firms.

There are, however, several reputable firms that can be approached to manage the Fund. They include the following, all of which have been thoroughly researched by the Population Council directly and through its investment consultant, Hamilton, Johnston and Company. Many of the

firms will take on accounts that will eventually build up to their minimum levels for investment; that is, the Centre would not have to produce the minimum amount up front, but as the funds were raised.

The next step ought to be for the Centre to establish a small committee to interview a few potential investment firms in the U.S.; I would suggest that the committee begin with the firms I have asterisked below, as it is my judgment that they would offer the Centre the kind of service it is seeking. Attached are background materials on the asterisked firms, and I can supply data on the other firms listed, if requested; I might also be able to help further in this task, if and as appropriate.

<u>Firm Name</u>	<u>Minimum Account Size (in millions of U.S.\$)</u>	<u>Assets Managed (in millions of \$)</u>
Sanford C. Bernstein*	0.1	2,509
Beutel, Goodman Capital Mangmt.*	5.0	151
Cooke & Bieler	5.0	1,300
Delaware Investment Advisors	10.0	5,500
First Manhattan Company	10.0	1,574
Cyrus J. Lawrence*	2.0	248
Lazard Freres Asset Management	10.0	3,007
Lehman Management	10.0	5,600
Oppenheimer Capital*	5.0	4,936
Reich & Tang	10.0	509
Warburg, Pincus Counsellors	5.0	2,050

* Attachments

Hamilton, Johnston & Co., Inc.

Consultants on Investment Planning, Organization and Supervision
52 Vanderbilt Avenue · New York, NY 10017 · (212) 682-8680

SANFORD C. BERNSTEIN & CO., INC.

767 Fifth Avenue
New York, New York 10153
(212) 486-5800

ORGANIZATION

registered investment advisor, member NYSE; founded in 1967 to provide research to institutions and to utilize that research in the management of pension and profit sharing, foundation, and endowment accounts; ownership is distributed among 28 active employees of the firm.

KEY PERSONNEL

Sanford C. Bernstein - Chairman; Founder
Lewis Sanders, CFA - President
Roger Hertog - Executive Vice President
Peter Carman - Chief Investment Officer;
Chairman, Investment Policy Committee
David A. Levine - Economist
Ann Heilakka, CFA - Senior Portfolio
Manager
Andrew Adelson - Senior Portfolio Manager

ASSETS UNDER MANAGEMENT

	<u>millions</u>	<u>accounts</u>
tax-exempt	\$1,843	584
taxable	<u>\$ 666</u>	<u>1,355</u>
total	<u>\$2,509</u>	<u>1,939</u>

NEW ACCOUNT PREFERENCES

\$100,000 minimum account size.

RESEARCH SOURCES

28 research analysts screen over 1,500 companies, follow 400 closely; sell research to 250 investment managers; very little outside research; analysts specialized by industry.

-2-

INVESTMENT PHILOSOPHY

to achieve consistent returns, while preserving capital especially in down markets; forecast a number of plausible scenarios and calculate expected returns for stocks, bonds and treasury bills; then assign a "probability" of occurrence to each scenario and based on the forecasted array of returns and client constraints, decide on appropriate asset allocations; approach is value-oriented using fundamental techniques.

EQUITY STRATEGY

look for economic sectors that are undervalued; concentrate in medium to large companies which are currently out-of-favor; emphasize active economic sector rotations; screen universe and pick high ranking companies that are high quality, have high dividend yield, and low relative price to book value relationships; security is a candidate for sale when it falls below the top 20% of the rankings, and must be sold if it drops below the top 40% of the rankings.

FIXED INCOME STRATEGY

combinations of fixed income securities with financial futures; combinations of stocks plus full continuum of bond maturities ranging from cash to long-term bonds; identify abnormal spreads between sectors; scenario forecasting; temporary use of financial future short sales to eliminate interest rate risk in a volatile fixed income environment.

REPRESENTATIVE CLIENTS

Corporate: American Can Co.; American Hoechst Corp.; Ashland Oil, Inc.; Avnet, Inc.; Blue Cross and Blue Shield of Detroit; BMW of North America; Bristol-Myers Co.; Chrysler Corp.; Columbia Pictures Inds., Inc.; Fischbach Corp.; Foxboro Co.; W.R. Grace & Co.; Johnson & Johnson; Knight-Ridder Newspapers, Inc.; MCA, Inc.; Norton Co.; Pabst Brewing Co.; Pittsburgh Corning Corp.; Ralston Purina Co.; Schering-Plough

REPRESENTATIVE CLIENTS
CONT'D.

Corporate (Cont'd): Corp.; Standard Oil Co. of California; Times Mirror Co.

Foundation/Endowment: Benedum Foundation; College of St. Thomas; Lycoming College; Mills College; Rockefeller Brothers Fund; Sisters of Pariseau Association

Public: New York State Teachers' Retirement System; North Dakota Public Employees' Retirement System

December, 1983

FEE SCHEDULE

SANFORD C. BERNSTEIN & CO., INC.

Using Sanford Bernstein's Brokerage:

- * 55% discount on brokerage
1% on the first \$5 million
.875% on the next \$5 million
.75% on the next \$5 million
.50% on the next \$5 million
.375% thereafter
- * this fee applies on accounts over \$5 million

Without Using Sanford Bernstein's Brokerage:

- 1% on the first \$10 million
.75% on the next \$15 million
.50% thereafter

On Accounts under \$5 million

- * 1% on the first \$5 million
40% discount on brokerage
- * this fee applies on accounts from \$1 million to \$5 million only

INVESTMENT MANAGER BIOGRAPHY

NAME

Lewis A. Sanders, CFA

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

President; Chief Operating Officer;
Research Director; Member, Investment
Policy Group; Member, Executive Committee

DATE OF CURRENT
ASSOCIATION

1968

PREVIOUS EMPLOYMENT

1966-1968 Oppenheimer & Co. - research
and administrative assistant

EDUCATION

Columbia University, B.S., 1968

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; NYSE Supervi-
sory Analyst; Member, New York Society of
Security Analysts; Member, Institutional
Investor All-America Research Team for
four years

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Sanford C. Bernstein

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Founder; Chairman; Chief Executive
Officer; Member, Investment Policy Group;
Member, Executive Committee

DATE OF CURRENT
ASSOCIATION

1967

PREVIOUS EMPLOYEMENT

1949-1952 Marshall Plan (France) -
Industrial Economist
1952-1955 Value Line Investment Survey -
research analyst
1955-1959 Food Fair - financial assistant
to the President
1959-1965 Oppenheimer & Co. - research
analyst; discretionary money manager;
institutional salesman
1965-1967 Ralph E. Samuel & Co., NYSE
firm - Partner

EDUCATION

New York University, Heights College of
Arts and Pure Science, B.S., 1947

Harvard University, Graduate School of
Business Administration, M.B.A., 1948

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Ana-
lysts; Chairman, The Institute for Jewish
Experience

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Peter Carman

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Chief Investment Officer; Chairman,
Investment Policy Group

DATE OF CURRENT
ASSOCIATION

1981

PREVIOUS EMPLOYEMENT

1967-1972 The Prudential Insurance Co. -
portfolio manager; analyst
1972-1973 Bernstein-Macaulay, Inc. -
portfolio manager; analyst
1973-1979 Peter L. Bernstein, Inc. -
In charge of Investment Management;
consultant, Institutional Clients
1979-1981 The First National Bank of
Denver - Chief Investment Officer;
Chairman, Investment Policy Committee;

EDUCATION

Brown University, B.A., 1963

Harvard University, Graduate School of
Business Administration, M.B.A., 1971

NOTES:

Author of "The Trouble with Asset Alloca-
tion," published in the Fall of 1981 by
the Journal of Portfolio Management

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

David A. Levine

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Chief Economist; Director, Fixed Income
Management Department; Fixed Income Research
Analyst; Member, Investment Policy Group

DATE OF CURRENT
ASSOCIATION

1972

EDUCATION

City College of New York, Phi Beta
Kappa, B.A., 1968

Columbia University, M.Phil., 1974

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Ana-
lysts; Member, Institutional Investor All-
America Research Team

NOTES:

Author of "The Cause and Danger of Interest
Rate Volatility", published in 1976 by the
Journal of Portfolio Management

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

INVESTMENT MANAGER BIOGRAPHY

NAME

Andrew S. Adelson

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153
New York, NY 10153

POSITION OR
SPECIALTY

Senior Portfolio Manager; Research
Analyst - research Analyst; Research
Director, Health Care and Consumer
Products Group

DATE OF CURRENT
ASSOCIATION

1980

1978

PREVIOUS EMPLOYMENT

1978-1980 Ernst & Whinney - senior
auditor

1976-1978 Robert S. First
research analyst

EDUCATION

University of Pennsylvania, Wharton School
of Finance & Commerce, B.S., 1977

University of Pennsylvania, Wharton School
of Finance & Commerce, M.B.A., 1978

University of Pennsylvania, M.B.A., 1976

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Ana-
lysts; 1982 Institutional Investor All-
America Research Team 60 years

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Kenneth Abrahmowitz

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Research Analyst; Research
Director, Health Care and Consumer
Products Group

DATE OF CURRENT
ASSOCIATION

1978

PREVIOUS EMPLOYEMENT

1976-1978 Robert S. First, Inc. - senior
research analyst

EDUCATION

Columbia University, B.A., 1972

Harvard University, Graduate School of
Business Administration, M.B.A., 1976

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, Institutional Investor All-America
Research Team for three years

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Ann P. Heilakka, CFA

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Portfolio Manager; Member,
Investment Policy Group

DATE OF CURRENT
ASSOCIATION

1982

PREVIOUS EMPLOYEMENT

1972-1982 Bank of New York - assistant
Vice President, Investment Counsel

EDUCATION

Mount Holyoke College, A.B., 1972

New York University, Graduate School of
Business Administration, M.B.A., 1977

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, New
York Society of Security Analysts; Finan-
cial Women's Association of New York

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Charles C. Cahn, Jr., CFA

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Research Analyst; Research Analyst,
National Resources and Capital Goods Group

DATE OF CURRENT
ASSOCIATION

1979

PREVIOUS EMPLOYEMENT

1972-1975 Prudential Insurance Co. -
analyst
1975-1978 Sanford C. Bernstein & Co. -
research analyst
1978-1979 Goldman Sachs & Co. - analyst

EDUCATION

Washington & Lee University, B.A., 1970
Columbia University, Graduate School of
Business, M.B.A., 1972

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, New
York Society of Security Analysts; Institu-
tional Investor All-America Research Team
for the past three years

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

David Eisenberg

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Chief Investment Strategist, Research
Department

DATE OF CURRENT
ASSOCIATION

1972

PREVIOUS EMPLOYEMENT

1969-1971 Zuckerman Smith & Co. -
investment analyst

EDUCATION

New York Institute of Finance, Graduate
Attended Bronx Community College

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Ana-
lysts; Institutional Investor All-America
Research Team for the past nine years

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Marilyn G. Fedak

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1984

PREVIOUS EMPLOYMENT

1972-1984 Morgan Guaranty Trust Co. -
Vice President; head, Investment Group;
portfolio manager, Investment & Trust
Division

EDUCATION

Smith College, B.A., 1968

Harvard University, Graduate School of
Business Administration, M.B.A., 1972

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Jonathan E. Gray

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Research Analyst

DATE OF CURRENT
ASSOCIATION

1973

EDUCATION

Wesleyan University, B.A., 1970

New York University, Graduate School of
Business Administration, M.B.A., 1973

Conducted studies at Harvard University &
the Sorbonne in Paris

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Ana-
lysts; Institutional Investor All-America
Research Team for the past eight years

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Steven Novak, CFA

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Portfolio Manager; Research
Analyst

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYEMENT

1973-1981 Harris Trust & Savings of
Chicago - Vice President; portfolio
manager, Special Capital Fund
1981-1982 R. Elliot King & Associates -
research analyst; portfolio manager

EDUCATION

Purdue University, B.S., 1970

Harvard University, Graduate School of
Business Administration, M.B.A., 1973

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, Finan-
cial Analysts Federation; San Francisco
Society of Security Analysts

DATE OF LAST
INFORMATION

December, 1983.

INVESTMENT MANAGER BIOGRAPHY

NAME

Francis H. Trainer, Jr., CFA

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Manager, Fixed Income Investments

DATE OF CURRENT
ASSOCIATION

1980

PREVIOUS EMPLOYEMENT

1972-1975 United States Fidelity & Guaranty
Co. - fixed income portfolio manager
1975-1980 Monumental Capital Management
Co. - fixed income portfolio manager

EDUCATION

St. Joseph's University, B.A., 1968
Temple University, Graduate School of
Business Administration, M.B.A., 1972

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; member, Fixed
Income Analysts Society; America Finance
Association

Notes:

Co-author of "Holding Period Is the Key to
Risk Thresholds", published by the Journal
of Portfolio Management in 1978 and "The
Uses of Treasury Bond Futures in Fixed-
Income Portfolio Management" in the Finan-
cial Analysts Journal, in 1983

DATE OF LAST
INFORMATION

December, 1983

TOP TEN EQUITY HOLDINGS

SANFORD C. BERNSTEIN & CO., INC.

12/31/78

IBM
Xerox Corp.
U.S. Life Corp
FMC Corp.
Exxon Corp.
Westinghouse Corp.
Melville Corp.
AT&T
RCA Corp.
Squibb Corp.

12/31/79

Exxon Corp.
Gillette
Philip Morris, Inc.
Lubrizol
Marriott
AT&T
3-M
American Can
Perkin Elmer
Lone Star

12/31/80

Philip Morris, Inc.
General Motors
Wells Fargo & Co.
Avon Products
Union Carbide Corp.
Dart & Kraft, Inc.
Crocker Nat'l. Corp.
CBS, Inc.
Household Finance Corp.
Xerox Corp.

12/31/80

General Motors
Xerox Corp.
Gulf Oil
Wells Fargo & Co.
Union Carbide Corp.
Manufacturer Hanover
Household Int'l.
Crocker National Bank
U.S. Steel

06/30/82

General Motors
Texas Eastern
Ford Motor
Philco
Woolworth
Westinghouse
Union Carbide
Xerox Corp.
InterNorth, Inc.

09/31/82

General Motors
Texas Eastern
Phibro-Salomon
Ford Motor
Manufacturers Hanover
Xerox
Champion Int'l.
Tenneco, Inc.
Valero

12/31/82

General Motors
Ford Motor
Texas Eastern
Valero
Schlumberger, Ltd.
Manufacturers Hanover
Tenneco, Inc.
Gulf Oil
Avon Products
World Dutch Petroleum

03/31/83

General Motors
Ford Motor
Houston Inds.
World Dutch Petroleum
Gulf Oil
Tenneco, Inc.
Manufacturers Hanover
Mobil Corp.
Texas Eastern
Chase Manhattan Bank

06/30/83

AT&T
General Motors
Ford Motor
Royal Dutch Petroleum
Houston Inds.
Tenneco, Inc.
Gulf Oil
InterNorth, Inc.
Digital Equipment
Schlumberger, Ltd.

Hamilton, Johnston & Co., Inc.

TOP TEN EQUITY HOLDINGS

SANFORD C. BERNSTEIN & CO., INC.

09/30/83

AT&T
General Motors
Ford Motor
Philip Morris, Inc.
IBM
Houston Inds.
Tenneco, Inc.
Royal Dutch Petroleum
Tandem Computers
Central & Southwest

39% of total equities

12/31/83

AT&T
IBM
General Motors
Digital Equipment
Ford Motor
Philip Morris
Houston Inds.
Royal Dutch Petroleum
Tandem Computers
Tenneco, Inc.

44% of total equities

EQUITY PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	<u>1983</u>	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>3 yrs</u>	<u>5 yrs</u>	<u>7 yrs</u>
<u>SANFORD C. BERNSTEIN & CO., INC.</u>													
Time-weighted composite of all equity-oriented accounts (includes cash)	28.0%	35.3%	13.8%	26.9%	27.6%	1.1%	5.6%	30.9%	38.3%	-20.5%	25.4%	26.1%	19.1%
<u>Hamilton, Johnston Equity Yardsticks^{TM1}</u>													
Banks	18.8	21.5	- 3.8	31.5	18.6	7.4	- 6.6	17.0	27.7	-26.7	11.6	16.7	11.7
Insurance Companies	19.8	22.4	- 2.2	31.4	20.0	7.6	- 6.0	18.3	27.7	-22.7	12.8	17.8	12.6
Investment Companies	17.9	22.4	- 5.0	31.3	25.4	9.5	3.0	22.8	33.8	-26.2	11.1	17.7	13.3
TOTAL	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Market Indexes²</u>													
NYSE Composite	22.6	21.3	- 3.8	32.2	21.7	7.5	- 5.0	26.2	37.4	-26.9	12.5	18.0	13.0
AMEX Composite	33.9	10.0	- 5.9	44.8	67.6	20.2	19.1	34.4	42.2	-30.7	13.5	28.8	25.7
S&P 500	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
S&P 400	22.9	21.2	- 6.9	33.8	18.5	7.5	- 8.5	22.5	37.1	-26.9	11.5	17.1	11.7
DJIA	26.0	27.1	- 3.6	22.1	10.5	2.8	-12.9	23.5	44.8	-23.6	16.2	16.3	9.3

- Notes: 1. Managed portfolios of equities with small amounts of cash reserves.
 2. Unmanaged portfolios.

EQUITY PERFORMANCE COMPARISONS

	1st Qtr. <u>1983</u>	2nd Qtr. <u>1983</u>	3rd Qtr. <u>1983</u>	4th Qtr. <u>1983</u>	Year to date <u>1983</u>
<u>SANFORD C. BERNSTEIN & CO., INC.</u>					
Time-weighted composite of all equity-oriented accounts (includes cash)	8.8%	15.6%	2.6%	- 0.9%	28.0%
<u>Hamilton, Johnston Equity Yardstick^{TM1}</u>					
Banks	9.5	11.0	- 1.8	- 0.5	18.8
Insurance Companies	9.4	10.8	- 1.1	- 0.1	19.8
Investment Companies	9.1	10.9	- 1.6	- 1.0	17.9
TOTAL	9.3	10.9	- 1.5	- 0.5	18.8
<u>Market Indexes²</u>					
NYSE Composite	9.9	11.8	- 0.2	- 0.1	22.6
AMEX Composite	14.9	25.3	- 4.5	- 2.7	33.9
S&P 500	10.0	11.1	- 0.2	0.4	22.4
S&P 400	10.0	11.7	- 0.4	0.4	22.9
DJIA	9.2	9.3	1.9	3.3	26.0

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Unmanaged portfolios.

FIXED INCOME PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	<u>1983</u>	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>3 yrs</u>	<u>5 yrs</u>	<u>7 yrs</u>
<u>SANFORD C. BERNSTEIN & CO., INC.</u>													
Time-weighted composite of fixed income portions of all balanced pension accounts over \$250,000	9.2%	19.7%	15.1%	9.7%	10.8%	7.8%	5.4%	5.1%	6.2%	n.a.	14.6%	12.8%	11.0%
<u>Hamilton, Johnston Fixed Income Yardstick™¹</u>	6.4	29.8	6.0	2.1	2.7	2.5	3.9	15.5	12.4	- 1.0	13.5	8.9	7.2
<u>Market Indexes²</u>													
Salomon Brothers	4.7	43.7	- 1.0	- 2.6	- 4.2	- 0.1	1.7	18.6	14.6	- 3.0	14.2	6.8	5.1
Lehman Corporate Bond Index	9.3	39.2	3.0	- 0.3	- 2.1	0.3	3.1	19.3	16.7	n.a.	16.1	8.9	6.8

- Notes: 1. Managed portfolios.
2. Unmanaged portfolios.

BALANCED PERFORMANCE COMPARISONS

<u>SANFORD C. BERNSTEIN & CO., INC.</u>	<u>1st Qtr. 1983</u>	<u>2nd Qtr. 1983</u>	<u>3rd Qtr. 1983</u>	<u>4th Qtr. 1983</u>	<u>Year to date 1983</u>
Time-weighted composite of all fixed income and equity accounts	7.0%	12.4%	2.2%	0.5%	23.0%
<u>Hamilton, Johnston Equity Yardstick^{TM1}</u>	9.3	10.9	- 1.5	- 0.5	18.8
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	2.8	1.3	0.8	1.4	6.4
<u>50/50 H/J Equity/Fixed</u>	6.1	6.1	- 0.4	0.5	12.6
<u>S&P 500³</u>	10.0	11.1	- 0.2	0.4	22.4
<u>Salomon Brothers Corporate Bond Index³</u>	3.7	1.3	- 0.3	- 0.1	4.7
<u>50/50 S&P 500/Salomon</u>	6.9	6.2	- 0.3	0.2	13.6

- Notes: 1. Managed portfolios of equities with small amounts of cash reserves.
2. Managed portfolios.
3. Unmanaged portfolios.

BALANCED PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	3 yrs	5 yrs	7 yrs
	<u>SANFORD C. BERNSTEIN & CO., INC.</u>												
Time-weighted composite of all fixed income and equity accounts	23.0%	26.7%	8.5%	20.4%	14.3%	0.3%	1.2%	22.9%	35.6%	-15.4%	19.1%	18.4%	13.1%
<u>Hamilton, Johnston Equity Yardsticks^{TM1}</u>	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	6.4	29.8	6.0	2.1	2.7	2.5	3.9	15.5	12.4	- 1.0	13.5	8.9	7.2
<u>50/50 H/J Equity/Fixed</u>	12.6	26.0	1.2	16.8	12.0	5.4	- 0.7	17.5	21.1	-13.1	12.8	13.4	10.1
<u>S&P 500³</u>	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
<u>Salomon Brothers Corporate Bond Index³</u>	4.7	43.7	- 1.0	- 2.6	- 4.2	- 0.1	1.7	18.6	14.6	- 3.0	14.2	6.8	5.1
<u>50/50 S&P 500/Salomon</u>	13.6	32.6	- 3.0	14.9	7.0	3.2	- 2.9	21.1	25.9	-14.7	13.4	12.4	8.8

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Managed portfolios.

3. Unmanaged portfolios.

FIXED INCOME PERFORMANCE COMPARISONS

	<u>1st Qtr. 1983</u>	<u>2nd Qtr. 1983</u>	<u>3rd Qtr. 1983</u>	<u>4th Qtr. 1983</u>	<u>Year to date 1983</u>
<u>SANFORD C. BERNSTEIN & CO., INC.</u>					
Time-weighted composite of fixed income portions of all balanced pension accounts over \$250,000	3.7%	1.6%	1.8%	1.8%	9.2%
<u>Hamilton, Johnston Fixed Income Yardstick^{TM1}</u>	2.8	1.3	0.8	1.4	6.4
<u>Market Indexes²</u>					
Salomon Brothers Corporate Bond Index	3.7	1.3	-0.3	-0.1	4.7
Lehman Corporate Bond Index	5.3	2.0	0.9	0.8	9.3

Notes: 1. Managed portfolios with small amounts of cash reserves.
2. Unmanaged portfolios.

Hamilton, Johnston & Co., Inc.

Consultants on Investment Planning, Organization and Supervision
52 Vanderbilt Avenue • New York, NY 10017 • (212) 682-8680

BEUTEL, GOODMAN CAPITAL MANAGEMENT LTD.

2030 Texas Commerce Tower
Houston, Texas 77002
(713) 221-1790

ORGANIZATION

founded in 1980 as a U.S. affiliate of Beutel Goodman and Company, Ltd.; one-third owned by President of Beutel Goodman Capital Management Ltd.

KEY PERSONNEL

Robert P. McFarland, CFA - President
Richard J. Andrews, CFA - Vice President

ASSETS UNDER MANAGEMENT

	<u>millions</u>	<u>accounts</u>
tax-exempt	\$151	9
taxable	<u>-0-</u>	<u>-0-</u>
total	<u>\$151</u>	<u>9</u>

NEW ACCOUNT PREFERENCES

\$5 million minimum account size.

RESEARCH SOURCES

in-house research conducted by seven portfolio manager/analysts; external research derived from various Canadian and American sources; several hundred companies are regularly monitored by computer using the firm's estimates of earnings growth rates over the next five years; stress company visiting.

INVESTMENT PHILOSOPHY

goal is to select securities with potential for 75% appreciation over the next 18 months; tend to be close to fully invested in up markets; even in down markets most portfolios are 76%

-2-

INVESTMENT PHILOSOPHY
CONT'D.

invested in equities; do not handle fixed income or balanced accounts; seek intrinsic value regardless of market section, rotational, value-oriented approach.

EQUITY STRATEGY

contrarian approach, stressing out-of-favor companies, not well followed by street research; focus on companies and industries which are favorably positioned in the economic cycle; purchase companies which are selling at low P/E in relation to their expected earnings growth and at large discounts to asset value; maintain strict buy and sell disciplines; emphasize concentration with an average of 20-25 stocks in portfolio; average turnover is 40%.

REPRESENTATIVE CLIENTS

Corporate: CPC Corp.; Engelhard Corp.; Hercules, Inc.; Ohrbach's; MacLear Hunter, Inc.; Tate and Lyle

Foundation/Endowment: Teagle Foundation

Public: State of Minnesota

Hamilton, Johnston & Co., Inc.

FRE SCHEDULE

BEUTEL, GOODMAN CAPITAL MANAGEMENT LTD.

1% on the first \$10 million
.6% on the next \$15 million
.3% thereafter

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Robert F. McFarland, CFA

ADDRESS

Beutel, Goodman Capital Management Ltd.
2030 Texas Commerce Tower
Houston, TX 77002

POSITION OR
SPECIALTY

President

DATE OF CURRENT
ASSOCIATION

1982

PREVIOUS EMPLOYMENT

1968-1977 Mitchell, Hutchins & Co. -
Vice President
1977-1982 Vaughan, Nelson and Hargrave -
Vice President

EDUCATION

University of Oklahoma, B.S., 1964

Harvard University, Graduate School of
Business Administration, M.B.A., 1966

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, New
York Society of Security Analysts; Houston
Society of Security Analysts

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

<u>NAME</u>	Richard J. Andrews, CFA
<u>ADDRESS</u>	Beutel, Goodman Capital Management Ltd. 2030 Texas Commerce Tower Houston, TX 77002
<u>POSITION OR SPECIALTY</u>	Vice President
<u>DATE OF CURRENT ASSOCIATION</u>	1983
<u>PREVIOUS EMPLOYMENT</u>	1974-1983 Fayez Sarofim - Vice President
<u>EDUCATION</u>	U.S. Coast Guard Academy, B.S., 1967 Dartmouth College, Amos Tuck School of Business Administration, M.B.A., 1974
<u>PROFESSIONAL ASSOCIATIONS OR MEMBERSHIPS</u>	Chartered Financial Analyst; Member, Houston Society of Security Analysts
<u>DATE OF LAST INFORMATION</u>	December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Austin C. Beutel, CFA

ADDRESS:

Beutel, Goodman & Company Ltd.
2300 Yonge Street, Suite 1201
Toronto, Ontario M4P1E4

POSITION OR
SPECIALTY

Founder; President; Director

DATE OF CURRENT
ASSOCIATION

1967

PREVIOUS EMPLOYMENT

1956-1962 L.F. Rothschild & Co. - Security
Analyst; Registered Representative
1962-1967 Edper Investments Ltd. - Senior
Officer of Investment Holdings; Financial
Director

EDUCATION

McGill University, B.C., 1953

Harvard University, Graduate School of
Business Administration, M.B.A., 1956

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Ned Goodman, CFA

ADDRESS

Beutel, Goodman & Company Ltd.
2300 Yonge Street, Suite 1201
Toronto, Ontario M4P1E4

POSITION OR
SPECIALTY

Founder; Vice President; Director

DATE OF CURRENT
ASSOCIATION

1967

PREVIOUS EMPLOYMENT

1961-1963 Flood Wittstock & Co. -
security analyst
1963-1967 Eder Investments Ltd. -
financial analyst; portfolio manager

EDUCATION

McGill University, B.S., 1960
University of Toronto, M.B.A., 1962

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Steven G. Chrust

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

POSITION OR
SPECIALTY

Senior Research Analyst; Research Director,
Technology Group

DATE OF CURRENT
ASSOCIATION

1970

EDUCATION

Baruch College, City University of New
York, B.B.A., 1972

PROFESSIONAL ASSOCIATIONS
OR MEMBERSHIPS

Member, New York Society of Security Analysts;
Rate of Return Analysts Society;
Institutional Investor All-America Research
Team for the past eight years

BASE

ADDRESS

Sanford C. Bernstein & Co., Inc.
767 Fifth Avenue
New York, NY 10153

DATE OF LAST
INFORMATION

December, 1983

POSITION OR
SPECIALTY

Senior Research Analyst, Research Director,
Technology Group

INVESTMENT MANAGER BIOGRAPHY

NAME

Owen R. McCreery, CFA

ADDRESS

Beutel, Goodman & Company Ltd.
2300 Yonge Street, Suite 1201
Toronto, Ontario M4P1E4

POSITION OR
SPECIALTY

Vice President; Director

DATE OF CURRENT
ASSOCIATION

1973

PREVIOUS EMPLOYMENT

1963-1964 Save & Prosper Ltd., Mutual Fund
Group, England - trader
1964-1965 Hudson Bay Oil & Gas - account &
administrator assistant
1965-1966 Atco Industries - administrator
assistant
1968-1972 Royal Trust Co. - financial
analyst; portfolio manager

EDUCATION

University of Dublin, B.C., 1963
University of Oklahoma, M.B.A., 1968

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Seymour Schulich, CPA

ADDRESS

Beutel Goodman Capital Management Ltd.
2300 Yonge Street, Suite 1201
Toronto, Ontario M4P1E4

POSITION OR
SPECIALTY

Vice President; Director

DATE OF CURRENT
ASSOCIATION

1968

PREVIOUS EMPLOYMENT

1960-1964 Shell Oil Co. of Canada -
general manager
1964-1968 Eastern Securities Ltd. -
Director; Research Director

EDUCATION

McGill University, B.S., 1961
McGill University, Graduate School of
Business Administration, M.B.A., 1965

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

David A. Williams

ADDRESS

Beutel, Goodman & Company Ltd.
2300 Yonge Street, Suite 1201
Toronto, Ontario M4P1E4

POSITION OR
SPECIALTY

Vice President; Director

DATE OF CURRENT
ASSOCIATION

1968

PREVIOUS EMPLOYMENT

1963-1965 A.E. Ames & Co. - institutional
salesman; bond trader
1965-1968 Hodgson, Rogerton, Laing & Co. -
investment counselor; security analyst

EDUCATION

Bishop's University, B.A., 1963

Queen's University, Graduate School of
Business Administration, M.B.A., 1964

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

TOP TEN EQUITY HOLDINGS

BEUTEL, GOODMAN CAPITAL MANAGEMENT LTD.

12/31/82

Borden
First Interstate
Bell & Howell
Goodyear Tire
Control Data
Jonathan Logan
Carson Pirie Scott
Transway
Wolverine World Wide
Monsanto

03/31/83

Bell & Howell
Jonathan Logan
First Interstate
Control Data
Southdown
Transway
Carson Pirie Scott
Monsanto
Colgate
Tampax

06/30/83

Control Data
First Interstate
Penn Central
Cummins Engine
Southdown
Sterling Drug
Seaco
Colgate
Monsanto
Tampax

09/30/83

Penn Central
Cummins Engine
Allegheny Int'l.
First Interstate
Sterling Drug
Southdown
Seaco
Colgate
Tyco Labs
Tampax

12/31/83

Penn Central
Cummins Engine
Seaco
Southdown
Tyco Labs.
Lafarge
Colgate
Sterling Drug
Crana
Allegheny Int'l.

55-60% of total equities 57% of total equities

**BEUTEL, GOODMAN CAPITAL
MANAGEMENT LTD.**

Composite of all U.S.
equity portfolios with
a total of \$357 assets
under management as
of March 1984 (includes
cash)
Hamilton, Johnston
Equity Yardsticks™¹

	Annual Rates of Return										Cumulative Annual Rates to 12/31/83		
	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	3 yrs	5 yrs	7 yrs
	35.9%	30.0%	3.5%	61.4%	82.5%	6.4%	26.7%	27.6%	n.a.		22.3%	40.1%	32.7%
Banks	18.8	21.5	- 3.8	31.5	18.6	7.4	- 6.6	17.0	27.7	-26.7	11.6	16.7	11.7
Insurance Companies	19.8	22.4	- 2.2	31.4	20.0	7.6	- 6.0	18.3	27.7	-22.7	12.8	17.8	12.6
Investment Companies	17.9	22.4	- 5.0	31.3	25.4	9.5	3.0	22.8	33.8	-26.2	11.1	17.7	13.3
TOTAL	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
Market Indexes²													
NYSE Composite	22.6	21.3	- 3.8	32.2	21.7	7.5	- 5.0	26.2	37.4	-26.9	12.5	18.0	13.0
AMEX Composite	33.9	10.0	- 5.9	44.8	67.6	20.2	19.1	34.4	42.2	-30.7	13.5	28.8	25.7
S&P 500	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
S&P 400	22.9	21.2	- 6.9	33.8	18.5	7.5	- 8.5	22.5	37.1	-26.9	11.5	17.1	11.7
DJIA	26.0	27.1	- 3.6	22.1	10.5	2.8	-12.9	23.5	44.8	-23.6	16.2	16.3	9.3

- Notes: 1. Managed portfolios of equities with small amounts of cash reserves.
2. Unmanaged portfolios.

EQUITY PERFORMANCE COMPARISONS

	<u>1st</u> <u>Qtr.</u> <u>1983</u>	<u>2nd</u> <u>Qtr.</u> <u>1983</u>	<u>3rd</u> <u>Qtr.</u> <u>1983</u>	<u>4th</u> <u>Qtr.</u> <u>1983</u>	<u>Year</u> <u>to</u> <u>date</u> <u>1983</u>
<u>BEUTEL, GOODMAN CAPITAL</u> <u>MANAGEMENT, LTD.</u>					
Composite of all U.S. equity portfolios with a total of \$357 assets under management as of March 1984 (includes cash)	13.5%	13.5%	1.5%	3.9%	35.9%
<u>Hamilton, Johnston</u> <u>Equity Yardstick^{TM1}</u>					
Banks	9.5	11.0	- 1.8	- 0.5	18.8
Insurance Companies	9.4	10.8	- 1.1	- 0.1	19.8
Investment Companies	9.1	10.9	- 1.6	- 1.0	17.9
TOTAL	9.3	10.9	- 1.5	- 0.5	18.8
<u>Market Indexes²</u>					
NYSE Composite	9.9	11.8	- 0.2	- 0.1	22.6
AMEX Composite	14.9	25.3	- 4.5	- 2.7	33.9
S&P 500	10.0	11.1	- 0.2	0.4	22.4
S&P 400	10.0	11.7	- 0.4	0.4	22.9
DJIA	9.2	9.3	1.9	3.3	26.0

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Unmanaged portfolios.

Hamilton, Johnston & Co., Inc.
Consultants on Investment Planning, Organization and Supervision.
52 Vanderbilt Avenue · New York, NY 10017 · (212) 682-8680

CYRUS J. LAWRENCE MANAGEMENT

115 Broadway
New York, New York 10006
(212) 962-2200

ORGANIZATION

founded in 1952, as a division of Cyrus J. Lawrence, Inc. (founded in 1864)

KEY PERSONNEL

E. William Smethurst, Jr. - Managing Director;
Portfolio Manager
James E. Moltz, CFA - Managing Director
William David Wister, CFA - Managing Director;
Portfolio Manager
J. Graeme MacLetchie, III - Managing Director;
Portfolio Manager
Edward S. Hyman - Managing Director
Charles T. Maxwell - Managing Director; Analyst
Barbara P. Chmiel - Manager, Client Services
(there are other managers just for taxable
accounts: Wallington, Bensley, and Casey)

ASSETS UNDER MANAGEMENT

	<u>millions</u>	<u>accounts</u>
tax-exempt	\$ 54	19
taxable	<u>\$194</u>	<u>185</u>
total	<u>\$248</u>	<u>204</u>

NEW ACCOUNT PREFERENCES

\$2 million minimum account size; \$200,000 for individual accounts.

RESEARCH SOURCES

each portfolio manager conducts own analysis;
rely on extensive research activities of C.J. Lawrence, Inc.; subscribe to various newsletters and purchase research output from other firms; visit every company that invests in; use computer screen; 75 stocks in stock universe.

-2-

INVESTMENT PHILOSOPHY

objective is to produce consistently above average, positive total return; term investors i.e. purchase securities that look attractive on the basis of anticipated growth over a period of several years; continuously monitor broad investment objectives; take into account economic outlook, monetary objectives and regulatory factors in structuring portfolios; emphasis on preservation of capital in poor markets.

EQUITY STRATEGY

fundamental Graham & Dodd approach; emphasize price-value relationship; 24 month average time-horizon; annual turnover of 50%; establish specific purchase and sale price parameters within intermediate price-level review points; like to concentrate portfolios; there are 20 issues in average portfolio; avoid high P/E stocks; not market-timers.

FIXED INCOME STRATEGY

use interest-rate forecasts to determine fixed-income percentages and length of maturity; restricted primarily to treasuries and government agencies.

REPRESENTATIVE CLIENTS

Foundation/Endowment: New York Eye & Ear Hospital; Peddie School; First Presbyterian Church, NY; Wallenberg Foundation

Retirement Funds: ASEA, U.S.

Hamilton, Johnston & Co., Inc.

FEE SCHEDULE

CYRUS J. LAWRENCE MANAGEMENT

.75% on the first \$10 million
.5% on the next \$10 million
.35% thereafter

note: fee for taxable accounts differs

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

E. William Smethurst, Jr.

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director; Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1958-1961 Chase Manhattan Bank - financial
analyst
1961-1964 Irwin Management Co., Columbus,
Indiana - manager, investments
1964-1965 IT&T - manager, investments
1965-1979 Wertheim & Co. - manager, Invest-
ment Advisory Dep't.; Chief Investment
Officer, Wertheim Asset Management Services,
Inc.
1979-1983 Tallasi Management Co., Inc. -
Managing Director; portfolio manager

EDUCATION

Amherst College, B.A., 1952

Harvard University, Graduate School of
Business Administration, M.B.A., 1958

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

James E. Moltz, CFA

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director

DATE OF CURRENT
ASSOCIATION

1956

EDUCATION

Williams College, B.A., 1954

University of Pennsylvania, Wharton School of
Finance & Commerce, M.B.A., 1956

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

William David Wister, CFA

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director; Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1969

PREVIOUS EMPLOYMENT

1963-1968 United States Trust Co. -
senior portfolio manager
1968-1969 Naess & Thomas - assistant Vice
President; senior portfolio manager
Managing Director

EDUCATION

Lafayette College, B.A., 1963

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Supervisory
Analyst, New York Stock Exchange

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

J. Graeme MacLetchie, III

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director; Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1970

PREVIOUS EMPLOYMENT

1962-1969 Chase Manhattan Bank - investment
officer; Vice President

EDUCATION

Yale University, B.A., 1959

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security Analysts

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Edward S. Hyman

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director

DATE OF CURRENT
ASSOCIATION

1972

PREVIOUS EMPLOYMENT

1969-1972 Data Resources, Inc.

EDUCATION

University of Texas, B.S., 1967

MIT, Alfred P. Sloan School of Management,
M.S., 1969

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Charles T. Maxwell

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Managing Director; Analyst

DATE OF CURRENT
ASSOCIATION

1968

PREVIOUS EMPLOYMENT

1957-1958 Mobil Oil Corp. - analyst

EDUCATION

Princeton University, B.A., 1953
Oxford University, B.A., 1957
Oxford University, M.A., 1963

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Bruce W. Bensley

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1978

PREVIOUS EMPLOYMENT

1951-1956 Manufacturers Hanover Trust
Co. - assistant trust officer
1956-1965 C.J. Lawrence - portfolio
manager
1965-1968 Estabrook & Co. - manager,
Investment Advisory Department
1968-1978 Goldman Sachs & Co. - Vice
President, Investment Management Services

EDUCATION

Hobart College, B.A., 1952

New York University, Graduate School of
Business Administration, M.B.A., 1955

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Trustee, Hobart College, Fannie E. Rippel
Foundation; Director, Morris County Savings
Bank

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Madison W. Casey, CFA

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Research Analyst

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1978-1982 Morgan Stanley Guaranty Trust -
securities analyst

EDUCATION

University of Nebraska, B.A., 1976

University of Pennsylvania, Wharton School of
Finance & Commerce, M.B.A., 1978

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, New York
Society of Security Analysts

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Norman W. B. Wallington

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Portfolio Manager

DATE OF CURRENT
ASSOCIATION

1960

PREVIOUS EMPLOYMENT

1946-1966 21 Club - chief credit manager
1957-1960 Arthur Wiesenberger & Co. - port-
folio manager

EDUCATION

University of Saskatchewan, B.A., 1946

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Barbara P. Chmiel

ADDRESS

Cyrus J. Lawrence Management
115 Broadway
New York, NY 10006

POSITION OR
SPECIALTY

Manager, Client Services

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1975-1983 Wertheim Asset Management
Services, Inc. - Manager, Administration;
Registered Representative

EDUCATION

Berkeley School, A.O.F., 1975

DATE OF LAST
INFORMATION

December, 1983

APPENDIX B

Hamilton, Johnston & Co., Inc.
Consultants on Investment Planning, Organization and Supervision
52 Vanderbilt Avenue · New York, NY 10017 · (212) 682-8680

OPPENHEIMER CAPITAL CORPORATION

One New York Plaza
New York, New York 10004
(212) 825-4000

ORGANIZATION

subsidiary of Oppenheimer Group; established in 1969; now includes Centennial Capital, (formerly Standard & Poor's/InterCapital, Inc.), purchased in 1974; merger completed December, 1979.

KEY PERSONNEL

Charles H. Brunie, CFA - Chairman
Joseph M. LaMotta - President; Chief Executive Officer
George Long - Managing Director; Director of Research
Rudolf Hauser, CFA - Vice President
Kenneth D. Brown - Vice President
John Lindenthal - Senior Vice President
Kenneth H. Mortenson, CFA - Senior Vice President

ASSETS UNDER MANAGEMENT

	<u>millions</u>	<u>accounts</u>
tax-exempt	\$4,666	250
taxable	\$ 270	148
total	<u>\$4,936</u>	<u>398</u>

NEW ACCOUNT PREFERENCES

\$5 million minimum account size.

RESEARCH SOURCES

securities research provided by brokerage affiliate Oppenheimer & Co., with over 25 analysts; outside consultants provide economic, governmental and other information; Centennial and Oppenheimer Capital have two additional analysts screening reports.

-2-

INVESTMENT PHILOSOPHY

emphasize total return and aim for consistency of returns year to year with volatility minimized as much as possible; use top-down approach to determine appropriate asset mix for each portfolio; maintain flexibility in policy; review each portfolio regularly; avoid excessive optimism in bear market near troughs; constantly compare current holdings to available opportunities elsewhere.

EQUITY STRATEGY

assume that equity markets may be generally efficient while still containing significantly undervalued securities; look for companies with low ratio of price to net worth and high return on equity and large undedicated cash flows; monitor sell when fundamentals change and issue is no longer considered undervalued.

FIXED INCOME STRATEGY

use supply/demand analysis of money to estimate economic liquidity and interest rates; also emphasize business cycle analysis; build portfolio by selecting sectors of opportunity in which to concentrate; select individual securities based on in-depth financial analysis of the underlying credit to uncover changing fundamentals not reflected in current rating.

REPRESENTATIVE CLIENTS

Corporate: Caterpillar Tractor Co.; W.R. Grace & Co.; Inland Steel Co.; New York State Electric & Gas Corp.; NL Industries, Inc.; Sperry & Hutchinson Co.; Whittaker Corp.; Zurn Industries

Foundation/Endowment: American Medical Assoc.; Central Marine Medical Center Endowment Fund; City University of New York; Colorado Springs Cemetery Endowment Fund; Fordham University; Franciscan Sisters of the Poor; J.F. Maddox Foundation; Rockefeller Foundation; West Virginia University Foundation; Yeshiva University

REPRESENTATIVE CLIENTS
CONT'D.

Public: State of Arkansas Teachers' Retirement Fund; City of Baltimore Retirement Systems; Fire and Police Pension Association, State of Colorado; Fairfax County (Va.) Educational Employees' Supplementary Retirement Systems; Maryland National Central Park and Planning Commission Employees' Retirement System; New York City Employees' Retirement System; New York City Firemen's Pension Fund; New York City Police Department Retirement Systems; State of New York Common Retirement Fund; City of Norfolk, Virginia Employees' Retirement System; Commonwealth of Pennsylvania Public School Employees' Retirement System; Superior Officers Council Annuity Trust Fund; Washington Metropolitan Area Transit Authority Retirement Trust

Taft-Hartley: Plumbers and Pipefitters Local Union No. 719, Pension Fund; United Parcel Service Retirement Fund

Hamilton, Johnston & Co., Inc.

FEE SCHEDULE

OPPENHEIMER CAPITAL CORP.

Equity and Balanced Accounts

1% on the first \$5 million
.75% on the next \$10 million
.50% on the next \$20 million
.375% thereafter

Fixed Income

.375% on the first \$20 million
.25% on the next \$30 million
.15% thereafter

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Charles H. Brunie, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Chairman; Economist; Research Analyst

DATE OF CURRENT
ASSOCIATION

1969

PREVIOUS EMPLOYMENT

1956-1960 New York Life Insurance Co. -
securities analyst
1960-1963 Faulkner, Dawkins & Sullivan -
research department
1963-1969 Oppenheimer & Co. - Partner;
head, institutional research; member,
Executive Committee

EDUCATION

Amherst College, B.A., 1952
Columbia University, Graduate School of
Business, M.B.A., 1956

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.
Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Joseph M. LaMotta

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

President; Chief Executive Officer;
Portfolio Manager; Research Analyst

DATE OF CURRENT
ASSOCIATION

1978

PREVIOUS EMPLOYMENT

1959-1969 Standard & Poor's Corp. -
investment advisor
1969-1975 Standard & Poor's InterCapital,
Inc. - Senior Executive, Standard & Poor's
Counselling Corp.
1975-1978 Centennial Capital Corp. -
Senior Executive

EDUCATION

Seton Hall University, B.S., 1954

New York University, Graduate School of
Business Administration, M.B.A., 1963

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

George Long

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Managing Director; Director of Research;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1982

PREVIOUS EMPLOYMENT

1965-1969 Morgan Guaranty - analyst,
Corporate Research Department
1969-1982 Oppenheimer & Co. - Director,
Special Research Series Committee

EDUCATION

Georgetown University, B.A., 1963
University of Pennsylvania, Wharton School
of Commerce & Finance, M.B.A., 1965

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Institutional Investor, All-American
Research Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Kenneth D. Brown

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Fixed Income Portfolio
Manager; Research Analyst

DATE OF CURRENT
ASSOCIATION

1980

PREVIOUS EMPLOYMENT

1966-1972 Midlantic Banks - assistant
trust officer
1972-1975 North Carolina National Bank -
trust officer, head, Fixed Income Opera-
tions; Hetteras Income Securities, Inc. -
Vice President; portfolio manager, closed-
end bond fund
1975-1980 First Pennsylvania Bank - Vice
President, Fixed Income Operations

EDUCATION

Cornell University, A.B., 1964

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Rudolf Hauser, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Economist/Strategist

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1966-1983 Oppenheimer & Co. - analyst

EDUCATION

Baruch College, B.A., 1965

Baruch College, Graduate School of
Business Administration, M.B.A., 1971

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

John G. Lindenthal

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Senior Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1979

PREVIOUS EMPLOYMENT

1969-1976 Crocker National Bank - portfolio manager, Trust Department; senior portfolio manager, Crocker Investment Management Co.
1976-1979 BA Investment Management Co. - senior portfolio manager

EDUCATION

University of Santa Clara, B.A., 1966
University of Santa Clara, Graduate School of Business Administration, M.B.A., 1969

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Paul Blaustein, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Research Analyst

DATE OF CURRENT
ASSOCIATION

1980

PREVIOUS EMPLOYMENT

1963-1969 Oppenheimer & Co. - securities
analyst
1969-1976 Bank of New York - securities
analyst
1976-1980 Bankers Trust Co. - securities
analyst

EDUCATION

Brooklyn College, B.S., 1968

Columbia University, Graduate School of
Business, M.B.A., 1973

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Kenneth H. Mortenson, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Senior Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1981

PREVIOUS EMPLOYMENT

1969-1981 Detroit Bank & Trust Co. -
Vice President; head, Personal Trust
Area's Investment Department; portfolio
manager, Common Trust Fund

EDUCATION

Carleton College, B.A., 1967

University of Michigan, Graduate School of
Business Administration, M.B.A., 1969

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Eugene D. Brody

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Senior Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1975

PREVIOUS EMPLOYMENT

1952-1957 Military Service
1957-1965 Eastman Dillon, Union Securities -
portfolio manager
1965-1970 A.W. Jones & Co. - General
Partner
1970-1975 Down Communications, Inc's
Financial Subsidiary, Founders Mutual
Depositor Corp. - Director; Chief Execu-
tive Officer

EDUCATION

University of Pennsylvania, Wharton School
of Finance & Commerce, B.S., 1952

New York University, Graduate School of
Business Administration, M.B.A., 1963

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

H. Eugene Caldwell, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Senior Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1977

PREVIOUS EMPLOYMENT

1948-1953 Trust Co. of Georgia - Economist;
securities analyst
1953-1977 Montag & Caldwell - Co-Founder;
President; Chairman

EDUCATION

Emory University, B.B.A., 1948

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; former Chairman,
Institute of Chartered Financial Analysts
Research and Publications Committee, Econo-
mics Section; former Regional Chairman, Pro-
fessional Ethics Committee; co-founder and
past President, Atlanta Society of Financial
Analysts; former Governor, Investment Counsel
Association of America

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

<u>NAME</u>	Herbert S. Fitz Gibbon, II
<u>ADDRESS</u>	Oppenheimer Capital Corp. One New York Plaza New York, NY 10004
<u>POSITION OR SPECIALTY</u>	Vice President; Portfolio Manager; Research Analyst
<u>DATE OF CURRENT ASSOCIATION</u>	1979
<u>PREVIOUS EMPLOYMENT</u>	1969-1978 F. Eberstadt & Co. - Partner
<u>EDUCATION</u>	Princeton University, A.B., 1964 New York University, Graduate School of Business Administration, M.B.A., 1976
<u>DATE OF LAST INFORMATION</u>	December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

William P. McDaniel, CFA

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Fixed Income Portfolio
Manager; Research Analyst

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1971-1983 Comerica Bank - Vice President;
Fixed Income Group Officer

EDUCATION

University of Michigan, B.A., 1968

Wayne State University, Graduate School of
Business Administration, M.B.A., 1975

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Chartered Financial Analyst; Member, Finan-
cial Analysts Society

DATE OF LAST
INFORMATION

December, 1983

Hamilton, Johnston & Co., Inc.

INVESTMENT MANAGER BIOGRAPHY

NAME

Robert D. Martin

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1981

PREVIOUS EMPLOYMENT

1960-1965 Francis I. duPont & Co -
registered representative
1965-1971 Blyth Eastman Dillon - sales
representative
1971-1972 duPont Wiliston - institutional
sales representative
1972-1981 Chemical Bank - senior invest-
ment officer

EDUCATION

Duke University, B.A., 1959

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Joanna M. Migdal

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Assistant Vice President; Research
Analyst

DATE OF CURRENT
ASSOCIATION

1982

PREVIOUS EMPLOYMENT

1971-1973 Legal Aid Society of New York -
social worker
1973-1980 New York City Health and
Hospital - social worker
1980-1982 Oppenheimer & Co. - securities
analyst; capital goods analyst

EDUCATION

Vassar College, A.B., 1971

New York University School of Social
Work, MSW, 1974

Attending New York University, Graduate
School of Business Administration

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, American Burn Association; Business
Forum of New York

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Julius A. Nicolai

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Senior Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1973

PREVIOUS EMPLOYMENT

Summit & Elizabeth Trust - senior investment
officer
Federal Reserve Bank - senior investment
officer
1971-1973 Dominick & Dominick - Vice
President, Investment Management

EDUCATION

Seton Hall University, B.A., 1958

Attended New York University, Graduate
School of Business Administration

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Harry P. Rekas

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1981

PREVIOUS EMPLOYMENT

1967-1971 U.S. Air Force
1971-1978 Fidelity Bank, Los Angeles -
Vice President; manager, Loan Prudential
Office
1978-1981 Computer Sciences Corp, El
Segundo California - assistant treasurer

EDUCATION

University of Pennsylvania, Wharton School
of Commerce & Finance, B.S., 1967

Pepperdine University, Graduate School of
Business, M.B.A., 1980

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Stuart H. Richardson

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Fixed Income Portfolio
Manager; Research Analyst

DATE OF CURRENT
ASSOCIATION

1979

PREVIOUS EMPLOYMENT

1967-1970 First Boston Corp. - bond trader
1970-1971 Dillon, Read & Co. - bond trader
1971-1973 F.S. Smithers, Inc. - bond trader
1973-1978 Dillon, Read & Co. - bond trader

EDUCATION

Yale University, B.A., 1964

Columbia University, Graduate School of
Business, M.B.A., 1967

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Eileen P. Rominger

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Assistant Vice President; Research
Analyst

DATE OF CURRENT
ASSOCIATION

1981

PREVIOUS EMPLOYMENT

1976-1977 Harcourt Brace Jovanovich -
editorial assistant
1977-1978 IBM - marketing assistant
1978-1979 Oppenheimer Capital Corp. -
portfolio assistant, fixed income
1979-1980 Higher Education Finance
Research Institute - Financial Consultant

EDUCATION

Fairfield University, B.A., 1976

University of Pennsylvania, Wharton School
of Commerce & Finance, M.B.A., 1981

DATE OF LAST
INFORMATION

December, 1983

INVESTMENT MANAGER BIOGRAPHY

NAME

Jeffrey Tarnoff

ADDRESS

Oppenheimer Capital Corp.
One New York Plaza
New York, NY 10004

POSITION OR
SPECIALTY

Vice President; Portfolio Manager;
Research Analyst

DATE OF CURRENT
ASSOCIATION

1983

PREVIOUS EMPLOYMENT

1971-1973 Equitable Life Assurance Society
of the U.S. - securities analyst
1973-1976 Chase Investment Management
Corp. - securities analyst
1976-1979 Manufacturers Hanover Trust Co. -
portfolio manager; manager, Special Funds
Group; member, Investment Committee
1979-1981 Weiss, Peck & Greer - Executive
Vice President, Advisory Fund, Inc.
1981-1983 Arnhold & Bleichroeder, Inc. -
senior portfolio manager; member, Invest-
ment Policy Committee

EDUCATION

Lehigh University, B.S., 1969

University of Chicago, Graduate School of
Business Administration, M.B.A., 1971

PROFESSIONAL ASSOCIA-
TIONS OR MEMBERSHIPS

Member, New York Society of Security
Analysts; Financial Analysts Federation

DATE OF LAST
INFORMATION

December, 1983

TOP TEN EQUITY HOLDINGS

OPPENHEIMER CAPITAL CORP.

09/30/74

IBM
Farmers Group
A.T. Cross
Philip Morris
Standard Brands
Getty Oil
Atlantic Richfield
Syntex
Deere & Co.
Burroughs

12/31/76

IBM
3-M
Harris Corp.
Interco, Inc.
R.J. Reynolds
Union Oil
Travelers
Schlumberger
Gen'l. Tire & Rubber
North American Philips

12/31/80

Superior Oil
IBM
Halliburton
W.R. Grace
R.J. Reynolds
Mesa Petroleum
McDonald's
Getty Oil
Eastern Gas & Fuel
CPC International

06/30/81

IBM
Consolidated Edison
Interco, Inc.
McDonald's
Dart & Kraft
R.J. Reynolds
Continental Illinois
Textron, Inc.
Gillette
CPC International

03/31/82

Consolidated Edison
Dart & Kraft
General Electric
Illinois Power
Nabisco Brands
Norton Simon
Potomac Electric
R.J. Reynolds
Textron, Inc.
Upjohn Co.

06/30/82

AT&T
Consolidated Edison
Dart & Kraft
General Electric
Illinois Power
Interco, Inc.
R.J. Reynolds
Nabisco Brands
Norton Simon
Potomac Electric

09/30/82

American Home Products
AT&T
CIGNA
Consolidated Edison
Dart & Kraft
General Electric
Interco, Inc.
IBM
R.J. Reynold

12/31/82

AT&T
CIGNA
CPC International
Dart & Kraft
General Electric
General Motors
Interco, Inc.
IBM
R.J. Reynolds

03/31/83

AT&T
General Electric
CIGNA
Boeing Co.
Interco, Inc.
R.J. Reynolds
Consolidated Foods
Dart & Kraft
Allied Corp.

TOP TEN EQUITY HOLDINGS

OPPENHEIMER CAPITAL CORP.

06/30/83

General Motors
AT&T
Allied Corp.
Boeing Co.
RCA
Litton Inds, Inc.
General Electric
Interco, Inc.
McDonald's
Norton Simon

09/30/83

AT&T
General Motors
RCA
Philip Morris
R.J. Reynolds
McDonald's
Boeing Co.
CIGNA
General Electric
GTE

12/31/83

General Motors
AT&T
Allied Corp.
McDonald's
Boeing Co.
Burroughs
Philip Morris
General Electric
CIGNA
Litton Inds.

22% of total equities

OPPENHEIMER CAPITAL CORP.	Annual Rates of Return										Cumulative Annual Rates to 12/31/83		
	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	3 yrs	5 yrs	7 yrs
	Composite of all tax-exempt discretionary employee benefit equity accounts with assets in excess of \$1 million (includes cash) equities only Hamilton, Johnston Equity Yardsticks ^{TM1}	25.1%	27.9%	5.4%	31.1%	24.3% ³	4.1%	1.8%	29.6%	26.7%	-18.6%	19.0%	22.4%
	27.0	28.5	2.7	34.9	30.9 ³	8.1	-0.5	31.4	40.3	-33.9	18.8	24.2	18.0
Banks	18.8	21.5	-3.8	31.5	18.6	7.4	-6.6	17.0	27.7	-26.7	11.6	16.7	11.7
Insurance Companies	19.8	22.4	-2.2	31.4	20.0	7.6	-6.0	18.3	27.7	-22.7	12.8	17.8	12.6
Investment Companies	17.9	22.4	-5.0	31.3	25.4	9.5	3.0	22.8	33.8	-26.2	11.1	17.7	13.3
TOTAL	18.8	22.1	-3.7	31.4	21.3	8.2	-5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Market Indexes²</u>													
NYSE Composite	22.6	21.3	-3.8	32.2	21.7	7.5	-5.0	26.2	37.4	-26.9	12.5	18.0	13.0
AMEX Composite	33.9	10.0	-5.9	44.8	67.6	20.2	19.1	34.4	42.2	-30.7	13.5	28.8	25.7
S&P 500	22.4	21.4	-5.0	32.3	18.2	6.4	-7.4	23.6	37.2	-26.4	12.2	17.2	11.7
S&P 400	22.9	21.2	-6.9	33.8	18.5	7.5	-8.5	22.5	37.1	-26.9	11.5	17.1	11.7
DJIA	26.0	27.1	-3.6	22.1	10.5	2.8	-12.9	23.5	44.8	-23.6	16.2	16.3	9.3

- Notes:
1. Managed portfolios of equities with small amounts of cash reserves.
 2. Unmanaged portfolios.
 3. Prior to 1979, this composite included all discretionary tax-exempt equity accounts.

EQUITY PERFORMANCE COMPARISONS

	<u>1st</u> <u>Qtr.</u> <u>1983</u>	<u>2nd</u> <u>Qtr.</u> <u>1983</u>	<u>3rd</u> <u>Qtr.</u> <u>1983</u>	<u>4th</u> <u>Qtr.</u> <u>1983</u>	<u>Year</u> <u>to</u> <u>date</u> <u>1983</u>
<u>OPPENHEIMER CAPITAL CORP.</u>					
Composite of all tax-exempt discretionary employee benefit equity accounts with assets in excess of \$1 million (includes cash)					
	9.28	10.38	0.78	3.18	25.18
(equities only)	10.2	11.2	0.5	3.1	27.0
<u>Hamilton, Johnston</u> <u>Equity Yardstick^{TM1}</u>					
Banks	9.5	11.0	- 1.8	- 0.5	18.8
Insurance Companies	9.4	10.8	- 1.1	- 0.1	19.8
Investment Companies	9.1	10.9	- 1.6	- 1.0	17.9
TOTAL	9.3	10.9	- 1.5	- 0.5	18.8
<u>Market Indexes²</u>					
NYSE Composite	9.9	11.8	- 0.2	- 0.1	22.6
AMEX Composite	14.9	25.3	- 4.5	- 2.7	33.9
S&P 500	10.0	11.1	- 0.2	0.4	22.4
S&P 400	10.0	11.7	- 0.4	0.4	22.9
DJIA	9.2	9.3	1.9	3.3	26.0

- Notes: 1. Managed portfolios of equities with small amounts of cash reserves.
2. Unmanaged portfolios.

FIXED INCOME PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	3 yrs	5 yrs	7 yrs
<u>OPPENHEIMER CAPITAL CORP.</u>													
Composite of all discretionary tax-exempt employee benefit fixed income accounts with assets in excess of \$1 million (includes cash)	7.5%	30.8%	8.8%	2.6%	4.2%	4.8%	2.4%	18.3%	16.5%	n.a.	15.2%	10.3%	8.4%
<u>Hamilton, Johnston Fixed Income Yardstick^{TMI}</u>	6.4	29.8	6.0	2.1	2.7	2.5	3.9	15.5	12.4	- 1.0	13.5	8.9	7.2
<u>Market Indexes²</u>													
Salomon Brothers	4.7	43.7	- 1.0	- 2.6	- 4.2	- 0.1	1.7	18.6	14.6	- 3.0	14.2	6.8	5.1
Lehman Corporate Bond Index	9.3	39.2	3.0	- 0.3	- 2.1	0.3	3.1	19.3	16.7	n.a.	16.1	8.9	6.8

- Notes: 1. Managed portfolios.
2. Unmanaged portfolios.

FIXED INCOME PERFORMANCE COMPARISONS

	1st Qtr. <u>1983</u>	2nd Qtr. <u>1983</u>	3rd Qtr. <u>1983</u>	4th Qtr. <u>1983</u>	Year to date <u>1983</u>
<u>OPPENHEIMER CAPITAL CORP.</u>					
Composite of all discretionary tax-exempt employee benefit fixed income accounts with assets in excess of \$1 million (includes cash)	3.1%	1.3%	-0.2%	3.1%	7.5%
<u>Hamilton, Johnston Fixed Income Yardstick^{TM1}</u>	2.8	1.3	0.8	1.4	6.4
<u>Market Indexes²</u>					
Salomon Brothers Corporate Bond Index	3.7	1.3	-0.3	-0.1	4.7
Lehman Corporate Bond Index	5.3	2.0	0.9	0.8	9.3

- Notes: 1. Managed portfolios with small amounts of cash reserves.
 2. Unmanaged portfolios.

BALANCED PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	<u>1983</u>	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>3 yrs</u>	<u>5 yrs</u>	<u>7 yrs</u>
<u>OPPENHEIMER CAPITAL CORP.</u>													
Composite of all discretionary employee benefit balanced accounts with assets in excess of \$1 million	17.7%	27.1%	6.2%	18.4%	16.1%	5.7% ⁴	1.4%	24.4%	17.6%	-10.5%	16.7%	16.9%	12.9%
<u>Hamilton, Johnston Equity Yardsticks^{TM1}</u>	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	6.4	29.8	6.0	2.1	2.7	2.5	3.9	15.5	12.4	- 1.0	13.5	8.9	7.2
<u>50/50 H/J Equity/Fixed</u>	12.6	26.0	1.2	16.8	12.0	5.4	- 0.7	17.5	21.1	-13.1	12.8	13.4	10.1
<u>S&P 500³</u>	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
<u>Salomon Brothers Corporate Bond Index³</u>	4.7	43.7	- 1.0	- 2.6	- 4.2	- 0.1	1.7	18.6	14.6	- 3.0	14.2	6.8	5.1
<u>50/50 S&P 500/Salomon</u>	13.6	32.6	- 3.0	14.9	7.0	3.2	- 2.9	21.1	25.9	-14.7	13.4	12.4	8.8

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Managed portfolios.

3. Unmanaged portfolios.

4. Prior to 1978, this composite included all discretionary tax-exempt balanced accounts.

BALANCED PERFORMANCE COMPARISONS

<u>OPPENHEIMER CAPITAL CORP.</u>	<u>1st Qtr. 1983</u>	<u>2nd Qtr. 1983</u>	<u>3rd Qtr. 1983</u>	<u>4th Qtr. 1983</u>	<u>Year to date 1983</u>
Composite of all discretionary employee benefit balanced accounts with assets in excess of \$1 million	7.4%	6.5%	0.2%	2.7%	17.7%
<u>Hamilton, Johnston Equity Yardstick^{TM1}</u>	9.3	10.9	- 1.5	- 0.5	18.8
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	2.8	1.3	0.8	1.4	6.4
<u>50/50 H/J Equity/Fixed</u>	6.1	6.1	- 0.4	0.5	12.6
<u>S&P 500³</u>	10.0	11.1	- 0.2	0.4	22.4
<u>Salomon Brothers Corporate Bond Index³</u>	3.7	1.3	- 0.3	- 0.1	4.7
<u>50/50 S&P 500/Salomon</u>	6.9	6.2	- 0.3	0.2	13.6

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Managed portfolios.

3. Unmanaged portfolios.

TOP TEN EQUITY HOLDINGS

CYRUS J. LAWRENCE MANAGEMENT

12/31/82

Lomas & Nettleton
Financial Corp.
IBM
Rouse Co.
Pyro Energy Corp.
Mohawk Data Sciences
Exxon Corp.
Gulf United Corp.
RLC Corp.
CBS
Sterling Drug, Inc.

03/31/83

Lomas & Nettleton
Financial Corp.
IBM
Rouse Co.
Pyro Energy Corp.
Exxon Corp.
Mohawk Data Sciences
RLC Corp.
CBS
AT&T
Sterling Drug, Inc.

06/30/83

IBM
Lomas & Nettleton
Financial Corp.
Rouse Co.
Pyro Energy Corp.
Exxon Corp.
Mohawk Data Sciences
RLC Corp.
CBS
AT&T
Sterling Drug, Inc.

09/30/83

Lomas & Nettleton
Financial Corp.
IBM
Rouse Co.
Mohawk Data Sciences
Sterling Drug, Inc.
Nashua Corp.
Nafco Fin'l. Group
Public Sv. Co. of Colo.
AT&T
Procter & Gamble

12/31/83

Lomas & Nettleton
Financial Corp.
IBM
Rouse Co.
Mohawk Data Sciences
Nashua Corp.
General Signal
Sterling Drug, Inc.
Public Sv. Co. of Colo.
Nafco Fin'l. Group
Pyro Energy Corp.

57% of total equities

EQUITY PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	<u>1983</u>	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>	<u>3 yrs</u>	<u>5 yrs</u>	<u>7 yrs</u>
<u>CYRUS J. LAWRENCE MGMT.</u>													
Largest tax-exempt equity account (included cash)	21.5%	36.4%	0.7%	33.6%	25.0%	26.8%	- 1.9%	23.1%	17.1%	-17.2%	18.6%	22.8%	19.4%
<u>Hamilton, Johnston Equity Yardsticks^{TM1}</u>													
Banks	18.8	21.5	- 3.8	31.5	18.6	7.4	- 6.6	17.0	27.7	-26.7	11.6	16.7	11.7
Insurance Companies	19.8	22.4	- 2.2	31.4	20.0	7.6	- 6.0	18.3	27.7	-22.7	12.8	17.8	12.6
Investment Companies	17.9	22.4	- 5.0	31.3	25.4	9.5	3.0	22.8	33.8	-26.2	11.1	17.7	13.3
TOTAL	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Market Indexes²</u>													
NYSE Composite	22.6	21.3	- 3.8	32.2	21.7	7.5	- 5.0	26.2	37.4	-26.9	12.5	18.0	13.0
AMEX Composite	33.9	10.0	- 5.9	44.8	67.6	20.2	19.1	34.4	42.2	-30.7	13.5	28.8	25.7
S&P 500	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
S&P 400	22.9	21.2	- 6.9	33.8	18.5	7.5	- 8.5	22.5	37.1	-26.9	11.5	17.1	11.7
DJIA	26.0	27.1	- 3.6	22.1	10.5	2.8	-12.9	23.5	44.8	-23.6	16.2	16.3	9.3

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Unmanaged portfolios.

EQUITY PERFORMANCE COMPARISONS

	<u>1st</u> <u>Qtr.</u> <u>1983</u>	<u>2nd</u> <u>Qtr.</u> <u>1983</u>	<u>3rd</u> <u>Qtr.</u> <u>1983</u>	<u>4th</u> <u>Qtr.</u> <u>1983</u>	<u>Year</u> <u>to</u> <u>date</u> <u>1983</u>
<u>CYRUS J. LAWRENCE MGMT.</u>					
Largest tax-exempt equity account (includes cash)	8.1%	7.9%	0.4%	3.7%	21.5%
<u>Hamilton, Johnston</u> <u>Equity Yardstick^{TM1}</u>					
Banks .	9.5	11.0	- 1.8	- 0.5	18.8
Insurance Companies	9.4	10.8	- 1.1	- 0.1	19.8
Investment Companies	9.1	10.9	- 1.6	- 1.0	17.9
TOTAL	9.3	10.9	- 1.5	- 0.5	18.8
<u>Market Indexes²</u>					
NYSE Composite	9.9	11.8	- 0.2	- 0.1	22.6
AMEX Composite	14.9	25.3	- 4.5	- 2.7	33.9
S&P 500	10.0	11.1	- 0.2	0.4	22.4
S&P 400	10.0	11.7	- 0.4	0.4	22.9
DJIA	9.2	9.3	1.9	3.3	26.0

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Unmanaged portfolios.

BALANCED PERFORMANCE COMPARISONS

	<u>Annual Rates of Return</u>										<u>Cumulative Annual Rates to 12/31/83</u>		
	1983	1982	1981	1980	1979'	1978	1977	1976	1975	1974	3 yrs	5 yrs	7 yrs
	<u>CYRUS J. LAWRENCE MGMT.</u>												
Composite of all tax-exempt accounts	19.0%	27.6%	3.8%	24.9%	24.9%	10.4%	2.5%	31.8%	23.2%	-17.2%	16.4%	19.7%	15.7%
<u>Hamilton, Johnston Equity Yardsticks^{TM1}</u>	18.8	22.1	- 3.7	31.4	21.3	8.2	- 5.2	19.4	29.7	-25.2	11.8	17.4	12.5
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	6.4	29.8	6.0	2.1	2.7	2.5	3.9	15.5	12.4	- 1.0	13.5	8.9	7.2
<u>50/50 H/J Equity/Fixed</u>	12.6	26.0	1.2	16.8	12.0	5.4	- 0.7	17.5	21.1	-13.1	12.8	13.4	10.1
<u>S&P 500³</u>	22.4	21.4	- 5.0	32.3	18.2	6.4	- 7.4	23.6	37.2	-26.4	12.2	17.2	11.7
<u>Salomon Brothers Corporate Bond Index³</u>	4.7	43.7	- 1.0	- 2.6	- 4.2	- 0.1	1.7	18.6	14.6	- 3.0	14.2	6.8	5.1
<u>50/50 S&P 500/Salomon</u>	13.6	32.6	- 3.0	14.9	7.0	3.2	- 2.9	21.1	25.9	-14.7	13.4	12.4	8.8

Notes: 1. Managed portfolios of equities with small amounts of cash reserves.

2. Managed portfolios.

3. Unmanaged portfolios.

BALANCED PERFORMANCE COMPARISONS

<u>CYRUS J. LAWRENCE MGMT.</u>	<u>1st Qtr. 1983</u>	<u>2nd Qtr. 1983</u>	<u>3rd Qtr. 1983</u>	<u>4th Qtr. 1983</u>	<u>Year to date 1983</u>
Composite of all tax- exempt accounts	7.7%	6.2%	3.0%	1.0%	19.0%
<u>Hamilton, Johnston Equity Yardstick^{TM1}</u>	9.3	10.9	- 1.5	- 0.5	18.8
<u>Hamilton, Johnston Fixed Income Yardstick^{TM2}</u>	2.8	1.3	0.8	1.4	6.4
<u>50/50 H/J Equity/Fixed</u>	6.1	6.1	- 0.4	0.5	12.6
<u>S&P 500³</u>	10.0	11.1	- 0.2	0.4	22.4
<u>Salomon Brothers Corporate Bond Index³</u>	3.7	1.3	- 0.3	- 0.1	4.7
<u>50/50 S&P 500/Salomon</u>	6.9	6.2	- 0.3	0.2	13.6

- Notes:
1. Managed portfolios of equities with small amounts of cash reserves.
 2. Managed portfolios.
 3. Unmanaged portfolios.

9/BT/MAY 85

PERSONNEL & SELECTION COMMITTEE REPORT

Report of the Personnel and Selection Committee
of the Board of Trustees - May 27 & 28, 1985

The Personnel and Selection Committee met twice between the two Board Meetings i.e. March 8 and 9, 1985 and May 26 and 27, 1985.

1. Recruitment Procedures

The screening, review, shortlisting and interview procedure followed to-date for international positions were thoroughly reviewed and accepted for presentation to the Board.

1. Personnel Branch screens out candidates who do not meet the advertisement criteria.
2. A review board to further review the candidates is established from senior management level staff to rank the candidates independently on a scale 1-5. Such ranking is as follows:
 - 5 = Highly recommended
 - 4 = Recommended
 - 3 = May be considered
 - 2 = Below average
 - 1 = Unacceptable

The review Board's ranking is summarized to establish who among the candidates merit the highest ranking. In this manner, a shortlist of preferably 3 to 6 local and external candidates is compiled.

3. An interview Board of at least 3 senior management level staff including the Chief Personnel Officer and other specialised resource staff is constituted to interview the shortlisted candidates.
4. During the interview, each candidate is ranked by each member of the Interview Board on a scale of 1-5. Judging mainly on
 - i. Projection.
 - ii. Technical Ability and,
 - iii. Aptitude

4. Personnel Branch takes minutes during the interview and summarizes the scores given at each interview. Each interviewer subsequently attests/approves the minutes and scores of the interview held. These minutes together with CVs are given to the Personnel Selection Committee for their guidance and review.
2. Recommendations for Appointments to Advertised Positions

The review process of candidates undertaken was found satisfactory and the following persons are recommended for immediate appointment in the Centre:

1. Programme Officer - Resources Development

Mr. Mustafa Iqbal Ali (Bangladesh) is accepted at P1 level.

2. Executive Secretary to the Director

Mrs. Judith Anne Chowdhury (Australia) is accepted at P1 level.

3. All Computer Positions

The management was requested by the Committee to avoid using external consultants for the computer after these new positions are occupied.

The management also urged to find special funding for these positions. In the meanwhile core funds will be used.

- A. Computer Informations Systems Manager

Mr. Roma P. Ghosh (India) should be offered immediate appointment at the top of the P3 level scale. Should he refuse the appointment the post should be offered under the same terms to Mr. Murshed Alam-Ahmed (Britain).

B. Systems Development Manager

Mr. Hira M. Ashraf (Pakistan) is appointed at P3 level (mid-scale - step 6)

C. Technical Services Manager

Dr. V. Sundararajan (Sri Lanka) is accepted at P3 level, Step 7 - The Director is authorized to negotiate within the realm of the advertisement.

D. Computer Operations Manager

Mr. Abdullah H. Mostafa (Bangladesh/Australia) is accepted at P1 level.

4. Nurse-Trainer Matron

Mrs. Wendy Hossain (Britain) is accepted at P1 level.

5. Training Materials Developer (Funded by UNICEF for 18 months)

This position was approved in March 1985 and is now occupied by Dr. Anand. Because of his age he services as a Consultant.

6. Infectious Disease Research Physician

Dr. Judith N. Wasserheit may continue as a consultant in this position for the duration of her present contract. The Committee urges that every attempt be made to secure 100% funding for her salary. When that has been obtained she can be appointed.

Resolutions

The following resolutions is proposed for adoption by the Board of Trustees:

The Board authorizes the Director to offer positions up to 3 years to the following individuals:

1. Mr. Mustafa Iqbal Ali (Bangladesh)- P1 level - Programme Officer, Resources Development.
2. Mrs. Judith Anne Chowdhury (Australia) - P1 level - Executive Assistant to the Director.
3. Mr. Roma P. Ghosh (India) - P3 level - Computer Informations Systems Manager.
(Should Mr. Ghosh be unable to accept, the offer may be given to Mr. Murshed Alam-Ahmed (Britain) at the same level).
4. Mr Hira M. Ashraf (Pakistan) - P3 level - Systems Development Manager.
5. Dr. V. Sundararajan (Sri Lanka) - P3 level - Technical Services Manager.
6. Mr. Abdullah H. Mostafa (Bangladesh/Australia) - P1 - Computer Operations Manager.
7. Mrs. Wendy Hossain (Britain) - P1 level - Nurse Trainer Matron
8. Dr. D. Anand (India) To be appointed as long-term consultant.

In addition to the above draft resolutions the Committee recommends to the Board the adoption of two draft resolutions in order to bring these positions in line with positions in which the incumbent has had 6 years continuous service at international level in the Centre.

"The contract of Dr. A.K.M.A. Chowdhury for the post of Demographer may be extended at the same level (P4) for one year effective July 1, 1985 to June 30, 1986 and the position he holds with any modifications be advertised along with those others who have completed six years service on international level (P) scale."

"The contract of Dr. K.M.S. Aziz, designated the position of Associate Director of Training, Extension and Communication, may be extended at the same level (P5) for one year effective July 1, 1985 to June 30, 1986."

Dr. J. Clemens

Dr. J. Clemens had through his supervisor Dr. Sack requested for his scientific ranking to be upgraded. A full external peer-review

has been carried out on his work and he was found to be of 'scientist' level.

The Centre does not have a specific number of posts at particular scientific levels--a scientist may be given a higher rank on his personal qualities but the post would return to the original level on that employee's departure. The Committee recommends to the Board that Dr. Clemens be promoted to the rank of scientist on his personal qualities.

2. Employment Contracts which will expire in 1985 and 1986

Taking into account the request of the Finance Committee the Personnel Selection Committee reviewed all international positions where the incumbents contracts would expire between now and December 1986. The Director was requested to present a list of these positions and to comment together with the Director-designate which positions they regard as essential to the Centre in order to perform satisfactorily. A detailed list of these positions is attached to this report.

The Committee presents the following comments to the Board for approval:

Positions regarded as essential:

1. Training, Extension and Communication Officer P5 (6-year clause position).
2. Resources Development Officer P5 (6-year clause position)
3. Microbiologist P4 (6-year clause position)
4. Epidemiologist P4 (6-year clause position)
5. Paediatrician/Nutritionist P4 (6-year clause position)
6. Chief Personnel Officer P3 (recommended to become a P4 level position)

7. Supply Officer P1
8. Finance Officer (title has been changed)
9. Microbiologist, DTWG, P3
10. Epidemiologist, Senior Scientist, DTWG, P5
11. CSR/MCH-FF P4 project position for length of project only.
12. CSR/Urban Volunteer P3 - project position for length of project only.
13. DTWG/APidemiologist P3
14. PTWG/Clinical Research P3
15. Nutrition/Epidemiology P2 - highly desirable.

Special funding for this position should be sought.

Positions which require further thought - they should be considered in relation to the priority program of the Centre which will be finalized in the coming November Board meeting.

1. Nutritionist P5 (6-year clause position)
2. Demographer P4 (6-year clause position)
3. Senior Scientist - PTWG - P5
4. Scientist - CSRWG - P4 - P5
5. International Research Associate, PTWG (P1-P3)
6. Epidemiologist, DTWG, P3

All posts regarded as essential which will be vacant will be advertised immediately.

All positions marked "6-year clause positions" were advertised in early May 1985. A time-table for the recruitment process was drawn up in order that in the next Board Meeting in November a decision can be made regarding appointment of staff members starting July 1, 1986.

The Board is requested to provide names of external reviewers for the peer review in areas of the scientific positions advertised. In addition

The Board is also requested to determine which Board members will be involved in the review of scientific publications of incumbents applying for the advertised positions which will be done as soon as possible and which Board members will serve in the Interview Board of shortlisted applicants, including incumbents.

5. New Positions for Approval

In discussing the list of positions requested by the Director the comments of the Finance Committee regarding financial implications were taken into consideration.

The following list is recommended to the Board for approval:

1. Pathologist - this position approved in 1984 but recruitment should still be deferred.
2. Head, Dhaka Hospital - this position is approved for recruitment at P3 level.
3. Head, Animal Resources - this position is approved for recruitment at P1 level.
4. Clinical Nutritionist - P3-P4 - not approved at this stage.
5. Head, Training Division (P4)
and
6. Training Coordinator (P2)
Provided funds are available and the Africa and China Projects are implemented, one of these positions is approved for recruitment.
7. Programme Officer P1 - not approved at this stage.
8. Programme Officer - P2 - this position is approved for recruitment.
9. Grants Administrator - this position is approved for recruitment at the National Officer level.
10. Publications and Communications Specialist - not approved at this stage.

11. Internal Auditor - P1-P3

It was decided that the Centre should go ahead with the operational audits by an external team on a quarterly basis. The cost of operational audit versus an Internal auditor should be ascertained. Also the job description of internal auditor should be reviewed further and the question of recruitment of internal auditor will be taken up in November.

12. Head, Matlab Station - P1 - This position previously approved may now be recruited provided salary is available from project sources.

13. MCH-FP Trainer (P4) - This position is deferred pending clarification from the Government of Bangladesh. A firm letter from the funding agency should be presented.

14. Operations Researcher - P1 - This position is also deferred pending clarification of information. It was cautioned that when the job description is again submitted to the Committee the qualifications and experience required should have some relevance to operations research.

15. MCH-FP Physician - P3 - This position was approved subject to it being fully funded from project funds. The recruitment process may start on the understanding that no appointment will be made until funds are available.

List of Consultants and Short-Term contracts

The lists of consultants and short-term staff were reviewed and the management cautioned not to engage staff unnecessarily in view of the serious financial situation.

Out of this lists a number of consultant positions will be collapsed in the next few months.

PRESENT CONSULTANTS (LONG TERM) SIX MONTHS AND ABOVE

<u>Name</u>	<u>Department</u>	<u>From</u>	<u>To</u>	<u>Period</u>
1. Ms. Graca Gosk	MCH-FP	15.11.84	1.5.85	6 months
2. Dr. Ziauddin Ahmed	DTWG	2.12.84	1.6.85	6 months
3. Ms. Wendy Hossain	Hospital	3.1.85	2.6.85	5 " *
4. Ms. Charlene Dale	Res. Dev.	1.2.85	6.6.85	4 " *
5. Ms. Deborah Degraff	MCH-FP	15.1.85	14.6.85	6 "
6. Dr. J. Wasserheit	CSRWG	17.1.85	16.6.85	5 " *
7. Ms. Naomi Novak	Publication	17.2.85	1.8.85	5 " *
8. Dr. K. A. Monsur	DTWG	13.2.85	12.8.85	6 "
9. Ms. M. Corbett	MCH-FP	24.2.85	23.8.85	6 "
10. Mr. A. Noorullah	DTWG	1.3.85	31.8.85	6 "
11. Dr. Mushtaqul Huq	TE&C	23.3.85	27.9.85	6 "
12. Ms. T. Derozhinsky	TE&C	1.11.84	30.9.85	11 months
13. Ms. E. Panni	Res.Dev.	1.4.85	30.9.85	6 "
14. Dr. D. Anand	TE&C	18.1.85	14.12.85	9 "
15. Dr. A. Latif Miah	DTWG	15.1.85	14.12.85	11 "
16. Dr. Bhashini Rao	NWG	6.2.85	16.5.85	reactivated
17. Dr. Moyeenul Islam	PTWG	1.1.85	30.6.85	6 months

* Although these consultants are stated as below six months on this statement, their contract has been renewed, but not exceeded the 11 months limit without a break, as required by the Staff Rule.

PRESENT CONSULTANTS (SHORT TERM) BELOW SIX MONTHS

<u>Name</u>	<u>Department</u>	<u>From</u>	<u>To</u>	<u>Period</u>
Mr. Hira M. Ashraf	CSRWG	1.5.85	31.5.85	1 month
Dr. B. Haque	NWG	3.3.85	2.6.85	3 months
Mr. G. Leacock	MCH-FP	15.3.85	5.6.85	2 months 19 days
Ms. Edna Jonas	MCH-FP	6.5.85	5.9.85	4 months
Mr. David Leon	MCH-FP	No specific date but assignment to be completed by June 1985		
Dr. R. Weil	As and when required (Director's Office)			
Mr. Eric Elder	MCH-FP	Expected in July 1985		3 months
Dr. W. Cutting	TE&C	Under process		
Ms. Deborah Balk	MCH-FP	Under process		

SHORT TERM CONTRACTS

Mr. Hartley Janssen	AD&F	1.4.85	30.9.85	6 months
Ms. Loretta Saldanha	CSRWG	6.11.84	5.10.85	11 months
Mrs. Beverley Morris	AD & F	15.11.84	14.10.85	11 "

7. General Services and National Officers Classification Plan

The Committee noted that a classification process of GS and NO posts have been carried out.

8. Medical and Health Insurance for General Services and National Officers Level Employees

The Board in its December meeting approved for implementation the proposal made by Van Breda International. The Plan has not yet been implemented as it has taken a longer time than expected to convince the lower level staff of the plans' benefit. However, the Committee appreciated that an education process is needed and that the Staff Welfare Association is supporting the management in this process.

The Committee requested the management to inform Van Breda International of the delayed implementation and to thank them for their patience.

9. Guidelines for Payment of Salary during Staff Development

The Personnel and Selection Committee recommends the Board to adopt ... the policy paper on Guidelines for payment of Salary during Staff Development which have been reviewed by the Council of Associate ... Directors as requested from the December meeting and the Guidelines for execution of Bond during special leave of absence for training and research is also submitted for adoption.

10. Executive Secretaries

As requested by the Board in its December Meeting a working paper was presented on the above subject.

The recruitment record shows that the Centre is not attracting highly skilled Executive Secretaries at the present GS 6 level. Therefore, two new positions have been developed at the National Officers level, to fill the vacuum which presently exists. The titles proposed by the Personnel Selection Committee are "Office Managers" at NOB level, and "Assistant Office Managers" at NOA level.

The Committee cautioned the management that these positions should not be seen as an automatic promotion or a position to be filled in every office and that it should be implemented step by step where the need is justified. Posts no longer required should be discontinued when these new positions are implemented and supervisors should ensure that all staff are utilized to their full potential.

11. Promotion Policy

A working paper on promotion policy was submitted to the Committee taking into full consideration the ICDDR,B Staff Rule. After discussion it was felt that the present policy used is sound and the committee endorsed it, stressing the competitive element in the recruitment process.

12. Equal Pay Issues

A working paper on staff rule 320.1 was submitted to the Committee for their review and comments.

The present staff rule on salary fixation reads as follows:

"On appointment, the net base salary of a staff member shall be fixed at Step 1 of the grade of the post he is to occupy. In exceptions circumstances it may be fixed at a higher step in the grade in order to maintain the staff members' former income level".

It was agreed that this rule is basically unsound and that the proposed changes be adopted by the Board:

"On appointment the net base salary of a staff member shall be fixed by the Director at step 1 of the grade of the post he/she is to occupy. In exceptional circumstances it may be fixed at a higher step in the grade if the staff member, on grounds of proven competence, experience and capability, has performed in his previous employment at a level justifying a higher step in the grade."

This would allow the Director latitude to negotiate within a level but not between levels.

13. Education Grant

Following a review of the entitlement of locally engaged international staff to an education grant it was concluded that an education grant be considered a reimburseable expense which is incurred as a consequence of a foreign posting.

Therefore, the Centre will from 1 June 1985, follow the WHO Rules and Regulations. Board of Trustees Resolution 21 December 1982 is rescinded and the following draft resolution is recommended for adoption by the Board:

"The education grant shall not be paid: when the staff member is assigned to the country of his recognized place of residence."

For those locally engaged international level staff who now enjoy an education grant and will no longer be eligible by virtue of the above change, there will be an interim provision. Education grants will continue to be claimable during the transition period and ending with the 1985/1986 school year, but no later than June 30, 1986.

14. Management Review - Personnel Matters

The Committee endorsed the following Arthur D. Little recommendations:

- A) Personnel function should be responsible to the Director for the foreseeable future.
- B) Educational qualifications of the candidates for the Chief Finance Officer position should be expanded to include MPH & MBA.
- C) Review and reduce the number of staff reporting directly to him.
- D) Internal Auditor position should not be filled at this time.

The Committee requested the Management to prepare a Working Paper on an overall management structure for the November Board Meeting.

Further, the Committee recommends that in view of the Arthur D. Little Report the following actions be approved:

- A) Chief Personnel Officer post be reclassified from P3 to P4.
- B) Chief Finance Officer post be set at P5 and his responsibilities be reviewed.

Organogram

The Centre's existing organizational diagram was presented together with a detailed structural proposal for Dhaka Hospital, but there is not time to discuss these.

Seconded Staff Housing Subsidy

It was reported that occasionally seconded staff is compensated by their home organizations at levels significantly below comparable core or project funded staff. Currently, Dr. F. Van Loon (Holland) and Dr. F. Moonens (Belgium) fall in this category. This has caused them of unjustifiable personal hardship. It is recommended that the Management review existing UN Rules and provide an appropriate "housing subsidy", if possible.

National Staff Retirement Fund - Tax Liability

The Committee recommended that management reviews the draft document with the concerned parties and present a draft resolution at the November Board Meeting.

Trust Deed

The Committee recommended that the "Trust Deed" be established. Membership should include the Director, Chief Finance Officer, representatives of senior management and subscriber staff. The number representing the subscriber staff should always exceed management by one.

Overtime

The Committee recommended that due to current financial constraints the Centre deviate from WHO Rules and continue to pay overtime pay at 1.5 base salary.

National Staff Salary and Benefit Adjustment Postponement

The Committee deferred a recommendation on this pending the expected Finance Committee resolutions as this would be a deviation from WHO Rules.

15. Trustees' Nominations

After discussion, it was decided that the following persons should be recommended to the Board to serve as Members of Board of Trustees from July 1, 1985 up to June 30, 1988.

- A) Professor David Bell and Dr. Y. Takeda should be asked to remain for a second term as Trustees;
- B) Dr. Richard Feachem should replace Dr. David Bradley (who is not eligible for a further term) as a Trustee. Dr. Feachem, a Water and Sanitation Engineer from the UK would bring a new area of expertise to the Board;

- C) Accept Dr. Mahler's nomination of Dr. M. Merson to replace Dr. Assaad as the WHO representative.
- D) Accept the Government of Bangladesh's renomination of Maj. Gen. M. S. Huq and;
- E) Accept the nomination by UNICEF of Mr. Stephen Joseph for the UNICEF seat.

ATTACHMENT

I. SIX YEAR CLAUSE POSITIONS (ADVERTIZED EARLY MAY 1985)

<u>POSITIONS</u>	<u>P LEVEL</u>	<u>INCUMBENT</u>	<u>EXPIRY DATE OF CONTRACT</u>	<u>REMARKS</u>
Training, Extension & Communications Officer	P5	K. M. S. Aziz*	1.7.86	Position essential.
Resources Development Officer	P5	M. R. Bashir*	1.7.86	Position essential.
Microbiologist (DTWG)	P4	M. I. Huq	1.7.86	Position essential.
Epidemiologist (DTWG)	P4	M. U. Khan	1.7.86	Position essential.
Pediatrician/Nutritionist	P4	A. M. Molla	1.7.86	Position essential.
Nutritionist	P5	Mujibur Rahaman*	1.7.86	Position essential.
Demographer	P4	A. K. M. A. Chowdhury	1.7.86	Position requires further thought.

* Presently holding the position of Associate Director for their respective Branch.

II. POSITIONS BECOMING VACANT IN 1985 WHICH HAVE BEEN ADVERTIZED

<u>POSITIONS</u>	<u>P LEVEL</u>	<u>INCUMBENT</u>	<u>EXPIRY DATE OF CONTRACT</u>	<u>REMARKS</u>
Senior Scientist, PTWG	P5	Thomas Butler	30.6.85	Position requires further thought
Chief Personnel Officer	P3	Sonja Conway	30.6.85	Position Essential

III. POSITIONS BECOMING VACANT IN 1986 WHICH HAVE NOT YET BEEN ADVERTIZED

<u>POSITIONS</u>	<u>P LEVEL</u>	<u>INCUMBENT</u>	<u>EXPIRY DATE OF CONTRACT</u>	<u>REMARKS</u>
Scientist (CSR)	P5	Shushum Bhatia	9.1.86	Dr. Bhatia does not want her contract extended.
International Research Associate (Clinical Research) PTWG	P1-P3	F. C. Patra	31.12.85	Renewal of contract not recommended.
International Research Associate (Epidemiology) DTWG	P3	Jeffrey Harris	10.7.86	Seconded from CDC
Microbiologist (DTWG)	P3	Bradford Kay	1.7.86	Seconded from Johns Hopkins
Scientist (CSR)	P4	Marjorie Koblinsky	31.12.85	Renewal of contract recommended
International Research Associate (Epidemiology) DTWG	P3	John Clemens	31.12.85	Renewal of contract recommended
International Research Associate (CSR)	P3	Bonita Stanton	31.12.85	Renewal of contract recommended
International Research Associate (Clinical Research) PTWG	P3	Michael Bennish	31.12.85	Renewal of contract for 1 year recommended.
International Research Associate (NWG)	P2	Fitzroy Henry	31.12.85	Renewal of contract for 1 year recommended.
Senior Scientist (DTWG)	P5	David Sack	1.7.86	Seconded from Johns Hopkins

IV. POSITION BECOMING VACANT IN 1985 AND HAS NOT BEEN ADVERTIZED

<u>POSITION</u>	<u>P LEVEL</u>	<u>INCUMBENT</u>	<u>EXPIRY DATE OF CONTRACT</u>	<u>REMARKS</u>
Finance & Administration Officer		Michael Goon *	15.6.85	Position essential.

* Presently holding the position of Associate Director for the Branch.

V. POSITION BECOMING VACANT IN 1986 WHICH HAVE BEEN ADVERTISED

<u>POSITION</u>	<u>P LEVEL</u>	<u>INCUMBENT</u>	<u>EXPIRY DATE OF CONTRACT</u>	<u>REMARKS</u>
Supply Officer	PI	Ghulam Murshed	30.3.86	

GUIDELINES FOR PAYMENT OF SALARY DURING PERIODS
OF SPECIAL LEAVE FOR TRAINING AND RESEARCH

A part of the Centre's Ordinance mandate requires it to undertake a systematic Staff Development Programme in order to strengthen it's capabilities and to continue to improve its standard of research, clinical practices, teaching and administration. The purpose of it being to raise performance levels throughout the Centre.

The Centre, in addition to it's emphasis on, in-house and in-country staff development training, also needs to arrange training for it's staff members outside the country, especially in areas where the Centre lacks skilled manpower.

While administering overseas staff development training, the Centre follows these priorities:

- Priority I : This is the highest priority for staff development. If external funding is not available, the Centre will fully fund the training from the 'Staff Development' budget.
- Priority II : This priority would provide that the Centre would only pay the staff members salary during the approved period of absence.
- Priority III : The lowest priority would provide that no funds (no leave salary) be given from the Centre's funds. The Centre's only commitment would be to retain the incumbent's post until his/her return.

Staff Rule 650 suggests a different course of actions in respect to the payment of salaries in case of granting Special Leave for training and research for more than nine months. The relevant portion of the Staff Rule is quoted below:

650 SPECIAL LEAVE - STAFF RULE

Special leave with full, partial or no pay may be granted for training or research in the interest of the ICDDR,B or for other valid reasons. Normally such leave shall not be granted until all accrued annual leave has been exhausted and normally shall not exceed one year in duration. Periods of special leave shall be credited for all purposes except as otherwise specified in the Rules.

Manual 8.160 reads:

Special leave for training or research in the interest of the Centre is normally granted with full pay and allowances. Special leave may also be granted with partial pay or without pay by mutual agreement between the Centre and the Staff member, depending on the degree of relevance of the training or research to the staff member's present or future functions. The pay and allowances to which the staff member is entitled are those applicable to his official station if the special leave is for less than nine months. If the special leave is to continue for nine months or more the place of study is designated as the official station of staff member for the duration of the leave and he receives the entitlements to an assignment under Staff Rule 510.

Manual 8.230 reads:

For periods of special leave lasting for nine months or more, no stipend is paid, if the staff member is receiving full pay (See paragraph 150 above). If the staff member is receiving partial pay or no pay, a stipend may be authorised.

The Manual 8.160 stipulates, that if the period of study leave is more than nine months, the staff member may be entitled to an 'Assignment to Duty' allowance under staff rule 510, which is, however, only applicable to the internationally recruited professional category staff.

The Manual 8.230 stipulates, that if the Special Leave is for nine months or more, the staff member should not be granted Special Leave with full pay if a stipend is paid.

The relevant staff rule and Manual do not pose any problem for the Priority I and III category, as the Priority I, would be administered exactly as per Manual 8.230. However, in the case of Priority II, where the Centre does not pay a stipend or any other additional expenses as the current manual does not cater for the 'Long Term' staff development needs of ICDDR,B the following guidelines are suggested for the Board's approval:

- I. If the approved period of training or research is nine months or less, the staff member will be granted Special Leave with full pay and allowances.

- II If the approved period of training and research is beyond 9 months the staff member will receive salary with full pay and allowances for the first nine months; and the period beyond nine months upto maximum of 36 months, 50 per cent of the salary will be paid.
- III If the period is beyond 36 months, the staff member will be granted leave without pay and allowances for the period exceeding thirty six months.
- IV * Please see page 5.

The priorities are now suggested to be classified as "Support Level" the definition of which are provided below:

Support Level I:

To be considered only for the development of skills or achieving specific work targets of the highest priority for the Centre. The training should preferably be for relatively short periods of time.

The Centre, if unable to arrange external funding, would bear all expenses admissible under relevant staff rules.

Support Level II:

Would be for training which would benefit the individual in a general way but also serves the purpose of strengthening staff skills that are seen as highly desirable for the Centre's needs. Normally, this type of training is for longer periods of time. When considering such training, a plan for the utilization of the services of the staff after return from training, should also be kept in mind.

The Centre would pay only the staff salary as per suggested guidelines.

Support Level III:

Would be for relatively new staff members who do not fulfill the required service period with the Centre (Manual 110) and for whom the proposed training is not of highest priority for the Centre.

Further, issues which have not been covered in the Staff Rules and the above guidelines are discussed below for your consideration:

- IV A staff member shall not normally be considered for subsequent overseas training unless he completes the period of bond (Manual 8.150) executed by him for his previous overseas training.

The Director may, however, approve such training and grant Special Leave but only at support level III. This may, however, be relaxed and Special Leave may be granted at support level II where the salary can be arranged from any source other than the Centre's Staff Development budget, or individual working group budget.

- V. (a) In considering project staff for overseas training, the decision should be based on the fact of whether the project in question has a sufficiently long life span as to enable the Centre to take advantage of the trainees new skills, following completion of the course.
- (b) Project staff should not be given a guarantee of a position after their return from overseas training, if the work of the project in question is finished prior or at the time of their return from training. However, all efforts should be made to review any demand for such new skill in other areas of the Centre.

- * IV. Any extension beyond 48 months can only be granted under exceptional circumstances.

Please note that inadvertently this clause was left when it was presented to the Board.

STAFF DEVELOPMENTGUIDELINES FOR EXECUTION OF BOND
DURING SPECIAL LEAVE OF ABSENCE
FOR TRAINING OR RESEARCH

The purpose of this paper is to delineate the ICDDR,B Manual 8.150 and to suggest a policy of advancement of staff on return from staff development.

ICDDR,B Manual 8.150 requires that the staff member who is granted special leave with full or partial financial support for training/research for nine months or more shall execute a bond to the effect that he must agree to return to the Centre for a period of time fixed by the Centre, but not exceeding three years provided that his services are required for that period.

The following guidelines are suggested:

Special leave granted with full or partial financial support for training or research:

	<u>Bond Period</u>
1) Not exceeding 1 year	18 months
2) Period above 1 year, but not exceeding 2 years	24 months
3) Period exceeding 2 years	36 months

It is also proposed that bonds executed earlier will also be enforced as per guidelines suggested above.

Advancement on return from training:

Completion of training, and/or obtaining of a higher degree, will not automatically entitle a staff member to a higher position or grade. If the supervisor considers him/her suitable for a higher level position, the supervisor may recommend reclassification of his/her position as per Staff Rule 560 and Staff Regulation 4.4.

However, on acquisition of a doctoral degree, a staff member will be reclassified in the National Officers Scale, subject to the availability of funds to meet the increased salary, and an appropriate position in a suitable programme.

10/BT/MAY.85

REPORT ON WHO AND UNICEF COLLABORATION.

31 JANUARY 1985

NOTE FOR THE RECORD

The three agencies met to discuss their future collaboration.

1. ICDDR,B, UNICEF and WHO have as a common goal the reduction of diarrhoeal morbidity and mortality, especially in infants and young children. Although it is appreciated that the three agencies have distinct mandates, operating procedures and strengths, this common goal makes enhanced collaboration essential.
2. Under its charter, the primary aims and objectives of the ICDDR,B are to undertake and promote research, disseminate knowledge and provide training in research methodology and in patient care in the context of the community.

As part of its Child Survival and Development Revolution, UNICEF has given particular emphasis to oral rehydration therapy as an effective, low-cost strategy; it is providing support to a number of national diarrhoeal diseases control programmes, especially in the areas related to promotion of home-based ORT solutions, ORS production and logistics, communications support and evaluation.

The global WHO/CDD Programme is collaborating with countries in the planning, implementation (especially management training) and evaluation of their national diarrhoeal diseases control programmes and is supporting health services and biomedical research in a wide range of areas.

From the above, it is apparent that there should be consistency between the agencies and cooperation in such areas as research, training, communications support and evaluation.

3. Over the last two years, WHO and UNICEF have developed a common approach in their diarrhoeal diseases control activities. In order to ensure the maximum involvement of ICDDR,B in this collaboration, the following is agreed:

(a) In addition to the present appointment of Director, CDD and the proposed appointment of a UNICEF nominee to the ICDDR,B Board of Trustees, the appointment of Director, ICDDR,B to the CDD Technical Advisory Group, and the usual exchange of programme information, consultations between key staff of the three agencies should be planned over the next year to review their programme activities, especially those at country level.

- (b) It is recognized that one of the main goals of the ICDDR,B is to provide new information related to the strategies for diarrhoeal diseases control (e.g. improved oral rehydration formulations), and to test these interventions for application in national CDD programmes. However, when advising countries on their national CDD programmes, ICDDR,B should follow the technical policies of WHO/UNICEF. WHO/UNICEF should incorporate proven improved strategies in their policy statements as soon as possible.
- (c) It is realized that the research programme at ICDDR,B should be determined by the Centre itself. Within this context, when possible the Centre could undertake research that is recognized to be high priority by WHO and UNICEF. WHO and UNICEF should seek to define mechanisms by which the Centre can strengthen national institutes in diarrhoeal diseases research.
- (d) The three agencies should clarify to countries their specific areas of expertise for collaboration in national CDD programmes. Whenever any one of the three agencies receives from a country a request for collaboration or assistance in diarrhoeal disease, its initial step should be to determine the existing and potential roles of the other two agencies. When ICDDR,B receives a request, WHO and UNICEF should be informed; when WHO or UNICEF receive a request they should contact ICDDR,B when its services may be useful.
- (e) Each of the three agencies should continue its independent fund-raising activities. It is believed that better collaboration and cooperation between these agencies will increase overall levels of funding for diarrhoeal diseases control and ensure the optimal use of available resources. This increase of financial support for national CDD programmes and diarrhoeal diseases research must be realized so as to reduce the unacceptably heavy burden of diarrhoeal diseases on childhood mortality and mortality.



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COPY

Dr. H. Mahler
Director-General
World Health Organization
1211 Geneva 27,
Switzerland

April 21, 1985

Dear Dr. Mahler:

The "Note for the Record" of our January 31, 1985 meeting was reviewed by the senior ICDDR,B Management staff. They have expressed concern that Section 2 had only paraphrased the objectives of the Centre and therefore suggested that the objectives of ICDDR,B, as stated in its charter, should be inserted in the first paragraph of Section 2. The objectives of ICDDR,B according to its charter are as follows"

- "(a) To function as an institution to undertake and promote study, research and dissemination of knowledge in diarrhoeal diseases and directly related subjects of nutrition and fertility with a view to developing improved methods of health care and for the prevention and control of diarrhoeal diseases and improvement of public health programmes with special relevance to developing countries.
- (b) To provide facilities for training to Bangladeshi and other nationals in areas of the Centre's competence in collaboration with national and international institutions, but not to include conferring of academic degrees."

We request you to kindly amend the "Note for the Record" to accurately reflect the Centre's objectives and avoid any misinterpretation. I hope this will be satisfactory to WHO.

Best regards,

Yours sincerely,

Professor Roger Eeckels
Acting Director



Téléphone Central/Exchange: 91 21 11

Direct: 912632

In reply please refer to:

C6/286/2

Prière de rappeler la référence:

Professor R. Eckels
Acting Director
ICDDR,B
G.P.O. Box 128
Dhaka 2
Bangladesh

10 May 1985

Dear Roger,

Dr Mahler has asked me to reply to your letter of 21 April requesting modifications in the "Note for the Record" of our meeting on 31 January 1985.

We do not feel it advisable to make the changes you have requested. As you may recall, section 2 was meant to briefly summarize the main areas of expertise of ICDDR,B, UNICEF and WHO. It was not an attempt to state the full objectives of these three Organizations. We have circulated this note to a number of interested parties and have not found any misinterpretation of this section.

In addition, our experience is that it is generally unwise to modify such a document without agreement of all the participants involved, and especially at such a late date.

I look forward to discussing this matter further with you when we next meet.

With best regards.

Yours sincerely,

M:16

Dr M. H. Merson
Director
Diarrhoeal Diseases Control Programme

cc: Professor J. Kostrzewski

11/BT/MAY. 85

REPORT ON CONSULTATIVE GROUP
MATERIALS AND PLANNING.

GOALS AND PRIORITIES ICDDR,B
1985 - 1989

The most central principle guiding the establishment of the Cholera Research Laboratory and its successor the International institution capable of fostering scientific thought and technology that is current with "state of the art" science in technologically advanced countries can exist and prosper in a least developed country setting given the right commitment, charter, governance, and staff. This Centre addresses the cluster of health problems, diarrhoea, malnutrition and excessive fertility which underlie most deaths and illness in Bangladesh and many other countries. The question of why is it worthwhile to struggle to establish an institution of high current technology and expertise in a difficult setting may be answered that there is a commitment to put the best health sciences can offer to work on the most common and major causes of death and disease. Given this central concept the process of setting priorities and goals flows quite naturally. The Centre is located where the problems are. It and its staff must define these and with the best minds and tools available attack them. This attack should be at a basic as well as an applied level, and, once successful means are discovered, they must be applied to alleviate and prevent these problems. Results then must be communicated as rapidly as possible to all who can benefit utilizing all available channels and agencies. As new knowledge is gained the pressure points for rapid advances change. Equally the biology of populations and illnesses changes often with breath-taking speed, especially in the very rich ecology of Bangladesh where the life support system of the great rivers Ganges, Brahmaputra and Meghna create the highest fresh water flux per land area in this planet. Thus in creating priorities goals and plans it is absolutely essential to insure that the institution can be increasingly responsive to the opportunities of scientific advance and exigencies of nature as they impact on one of the very difficult and excludes what is a traditional exercise--"The five year plan". The challenge then is to find an organized

frame-work of priorities and structure for the Centre to insure it does not become frozen and isolated as an academic entity perhaps doing a high quality of work but of decreasing linkage to the realities of its location. The first issue then is how to keep contact with the problem.

From 1962 the CRL/ICDDR,B has followed a philosophy that providing services to all those with diarrhoea that seek its help is an essential basis for research in diarrhoeal diseases. Early this idea was extended to include care of extensive field populations. Later home-care and self care methods have been increasingly emphasized. This extensive service network provides the basis for prompt recognition of new events, epidemics and changes in the biology of diarrhoeal diseases. It also has provided the basis for a burgeoning health services research interest and effort. Thus services must be viewed as a highly desirable and necessary substrate for the research and training efforts of the Centre and central to its mission. Of greater human concern is that it is also an ethical necessity. In general good ethics mean a healthy institution and in my view never detract from the scientific process. This approach however incurs a higher cost to operations.

This raises the single most urgent crisis currently facing the Centre. Clearly to accomplish its overall purpose flexibility of response to local conditions is required and an ability to provide service to a large number of very poor people. There has been over the last 4 years, but accelerating rapidly during 1984 and 1985, a trend for those who support the Centre to designate funds for special projects. This has increased the overall resources but has rapidly reduced the capacity for services and response to problems with which donors and unfamiliar or will not consider of central importance or immediate concern. An example of this is a widespread resurgence of shigella dysentery in 1984 and 1985 in Bangladesh and throughout much of Asia with a very high loss of life. Only the core flexible resources of the Centre have so far been available to address this epidemic which may result in loss of life of the scope of the current famine in Africa.

Two years before this occurred a conference of the few people seriously working on shigellosis had been convened by ICDDR,B and the lack of progress, effort and resources noted. Together with defining areas of priority where work should be done, the Centre must find a way to have some flexible support and be a gadfly to the international community to insure that crucial problems are brought into focus and effective measures to prevent and cure disease propagated rapidly.

Those working in the field of global health and supporting this work must never again allow the major causes of death and illness to be left out of primary focus, as was the case historically when Tropical Medicine omitted the two largest killers in the world, diarrhoeal disease and acute respiratory infections from central consideration.

First let us define those priority areas of work on which the Centre currently focuses its resources. What is expected to happen in the next five years to these areas can then be projected. Finally new areas that are not currently a main effort will be identified.

1. Determinants of Maternal and Childhood Morbidity and Mortality

Central to all else in priority is gaining knowledge on what makes mothers and children sick and causes their deaths or said more technically focus on the determinants of maternal and childhood morbidity and mortality. Always the Centre has taken a holistic view of its work and insisted on studying diarrhoea, malnutrition and the problems of rapid population growth in the overall context of possible relationship to other causes of death and disease. To explain why is most easily seen by example of the studies on measles which have shown that one effective way to prevent dysentery and malnutrition and high mortality in children is to prevent measles. Yet measles is not primarily a diarrhoeal disease. Crowding, low birth weight, close spacing of babies all result in very high diarrhoeal rates yet rest on high fertility. A sharp increase in emphasis is needed to better define and test interventions that can reduce the toll of death and disease in mothers and children.

2. Environmental and Ecological issues in Diarrhoea

The Centre has invested in basic studies on the ecology of V. cholerae to discover its as yet undiscovered biological niche where it hides between epidemics. It also has been testing standard technologies of hand pumps and latrines to assess how much can be accomplished by these traditional measures. Recently increasing attention has been given to behaviour that may enhance or reduce diarrhoea. A recent discovery has been the great power of soap to prevent spread of many diarrhoeal diseases. Over the next five years it is expected that there will be a continued increase in attention to behaviour and education and increasing specification of what are the most important effective preventive measures currently contained in the word "hygiene". Soap appears pivotal and requires full attention as to its potentialities as an inexpensive measure immediately applicable in all settings. Another intervention to prevent cholera is the use of purification of household water with potassium alum sulphate or "Fitkari".

3. Vaccine Development and Testing

The field testing and partnership with developed country institutions in vaccine development has always been a central priority and will remain so. At present oral cholera vaccine is in field test. Rotavirus vaccines are available in planning stages for field trial. Shigella vaccines are surely needed but are at basic developmental states. During the next five years cholera vaccine testing is likely to continue but much depends on the outcome of the present trial to say what kind of effort will be needed. Rotavirus vaccines will be tested in 1986 or 1987 and development of shigella vaccines will be pressed as a major effort which will require partnerships as has been the case for cholera vaccines.

4. Shigellosis and other invasive diarrhoea

The resurgence of a devastating shigella epidemic all over Asia since 1984 has driven this to a central priority. This disease has

been neglected and attention must be focused to achieve an adequate understanding of it and to define effective preventive and curative measures. Antibiotic resistance of an extraordinary degree is now present defeating traditional curative approaches with antimicrobial agents.

5. Cholera and Enterotoxigenic Diarrhoea

A sustained effort will continue to seek to solve the persistent mystery of where V. cholerae hides and why it resurges in epidemic form. Should the vaccine approach not work well there may still be possibilities to interrupt the transmission when the occult part of the cycle is known. Basic studies on mechanism of diarrhoea to work on measures to reduce fluid loss will continue at about the same level.

6. Development of ORT

The discovery of ORT was a breakthrough and the recent findings that using cereals instead of glucose or sugar as a basis for this therapy is another major achievement. Fluid loss can be reduced, duration of illness shortened, vomiting markedly diminished, nutrition improved and recurrent diarrhoea prevented by this simple approach. This is a major area requiring increased emphasis with fullest attention facilities and support to make the most rapid use of our new knowledge.

Training, Extension & Communication

To bring the fruits of completed research to use in Bangladesh and all other countries requires a major effort in training and communication. Furthermore one of the most urgent and exciting opportunities for the Centre is to assist national institutions in and outside of Bangladesh in establishing vigorous effective research programmes of high quality to address problems specific to the country. Scientific thought and technology are established at the Centre and adapted to adverse field

conditions. This adaptation process is often lost sight of in attempting to transfer technology. Countries with problems similar to Bangladesh find that methods adapted to conditions at the Centre usually work well in their country settings. A large demand for "extension" of established methods is growing but can be met. Because of the scope of the problems and interest of many countries we must have a very sharp focus and clear idea of where we are going. This is a very major challenge in the next five years.

Disciplinary Roots

The process of science is based on thought and technology. Both are focused and specialized to increase their power. The challenge of the Centre is to insure the highest quality and power of science without the fragmentation, isolation, and lack of interdisciplinary dialogue that often is the price of specialization and elaboration of technology.

At ICDDR,B; six years ago to break down barriers and throw scientists of different disciplines together five programmes were established that were to achieve interdisciplinary approaches to problem areas. These are Pathogenesis and Therapy, Host Defence, Disease Transmission, Nutrition, and Community Services Research. At present times the specification of priorities and goals into concrete projects takes place in the Working Groups of each programme. What follows is what has been presented by each Associate Director responsible for these programmatic areas and modified by the Director to coincide with overall priorities of the Centre.

Pathogenesis and Therapy Programme

Of the six Centre priorities the Pathogenesis and Therapy Programme will address the following:

1. Shigellosis and invasive diarrhoeas

Basic studies on patients and, as indicated, animal or in vitro systems to define the pathogenetic mechanisms leading to complications and death.

Ways will be sought to effectively treat and prevent illness. This will include detailed pathological investigations, studies of antibiotics, herbal and indigenous remedies, and the effect of cereal ORT on the clinical course of the disease. Campylobacter and amebiasis will be areas of work but of less priority.

2. Studies on how Cereal-based ORT reduces the severity of diarrhoea.
3. Development of antisecretory drugs in cholera and enterotoxigenic diarrhoeas will continue together with basic investigations of disturbance of the control mechanisms and mediators of secretion and absorption in the gut.
4. As a part of the study of the determinants of maternal and child illness and death, complications of diarrhoea seen in the hospital will be studied including what is currently the most important cause of death in patients with diarrhoea, associated with acute respiratory diseases.

Through more active participation in the current surveillance protocol operating on a 4% systematic sample of the hospital patients new areas deserving priority will be detected and explored as these appear. This will demand close cooperation with the Disease Transmission programme.

Host Defence Programme

This programme will cooperate chiefly with the Pathogenesis and Therapy and Disease Transmission programmes to pursue the following priorities:

1. Shigella vaccine development

Basic immunology and immunochemical approaches are needed in partnership with technologically advanced institutions to press forward the development of an effective oral shigella vaccine. Since immune mechanisms may also be involved with some of the morbid phenomena seen in shigellosis (e.g. H.V.S.) these will also be studied.

2. There will be continued work on V. cholerae immunity in conjunction with the cholera vaccine trial.
3. Since it is very likely that a major determinant of childhood mortality is related to malnutrition, studies of basic immune mechanisms may begin in this area. These will require cooperation with the Nutrition programme.

There will need to be a concerted effort to build up adequate laboratory facilities and train staff to effectively approach these tasks.

The Disease Transmission Programme

This programme will cooperate with all other programmes to approach the following priority areas:

1. Vaccine trials and vaccine development

There is a large-scale oral cholera vaccine trial underway which will require, if the vaccine proves successful, at least three to five years follow-up. Work to explore the possibility of live oral cholera vaccines will begin at the Centre in collaboration with appropriate institutions with competence in Microbial genetics. Selection of a live oral Rotavirus vaccine for field test by 1986 is underway and will involve at least three years of work.

Development of Shigella vaccines will be carried out in close partnership with the Host Defence and Pathogenesis and Therapy programmes and will be emphasized over the coming five year period. Collaboration with institutions of excellence in Microbial genetics and Chemistry will be important. This will include selection and development of a field area to test any candidate vaccine. Developing field detection methods and defining epidemiology of specific areas will be essential.

2. The development of microbiological methods applicable for field use will be a major priority that will serve all programmes as successful techniques are discovered and field tested.

3. As a part of the focus on determinants of maternal and child morbidity and mortality a close look at causes of diarrhoeal diseases and death

will be mounted.

4. As a part of 1 and 3 there will have to be continued descriptive epidemiology of both shigellosis and cholera.
5. Intervention studies in cooperation with Community Services Research will further pursue the way in which soap for handwashing and purification of household water with potassium and sulphate or fitkari can be employed to greater effect.
6. Surveillance systems based on the hospital and field with improved microbiological methods will define new areas where priority must be given to begin to unravel our current ignorance of the causes of longer lasting diarrhoeas of undetermined cause.

Nutrition Programme

1. This programme will cooperate with the Pathogenesis and Therapy and Host Defence Programmes to define better how nutrition leads to and in what way determined the pattern of maternal and child illness and death. These studies may be at a very basic level and seek at issues such as why vitamin A or zinc deficiencies lead to high death rates. Intervention studies may be mounted with the Community Services Research and Disease Transmission programmes to determine how best to reverse high disease and death rates due to specific deficiency states.
2. Shigellosis has as one of its most devastating consequences severe acute protein loss from the gut with acute protein malnutrition. This requires intensive study, especially to determine how best to stop the protein loss.
3. Studies on cereal-based ORT and devising practical home measures to make a simple transition to post diarrhoea feeding will be a focus. Basic work on nutrient absorption and digestive enzyme function will continue. Because of the apparent marked reduction in severity of diarrhoea by cereal-based ORT studies on trophic changes in the gut and improved local immune defences will begin and be emphasized.

4. Work on the causes of more prolonged diarrhoea and their nutritional consequences will begin together with Pathogenesis and Therapy, Host Defence and Disease Transmission programmes.

5. Environmental intervention studies aimed at improving nutrition by interrupting the diarrhoea-malnutrition cycle will be continued.

In all of its work except that related to laboratory and hospital studies this programme will emphasize an approach which includes economics, social sciences, ecological approaches as well as more traditional nutritional and biomedical approaches.

Underlying this programme are requirements for improved biochemistry and immunology, strong statistical and analytic expertise, excellent computer facilities, and good disciplinary strength in anthropology and the social sciences.

Community Services Research

1. Computing, Database and Data-Handling Facilities

A major area of development in the Community Services Research Working Group, relevant to the Centre as a whole, is the radical upgrading of computer facilities.

1.1. A team on international level computer staff is being recruited. A new IBM 4331 mainframe has just been installed. This will allow us for the first time to work on all aspects of our extensive data. New facilities will include a network within Dhaka Station; the possibility of linkages to the field stations and beyond are being explored.

1.2. An immediate priority is development of the data-base, making the Centre's huge data resources available both to ourselves and to collaborating scientists from a wide variety of disciplines, on a local and international

basis. Collaboration with National Research Institutions will become a meaningful possibility on a greater scale than has previously existed.

1.3. The largest single component of this data-base remains the Demographic Surveillance System (DSS). We are critically reviewing the technology of data collection and editing, with the aim of improving the turn-around time and data accessibility in order to maximally facilitate its use and application to other projects.

1.4. A successful example of an improved system of data-handling is the Sample Registration System (SRS) currently in use in the MCH-FP extension activities and in the Urban Volunteer Programme.

1.5. Paralleling the activities of the data management and computer information services, we are strengthening the biostatistics cell. Statistical and computing activities have become dispersed in the last year or two between individual projects. A better approach is strong central branch facilities servicing projects. This will only be acceptable to individual investigators if branch services are seen to be excellent. More formal training and staff development programmes in the branches will help to secure this end. New initiatives are already in place and will continue to be developed in relation to statistical, data management and computer services. Our senior staffing structure will allow much of this training to be achieved on an in house basis.

2. Matlab Field Station, Population Studies, MCH FP and Extension Activities

The main area of activity of the DSS is still Matlab which is currently housing the largest ICDDR,B Cholera Vaccine Trial (CVT) ever carried out. Other vaccine trials are anticipated though not necessarily on this scale.

2.1. To accommodate such activities within the time span of the existing CVT we may need to increase our population currently under surveillance. Furthermore, the flood control component of the Meghna-Dhonagoda Embankment Scheme (MDES) is nearing completion and nearly half of the DSS study population

will be within the empoldered area. This will inevitably affect some of our study variables. In addition, it is almost certain that the ICDDR,B will play a role in monitoring the impact of MDES in other areas. To achieve more representative coverage of the embankment area as a whole, we may recensus some villages previously included in the DSS area, based on Shotaki which has an ICDDR,B initiated Community Operated Treatment Centre. Using this opportunity we will explore and develop new census and data handling techniques. Socio-economic survey data will also be upgraded and updated in the Matlab study area, probably on a village sample basis.

2.2. The main long-term health and population-related research in Matlab supported by the DSS is of course the Family Planning Health Services Project where high levels of contraceptive acceptance have been achieved and sustained over an 8-year period, and continue to increase. Current levels of contraceptive prevalence (c. 45%) are double the national average. Fertility and child mortality rates have declined concomitantly. At the request of the Government of Bangladesh (GOB) a programme is in place to transfer the successful components of this project to the National MCH-FP Programme in two "extension areas". The success of this has already resulted in new policy measures being adopted by the GOB Ministry of Health and Population Control (MOHPC) in relation to the need for more female community health workers and appropriate training and support. Also stimulated by our operations research we are collaborating on a new initiative with UNICEF and the MOHPC to train and develop a mid-level cadre of female supervisors for the country's rural MCH-FP delivery system. We are also helping to develop a field capability within the Management information System Unit (MIS) of the MOHPC, GOB to strengthen their monitoring and evaluation of the National MCH-FP Programme. Thus we are optimistic of facilitating research utilisation at both policy making and implementation levels of the MOHPC.

2.3. New work on the National Determinants of Fertility will be of limited value if not strengthened by a strong biomedical input including measurements of hormonal status in "at risk" pregnant and lactating mothers. This will not be pursued unless there is a major new initiative to study maternal

health and nutrition in relation to the outcome of pregnancy, morbidity and survival in early childhood.

2.4. Family planning associated infections will be studied in Matlab and, in collaboration with the Mohammadpur Clinic, Dhaka. In conjunction with this, facilities for anaerobic microbiology will be developed at ICDDR,B by the Microbiology Branch in the Disease Transmission Working Group.

2.5. The MCH interventions have continued largely unchanged pending the analyses of data accrued over the last three to five years. This analysis is being undertaken as another priority. In the meantime routine immunisations such as measles and tetanus currently limited to our study areas will be extended to the comparison areas as there are no longer scientific or ethical justification for leaving these populations without this benefit. This will not rule out further research such as the use of the newly developed measles vaccine (Zagreb strain) should this be seen as an appropriate at in the future.

2.6. Besides a notable drop in the birth rate, another impact of our combined MCH-FP interventions in Matlab is an improvement in child survival. Current estimates of infant mortality rates, however, are still little below 100/1000 live births and the 1-4 year figure is of the order of 25/1000 of which a quarter are probably due to dysentery. Inadequacies of cause of death data and lack of morbidity data currently impede rational development of the MCH interventions and give little or no insight into observed survival correlates. The lay death reporting system has been improved (and standardized in line with Teknaf) to determine more accurately the nature of childhood deaths which are refractory to our current programme. With the Nutrition Working Group, in the first instance we are attempting to improve the specificity of anthropometric measurements as an indicator of risk of death, in Matlab and Teknaf. This will be followed by morbidity and nutritional surveillance in selected subsamples of the population aimed at the logical development of new health service strategies for improving child survival.

2.7. A systematic effort has been started to upgrade the quality of clinical care, which may eventually include nutritional rehabilitation, at Matlab Treatment Centre and to this end active collaboration with Dhaka Station is being fostered. Cereal-based ORS is being introduced, on a research basis at present, as an extension of current Dhaka ward studies comparing its efficacy with that of WHO ORS.

2.8. The community study based on Chandpur, neighbouring Matlab, of cereal-based ORS is approaching completion and the data will yield far more information than was originally envisaged. The results may be helpful in determining priorities for other phases in the "ORS Programme".

Thus the next five years should see a continued high level of activity centred on Matlab, accommodating service and research activities by at least three of the scientific working groups. The shortcomings of our current facilities have continued to encumber our activities and have been criticised externally. A new building programme is envisaged to rehouse the treatment centre, support laboratories, offices and some residential accommodation. This should not be seen as introducing undue sophistication and centralization of our Matlab operation but as decentralizing from Dhaka by functionally upgrading facilities which are necessary for (i) improved operational research systems; (ii) accommodating field based training programmes and (iii) better clinical services.

3. Urban Volunteer Programme

3.1. The scale of the rural programme should not overshadow the rapidly developing research component of the Urban Volunteer Programme (UPV) in the urban slums of Dhaka. An ORS delivery system is already in place. Data on diarrhoea and other morbidity rates, stool pathogen rates, indicators of nutritional status, and demographic data have been collected as baseline for subsequent research.

3.2. Efforts towards improved personal and environmental hygiene are being made on the basis of specific epidemiological findings related to

diarrhoeal disease. The effectiveness of nutrition education and supplementation of selected children in the community may also be evaluated in conjunction with UNICEF and GOB. Full use is being made of existing health facilities, mainly supplied by GOB, to facilitate the eventual transfer of technology and maintain self sufficiency within the community. The programme will be linked with the Dhaka Municipal Health System in order to train government workers and to coordinate coverage.

4. The Mirzapur Handpump Scheme

The project is designed to measure the impact of introducing a special handpump and a switchable two-chamber latrine in every household on shigellosis and other diarrhoea rates. The handpump is of new, high output design, associated with a deep tubewell system and is being field tested in the course of this study.

5. National Oral Rehydration Programme (NORP) Project

NORP is part of the GOB Diarrhoeal Diseases Control Programme (CDD). This project to analyse patterns of use, demand and supply of oral rehydration salts by NORP ends in 1985.

6. Summary

Two major branch activities of importance to the whole Centre are being strengthened and improved. Installation of the new computer is being followed by the development of a comprehensive database containing archived and current data to increase accessibility of this grossly under utilised resource.

Matlab Treatment Centre will be upgraded in terms of research facilities, training opportunities and improved clinical care.

New demographic and morbidity surveillance techniques will be developed and refined. Better knowledge of current morbidity and mortality, particularly in relation to diarrhoeal diseases, will be sought.

New health interventions will be developed on the basis of these findings.

The successful transfer of family planning strategies to the MOHPC will be further enhanced by strengthening government health delivery and monitoring systems.

Work on Natural Determinants of Fertility may be phased out unless strengthened by a biomedical component as part of studies of the nutritional status of pregnant mothers.

Cost effectiveness studies will be introduced in Matlab and the extension areas relating to the family planning service component in the first instance.

Family planning related infections will be investigated with concomitant introduction of anaerobic microbiology facilities.

In the Dhaka slum community the effect will be measured on diarrhoeal disease morbidity of health education messages based on local epidemiological studies. A community based nutrition intervention is also being added.

There is a Centre commitment to the Mirzapur handpump project for at least three years.

The National Oral Rehydration Programme Study will be completed during 1985.

Training, Extension and Communication Programme

Centre's mandate to disseminate research findings to be incorporated in health care delivery system in practice in Bangladesh and many other countries have been entrusted with this programme. TEC undertakes health manpower development related activities to fulfil the

institutional objectives. These activities are undertaken in the form of problem specific training, extension and communication programs sometimes tailor made to suit the requirements of any country. In addition, under this program, other activities include workshops and conferences, both national and international; and fellowships - short and long term. The overall aim is to develop a critical mass of manpower in each of the collaborating countries or institutions aiming at self-reliance.

Training

In the first of the projected five years, 12 national and international training courses on different aspects of diarrhoeal disease and directly related subjects, will be organised. This number will increase each year and in 1989 thirty six such courses are planned. Efforts will be made to develop new courses and also to incorporate the new findings in the existing courses. Since the beginning of January 1985, training programmes are being further strengthened by developing training resource materials, such as technical training series, slide tapes, etc. It is proposed to further strengthen and expand this including video tape training material. The training material so developed would also help the program to provide additional training input to the collaborative countries and other national and international agencies to develop their own training capabilities.

A programme of comprehensive evaluation is planned during this period. It is expected the results would help in further improvement of the courses offered at the Centre.

The trainees would be regularly followed up and evaluated to identify the need retraining and the impact of training on the vulnerable population.

International Conferences, Seminars and Workshop:

A number of seminars, workshops and conferences are planned during this period so as to share views and disseminate information of the newer

developments at the Centre. This would cover a wide range of topics, include covering important findings of the five Research Working Groups. Subjects like management, communication, health education, all related to diarrhoeal diseases control would also be included. The centre will provide continuity to the Asian Conference on DD and the "African Conference on Diarrhoeal Disease".

Extension

In order to transfer the techniques and skills on institutional basis to strengthen the organizational capability, the Centre plans to take up a number of extension projects both for the host as well as other countries and institutions.

In addition to the on-going Epidemic control preparedness program and collaboration with Govt. of Bangladesh in its National Control of Diarrhoeal Disease Program, efforts will be made to initiate new extension projects in Asian and African countries.

Communication

In addition to the usual library information and documentation service, internal publications service and the scheduled programmes of the DISC project, a wider range of publications for the dissemination of knowledge are planned. It is proposed to publish monograph on diarrhoeal diseases, annual and retrospective bibliographies, directories of on-going research projects, scientists and practitioners and institutions, involved in diarrhoeal disease research, on a global basis, bi-monthly Current Awareness on Diarrhoeal Diseases Bulletin, introduction of microfiche service and organization of workshops. Computerization of information services is scheduled in the 1985-86 period. The goal is to make ICDDR,B the main global information and documentation centre on diarrhoeal diseases.

The Centre proposes to use mass media to create awareness and understanding of the program for prevention and control of diarrhoeal diseases in Bangladesh. This would be a multi-disciplinary project involving experts from the Centre, health administrators and specialists in mass media.

Summary

New directions to better focus and implement the work of the Centre toward final goals are needed. Attention must be given to building of basic disciplines such as pathology, immunology, microbiology, virology, biochemistry, anthropology, operations research statistical and computer sciences. The means to achieve this are not clearly defined as yet. The programmes were originally meant to be interdisciplinary but are taking on characteristics of departments and finding difficulty in cross-programme cooperation and communication. The step of setting overall priorities for the Centre that require participation by most programmes may resolve this dilemma or it may be well to redefine programmes more along disciplinary lines and have the non hierarchal scientific interest groups be the interdisciplinary areas as they address the priorities of the Centre. I feel that a reorganization is not needed but a redefinition of roles may be required.

Further specification and planning of projects has not been included as yet but is available in many areas of work. These may need modification once there is agreement on the approaches and goals.

Finally for really top performance the Centre must behave as a collegial scientific group with all nationalities and disciplines submerging special personal, national, or disciplinary interests to getting ahead with effective efforts to achieve the goals set. In no case under any sense should special interest supervene over the ecumenical approach. The Centre has achieved much but it is poised to achieve much more to the lasting benefit of all mankind and especially the mothers and children of disadvantaged areas of the world.

12 /BT/MAY. 85

NOMINATION OF TRUSTEES.

12/BT/May 85

STATUS OF TRUSTEES TO BE REAPPOINTED/REPLACED

Dr F. Assaad, WHO - Dr H. Mahler has nominated Dr M.H. Merson
to replace Dr Assaad as WHO representative

Prof. D. Bell - Is available for reappointment

Prof. D. Bradley - Is not eligible for reappointment

Maj. Gen. M.S. Huq, - He has been renominated for appointment
Bangladesh by the Government of Bangladesh

Dr Y. Takeda - Does not wish to be considered for re-
appointment

New Seat - to UNICEF/New York

LIST OF BOARD MEMBERS REMAINING

<u>Name</u>	<u>Country</u>	<u>Discipline</u>
Dr A.R. Al-Swailem	Saudi Arabia	Paediatrician
Dr I. Cornaz	Switzerland	Social Sciences
Dr J. Kostrzewski	Poland	Epidemiology
Dr L. Mata	Costa Rica	Nutrition/Clinical Science
Mr A.B.M. Ghulam Mostafa	Bangladesh	Administration
Mr Munir-uz-Zaman	Bangladesh	Administration/Finance
Dr V. Ramalingaswami	India	Clinical Science/Science
Dr D. Rowley	Australia	Immunologist
Dr J. Sulianti Saroso	Indonesia	Research/Administration
Dr D. Sebina	Botswana	Public Health/Admin./Finance

OUTGOING MEMBERS

Dr F. Assaad	WHO	Microbiology/Virology/Admin.
Prof. D. Bell	U.S.A.	Population/Admin./Finance
Prof. D. Bradley	U.K.	Epidemiology/Microbiology
Maj. Gen. M.S. Huq	Bangladesh	Health Admin./Clinical Science
Dr Y. Takeda	Japan	Microbiology

LIST OF RECOMMENDATIONS FOR TRUSTEES FROM LIST CIRCULATED TO
BOARD MEMBERS AND ASSOCIATE DIRECTORS PLUS NEW SUGGESTIONS

Person Recommended

Recommended By

Dr David Picou

Dr M.M. Rahaman

Prof. J. Waterlow

"

Dr S.C. Pal/Prof. Mathan

"

Dr Oscar Brunser (new suggestion)

"

Dr Richard Feachem

Professors Bradley, Bell and
Rowley

Dr Aung Than Batu

Dr David Sack

Dr Sune Bergstrom

Dr Sack and Prof. J. Kostrzewski
and Prof. D. Bell

Dr L.R. Trabulsi

Dr David Sack

Dr D. Habte

Prof. D. Rowley

Dr Jay Stephen Keystone

Dr O. Solandt

Dr Leslie Spence

"

Prof. Olikoye Ransome-Kuti

Dr M. Rowland

Dr John A. Walker-Smith

"

NOMINATION LIST FOR MEMBERS OF BOARD OF TRUSTEES

<u>Person Nominated</u>	<u>Area of Expertise</u>	<u>Nominated By</u>
Dr S.C. Pal, India	Microbiology/Diar. Dis.	Dr F. Assaad/ Dr Y. Takeda
#Dr D. Habte, (Ethiopia)	Pediatrics/Nutrition	Dr F. Assaad
Dr Vedmina, Russia	Nutrition/Microbiology	USSR Foreign Ministry
Dr D. Picou, (Trinidad)	Nutrition Res/Inst. bldg	Dr F. Assaad
Dr Bai Zhisheng, China	Virologist	Dr D. Rowley
Prof. Mathan, India	Gastroenterologist	Dr D. Rowley
*Dr Jesus Azurin, Philippines	Epidemiologist	Dr J. Sulianti Saroso
Dr L.R. Trabulsi, (Brazil)	Microbiology	Dr Y. Takeda
Dr P.R. Kenya, Kenya	Epidemiologist	Dr M.K. Were
Dr J.M. Borgono, Chile		Dr F. Assaad
Dr Z. Bencic, Yugoslavia	Epidemiology	ICDDR,B/WHO
Dr R. Feachem, U.K.	Water & Sanitation	British High Commissioner
Prof. J. Waterlow, U.K.	Nutrition, Fellow, Royal Soc. England	British High Commissioner
Dr Gauri Sankar Lall Das		UNFPA Coordinator
Dr Carl Taylor, U.S.A.	Public Health Policy & Planning	UNFPA Coordinator
Dr Jon E. Rohde, U.S.A.	Public Health Planning/ Diarrhoeal Diseases	Ken Warren, Rockefeller
Dr G.T. Keusch, U.S.A.	Clinical Research	Ken Warren, Rockefeller
Dr R. Guerrant, U.S.A.	Clinical Research	Ken Warren, Rockefeller
Dr Joaquin Cravioto,	Nutrition	Clifford A. Pease
Dr Jose Obdulio Mora,		Clifford A. Pease

* Also nominated by Minister of Health, Philippines

Also nominated by SAREC

<u>Person Nominated</u>	<u>Area of Expertise</u>	<u>Nominated By</u>
Dr Fernando M. Barros		Clifford A. Pease
Dr Jose E.D. de Oliveira		Clifford A. Pease
Dr A. Al-Mehedib		Saudi Arabian Auth.
Dr A. Al-Baqui		Saudi Arabia Auth.
Dr Ali Al-Saif		Saudi Arabia Auth.
Dr Dhiman Barua, India	Microbiology/Epidemiology	Dr A. Zahra
Dr David Bersch,		Dr A. Zahra
Dr G. Ruiz-Palacios		Dr A. Zahra
Dr Pornchai Matangkasombut Thailand	Microbiology, teaching/ researching	Dr A. Zahra
Dr (Mrs) A. Mangay-Angara		Dr A. Zahra
Dr B.K. Adadevoh		Dr A. Zahra
Dr Aziz El Kholi		Dr A. Zahra
Prof. Natth Bhamarapravati	Pathology/Vaccine dev.	Dr Z. Sestak
Dr Aung Than Batu	Research Admin./ diarrhoeal diseases.	Dr Z. Sestak
Dr Prakorb Boonthai		Govt. of Thailand
Dr Indra B. Khatri	Public Health Admin.	Dept. Hlth, Nepal
Dr Manindra R. Baral	Paediatrician	Dept. Hlth, Nepal
Dr Sune Bergstrom	Clinical Science Nobel Laureate	Mr Mashler, UNDP
Dr Oscar Brunser, Chile	Paediatrics	Dr M.M. Rahaman

+ Nominations received for persons already Trustees not included.

BOARD OF TRUSTEES MEMBERS

1 year then 3 yrs from July 1980

Dr H. Al-Dabbagh
Dr J. Holmgren
Dr G. Jones
Dr J. Sulianti Saroso
Mr M.K. Anwar

2 years then 3 yrs from July 1981

Dr J. Kostrzewski
Dr L. Mata
Dr V. Ramalingaswami
Dr M. Were
Dr M.A. Matin

3 years then 3 yrs from July 1982

Dr D. Bradley*

3 years from July 1982

Dr Y. Takeda
Prof. D. Bell
Maj. Gen. M.S. Huq
Dr F. Assaad

1 yr, 3 yrs, then 3 yrs fr July 1983

Dr J. Sulianti Saroso*

3 years from July 1983

Dr A.R. Al-Swailem
Mr A.B.M. Ghulam Mostafa
Dr I. Cornaz
Dr D. Rowley

2 yrs, 3 yrs, then 3 yrs fr July 1984

Dr J. Kostrzewski*
Dr L. Mata*
Dr V. Ramalingaswami*

3 years from July 1984

Mr Mimir-uz-Zaman
Dr D. Sebina

3 years then 3 years from July 1985

3 years from July 1985

* Not eligible for a further term without a break



স্বাস্থ্য ও জনসংখ্যা নিয়ন্ত্রণ ও পরিবার পরিকল্পনা মন্ত্রণালয়
স্বাস্থ্যসেবা সচিবালয়
ঢাকা

তারিখ ২০.২.৮৫.....

No. PHS/2C-3/84/44

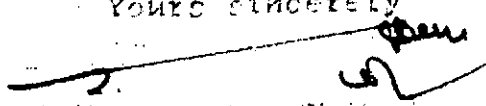
Dated: 10.2.85

Dear Dr. Greenough,

I am directed to refer to your letter No. nil dated 10.1.85 and to say that the Ministry of Health and Population Control (Health Wing) has been pleased to accept your proposal for allotment of an additional UN seat to the ICDDR-B, Board of Trustees to UNICEF /New-York.

You are therefore, requested to approach UNICEF/ New-York for nominating a suitable name for inclusion as a member in the Board of Trustees of ICDDR-B.

Yours sincerely


(COL. A. M. KHAN)
Joint secretary (Admin.)

Mr. W. B. Greenough III, M.D.
Director, ICDDR-B
Mohakhali Dhaka

13/BT/MAY.85

SELECTION OF CHAIRMAN OF THE BOARD;
MEMBERSHIP OF COMMITTEE OF BOARD.

13/BT/May 85

SELECTION OF CHAIRMAN OF BOARD

Previous Chairman of the Board are as follows:-

Dr J. Sulianti Saroso	1979-80 and 1980-81
Dr M.A. Matin	1981-82
Dr J. Bradley	1982-83
Prof. J. Kostrzewski	1983-84
Dr I. Cornaz	1984-85

MEMBERSHIP OF COMMITTEES OF BOARD

The Chairman of the Board and Director of the Centre are both ex officio members of all Committees. Present membership of the Committees is as follows:-

Personnel & Selection Committee

Dr I. Cornaz
Dr W.B. Greenough III

Dr F. Assaad
Mr A.B.M. Ghulam Mostafa
Dr J. Sulianti Saroso

Finance Committee

Dr I. Cornaz
Dr W.B. Greenough III

Prof. D. Bell
Prof. D. Bradley
Mr Munir-uz-Zaman

Programme Committee

Dr I. Cornaz
Dr W.B. Greenough III

Dr A.R. Al-Swailem
Maj. Gen. S. Huq
Prof. J. Kostrzewski
Dr L. Mata
Dr V. Ramalingaswami
Dr D. Rowley
Dr D. Sebina
Dr Y. Takeda

All Board Members are encouraged to participate in the Programme Committee.

14/BT/MAY 85

DATES OF NEXT BOARD MEETING.

14/BT/May 85

DATES OF NEXT BOARD MEETING

The suggested dates for the next Board of Trustees meeting are:-

- | | | |
|---------------------------------------|---|--|
| Friday 22 and
Saturday 23 November | - | Board Members arrive |
| Sunday 24 November | - | Personnel & Selection
Committee Meeting |
| Monday 25 November | - | Finance Committee Meeting |
| Tuesday 26 November | - | Meet with Scientific Council
etc. |
| Wednesday 27 to
Friday 29 November | - | Full Board Meeting |

These dates are as decided in the June 1984 Board Meeting. The dates of the Programme Committee Meeting need to be decided.

When considering the dates of the June 1986 meeting it should be borne in mind that the Eid holiday will be around 10 June and the Consultative Group Meeting will be held in Geneva mid-June.

15(a)/BT/MAY 85

U.S. FOUNDATION

ARTICLES OF INCORPORATION

OF

The Diarrheal Disease Foundation

TO: The Recorder of Deeds, D.C.
Washington, D.C.

We, the undersigned natural persons of the age of twenty-one years or more, acting as incorporators of a corporation, adopt the following Articles of Incorporation for such corporation pursuant to the District of Columbia Non-Profit Corporation Act:

FIRST: The name of the corporation is The Diarrheal Disease Foundation.

SECOND: The period of duration is perpetual and the corporation shall have members whose rights and qualifications are described in the corporations By-laws.

THIRD: This corporation is organized and will be operated exclusively for the charitable and educational purposes of medical research, training and service of significant health problems in developing countries or medically underserved populations. The corporation will focus its work on diarrheal diseases and related aspects including nutrition and fertility.

In pursuit of these general purposes the corporation may:

- a) provide funds to assist, operate or endow health facilities and biomedical research programs;
- b) provide fellowship support for health service providers and researchers to further their education and training;
- c) conduct, or provide grants for others to conduct, biomedical research programs;
- d) sponsor and participate in seminars, workshops and conferences;
- e) publish articles, books, and monographs;
- f) do all things necessary and proper to accomplish its general charitable purposes.

FOURTH: No part of the net earnings of this corporation shall inure to the benefit of or be distributed to any director, employee or other individual, partnership, estate, trust or corporation having a personal or private interest in the corporation. Compensation for services actually rendered and reimbursement for expenses actually incurred in attending to the affairs of this corporation shall be limited to reasonable amounts. No part of the activities of this corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation to an extent that would disqualify it for tax exemption under Section 501(c)(3), and this corporation shall not participate in or intervene in (including the publishing or distribution of statement) any political campaign on behalf of any candidate for public office. All references to sections in these articles refer sections of the Internal Revenue code of 1954 as from time to time amended or to similar sections of subsequent internal revenue laws. Notwithstanding any other provision of these Articles or of any By-laws adopted thereunder, this corporation shall not take any action not permitted by the laws which then apply to this corporation.

FIFTH: The internal affairs of the corporation shall be regulated by its Board of Directors as described in the By-laws. Upon dissolution of the corporation, its assets shall be disposed of exclusively for the purposes of the corporation or distributed to such organizations organized and operated exclusively for charitable purposes which shall, at the time, qualify as exempt organizations under Section 501(c)(3).

SIXTH: The address, including street and number, of its initial registered office is Harmon, Weiss & Jordan, 2001 S Street, N.W. Suite 430, Washington, D.C. 20009, and the name of the registered agent is Gail Harmon.

SEVENTH: The number of directors constituting the initial Board of directors is five, and the names and addresses, including street number, or the persons who are to serve as the initial directors until the first annual meeting, or until their successors are elected and qualified, are:

Dr. Clifford A. Pease, Jr.

3209 Amberley Lane
Fairfax, Va. 22031

David Bell

Harvard School of Public Health
677 Huntington Avenue
Boston, Mass. 02115

William Mashler

Global Programs of United
Nations Development Programs
1 U.N. Plaza
New York, N.Y. 10021

Dr. William Greenough, III

International Centre for
Diarrheal Disease
Research, Bangladesh
P.O. Box 128
Dhaka 2 Bangladesh

M. R. Bashir

International Centre for
Diarrheal Disease
Research, Bangladesh
P.O. Box 128
Dhaka 2 Bangladesh

The members of the Board of Directors shall be those individuals elected, from time to time, in accordance with the By-laws.

EIGHTH: The names of the incorporators, including street and number in the address, are:

Rhonda Kranz

1827 Kilbourne Place, N.W.
Washington, D.C. 20010

Jonathan Sevransky

1728 Lamant Street, N.W.
Washington, D.C. 20010

Natasha Ferens

5213 Chevy Chase Parkway
Washington, D.C. 20015

IN WITNESS WHEREOF, we have hereunto set our hands and seals
this _____ day of _____, 1984.

Subscribed and sworn to
before me this _____ day of
_____ 1984

NOTARY PUBLIC

BY-LAWS
OF
The Diarrhoeal Disease Foundation

As Adopted As of

ARTICLE I

NAME AND PURPOSES

Section 1.01. Name. The name of the organization is The Diarrhoeal Disease Foundation.

Section 1.02. Purpose. The Corporation is organized and will be operated exclusively for the charitable and educational purposes of medical research, training and service of significant health problems in developing countries or medically underserved populations. The corporation will focus its work on diarrhoeal diseases and related aspects including nutrition and fertility.

ARTICLE II

AUTHORITY AND DUTIES OF DIRECTORS

Section 2.01. Authority of Directors. The Board of Directors is the policy-making body and may exercise all the powers and authority granted to the Corporation by law.

Section 2.02. Number, Selection and Tenure. The Board shall consist of at least three (3) and no more than twenty (20) directors. To create staggered terms the initial directors shall be divided into three categories serving one, two, three year terms. Subsequently elected directors shall serve for three-year terms, and many serve additional terms consecutive or otherwise. Vacancies existing by reason of resignation, death, incapacity or removal before the expiration of a term shall be filled by a majority vote of the remaining directors. Directors will elect their successors.

Section 2.03. Resignation. Resignations are effective upon receipt by the Secretary of the Corporation of written notification.

Section 2.04. Meetings, Notice and Voting. Meetings shall be at such times and places as the Board shall determine. Meetings may be called by any two directors with telephone or written notice. A quorum shall consist of a majority of the Board attending in person or through teleconferencing. All decisions will be by majority vote of those present at a meeting at which a quorum is present.

Section 2.05. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors (including amendment of these By-Laws) or of any committee may be taken without a meeting if all the members of the Board or committee consent in writing to taking the action without a meeting and to approving the specific action. Such consents shall have the same force and effect as a unanimous vote of the Board or of the committee as the case may be.

Section 2.06. Committees.
The Board of Directors may, by resolution adopted by a majority of the Directors in office, establish committees composed of at least two (2) members of the Board; all committees except for the Executive Committee may include non-Board members. The Board may make such provisions for appointment of the chair of such

committees, establish such procedures to govern their activities, and delegate thereto such authority as may be necessary or desirable for the efficient management of the property, affairs, business, activities of the Corporation. If an Executive Committee is appointed it shall have all the power of the Board of Directors in the period between Board meetings.

ARTICLE III

AUTHORITY AND DUTIES OF OFFICERS

Section 3.01. Officers. The officers of the Corporation shall be a President, a Secretary, a Treasurer, and such other officers as the Board of Directors may designate.

Section 3.02. Appointment of Officers; Terms of Office. Officers shall serve one-year terms. The President, the Secretary, and the Treasurer shall be appointed by the Board at its annual meeting in each year. The terms of office shall expire at the next succeeding annual meeting and shall be filled by the Board, at a meeting or by action in writing pursuant to Section 2.05, for a term expiring at the next succeeding annual meeting. Officers shall be eligible for reappointment.

Section 3.03. Resignation. Resignations are effective upon receipt by the Secretary of the Board of a written notification.

Section 3.04. Removal. An officer may be removed by the Board of Directors at a meeting, or by action in writing pursuant to Section 2.05, whenever in the Board's judgement the best interests of the Corporation will be served thereby. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE IV

FINANCIAL ADMINISTRATION

Section 4.01. Fiscal Year. The fiscal year of the Corporation shall be January 1 - December 31 but may be changed by resolution of the Board of Directors.

Section 4.02. Checks, Drafts, Etc. All checks orders for the payment of money, bills of lading, warehouse receipts, obligations, bills of exchange, and insurance certificates shall be signed or endorsed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors or of any committee to which such authority has been delegated by the Board.

Section 4.03. Deposits and Accounts. All funds of the Corporation, not otherwise employed, shall be deposited from

time to time in general or special accounts in such banks, trust companies, or other depositories as the Board of Directors or any committee to which such authority has been delegated by the Board may select, or as may be selected by any officer or officers or agent or agents of the Corporation, to whom such power may from time to time be delegated by the Board. For the purpose of deposit and for the purpose of collection for that account of the Corporation, checks, drafts, and other orders of the Corporation may be endorsed, assigned, and delivered on behalf of the Corporation by any officer or agent of the Corporation.

ARTICLE V

AMENDMENT OF BY-LAWS

These By-Laws may be amended by a majority vote of the Board of Directors, provided seven (7) day's prior notice is given of the proposed amendment or provided all members of the Board waive such notice, or by unanimous consent in writing without a meeting pursuant to Section 2.05.

15(d)/BT/MAY. 85

WORKING PAPER ON COLLABORATION WITH
NATIONAL INSTITUTIONS.

DRAFT WORKING PAPER ON THE PROCEDURE OF COLLABORATION
BETWEEN ICDDR,B AND THE NATIONAL INSTITUTIONS

GENERAL:

It is necessary that strong continuing collaboration be ensured between ICDDR,B and the national institutions. It is visualized that for this collaboration, ICDDR,B should stick to the priority areas as defined by ICDDR,B Board of Trustees for its own research and carry out collaborative research with the national institutions in the areas outside of but not excluding the ICDDR,B Priorities. With this in view the following are suggested ways of operations:

Whereas ICDDR,B Board of Trustees will define the priorities for ICDDR,B Research, PCC will from time to time define the areas of collaborative Research and Training. While identifying the priorities of research and training for collaborative purposes, PCC will take due cognizance of ICDDR,B priorities of Research as defined by its Board.

FUND:

A budget code be assigned from 1986 for the Programme Coordination Committee (PCC) which shall include the following aspects of PCC:

- a. Cost of PCC meetings - 2/3 meeting per annum, which should include the honorarium of the members and all other incidental expenses connected with the PCC meetings.
- b. Cost of SC meetings - 6 meetings per annum, which should include the honorarium of the members and all other incidental expenses connected with the SC meetings.
- c. The PCC should develop a secretariat to establish and implement the procedures for funding PCC research projects and request seed funds to begin operations.
- d. A reasonable amount of the Associate Director's time should also be included within the budget of PCC.
- e. Provision be made for at least US\$10,000.00 (ten thousand) under PCC budget, to meet the cost of chemicals, tests to be done in ICDDR,B laboratories (including cost of chemicals or tests during training courses for PCC purposes) and support to non-collaborative protocols.

- f. Provision be made for US\$50,000.00 (fifty thousand) (as the minimum amount) for collaborative research protocols and collaborative training including other support to national institutions.

TRAINING:

- a. Special short-term training programme in the techniques practiced in ICDDR,B and other areas of Centre's competence should be organized by the ICDDR,B for the prospective scientists from the National Institutions.
- b. The prospective scientists from the National Institutions should have access to the library and availability of literature. The cost of literature search be met by ICDDR,B from its own source.

RESEARCH:

- a. ICDDR,B to allow use of facilities including access to ICDDR,B laboratories for conducting in vitro tests, to the scientists of National Institutions, who are engaged in their duly approved research study and where there may be no collaborating scientist(s) from the Centre. The cost of tests be met out of the PCC budget. In this type of study, ICDDR,B may not have joint authorship - but be acknowledged for services rendered.
- b. Joint research programme with National Institutions to be undertaken in the priority areas of the Centre and related subjects. In such programme, the ICDDR,B Investigator should take a Co-Investigator from the National Institutions or the Investigator from the National Institution pick up a Co-Investigator from ICDDR,B.
- c. Any joint research programme has to be approved by the existing procedures of both the institutions and also be ratified by the Standing Committee (SC). Cost of such joint research projects be met out of the PCC budget or funds raised specially for the project.
- d. PCC protocols would need to have specific approval of the SC. Reviews by RRC and ERC would also be necessary as per ICDDR,B rules. PCC protocols would thus need to be approved by ERC and SC and whenever it is not a pilot protocol, by RRC. PCC would be informed of all such protocols along with summary expenditure statements and/or budget.

15(d)/BT/May 85

RECONSTITUTION OF STANDING COMMITTEE AND THE PROGRAMME COORDINATION COMMITTEE OF ICDDR,B

As per operational guidelines for Standing Committee (SC) of Programme Coordination Committee (PCC) of the Centre, all the Members of the SC selected by the Board of Trustees earlier, will continue to function for a term of 3 years beginning January, 1983 and retiring after December, 1985, (3.b: Composition of the Standing Committee).

It may also be mentioned that all the individual members of PCC shall also retire after December, 1985 (per clause 4.b: Duration of Membership of Operational Guidelines of PCC) (1 member expired). Thus a total of four individual members need to be nominated for PCC. The fifth individual member of PCC is a member of SC and thus if he is not renominated in SC, a fifth member for PCC would need to be identified who may also be a member of the SC.

The Board of Trustees of ICDDR,B is to reconstitute the Standing Committee as well as the Individual Members of PCC during its ensuing May meeting, so that the reconstituted SC and the Individual Members of PCC can function from January 1986, in the respective Committees.

A copy, each, of the Operational Guidelines for the SC and PCC is attached for your kind perusal. Also attached is the present Members of SC and PCC showing the names of concerned organizations or individuals.

Attached: 3

DRAFT PROPOSAL ON OPERATIONAL GUIDELINES FOR
STANDING COMMITTEE (SC) OF PROGRAMME COORDINA-
TION COMMITTEE (PCC) OF ICDDR,B (THE CENTRE).

In accordance with the decision of the Board of Trustees of ICDDR,B
vide its resolution No.12 of December 1982, as reproduced below:-

"RESOLUTION. 12/DEC. 82

RESOLVED: The Programme Coordination Committee of the following composition
be established:

Ex-officio members-

1. Vice Chancellor, Bangladesh Agricultural University
2. President, BIRDEM
3. Director, Institute of Nutrition and Food Science
4. Chairman, BARC
5. Director, NIPSOM
6. Director, BFRP
7. Executive Director, Bangladesh Rural Advancement Committee
8. Chairman, BCSIR
9. Director, Institute of Public Health
10. Vice Chancellor, Dhaka University
11. Director, NIPORT
12. Director, MIS
13. Director, IPGM&R
14. Director, Shishu Hospital
15. Director, Children's Nutrition Unit (Save the Children Fund)
16. Director, IPHN
17. Principal, Paramedical Institute
18. Chairman, BIDS
19. Project Director, National Oral Rehydration Project
20. Director, IBS, Rajshahi
21. Director, BMRC
22. Representatives from the Board of Trustees and Director, Program
Heads, including Associate Director, Training and Extension of
ICDDR,B.

Individual Members-

1. Dr. (Brig) M. R. Chowdhury
2. Dr. Hajera Mahtab, BIRDEM

3. Dr. ^{Farida} ~~Badida~~ Huq, IPH
4. Dr. Ghyasuddin Ahmed, NIPSOM
5. Dr. Anwarul Azim Chowdhury, Microbiology Dept., Dhaka University

Further individuals may be co-opted at the discretion of the Programme Coordination Committee.

All 11-member Standing Committee is recommended as follows:-

1. Dr. Kamaluddin Ahmed, INFS
2. Mrs. Gole Afroz Mahbab, MIS
3. Dr. A. K. Khan, BMRC
4. Director, NORP
5. Dr. A.K.M. Aminul Haque, BAU, Mymensingh
6. Dr. (Brig) M. R. Chowdhury, AFIP&T
7. Director, ICDDR,B
8. Dr. M. A. Matin (Trustee member)
9. Dr. K.M.S. Aziz, ICDDR,B (Chairman, RRC)

10&11 Government Nominations

RESOLUTION 13/DEC. 82

RESOLVED: The Board approves the following By-laws of the Programme Coordination Committee (PCC):

- (1) There would be a bigger body to be named as a PCC to meet at least twice a year and a smaller body, a Standing Committee which shall meet at least once a quarter of the year.
- (2) The heads of organizations engaged in research in the relevant fields would be members of the PCC. Membership of the Committee may be in the individual capacity or ex-officio. A head of an organization can permanently nominate a suitable senior person from that institution to become a member of PCC. Individual members shall be appointed for three years.
- (3) The Standing Committee with representatives of Government would be formed by the Board of

- Trustees on recommendation of the PCC. There would be 11 members in the Standing Committee inclusive of 2 representative of the Government.
- (4) A running inventory of the work done in this field (diarrhoeal diseases and related subjects) and of workers in Bangladesh would be prepared by the Standing Committee and presented to the PCC.
 - (5) The PCC shall identify overlaps between the work of the Centre and other organizations in the field of diarrhoeal diseases and related subjects.
 - (6) The PCC shall discuss and offer to mediate any inter-institutional controversy regarding undesirable overlaps and competition in diarrhoeal diseases and related subjects.
 - (7) The PCC shall be supportive on request of national institutions in preparation of research protocols, training and in securing funds for approved research protocols, in addition to providing Centre's facilities for carrying out research as feasible. (Protocols approved by PCC or its Standing Committee.) The Standing Committee will be responsible for scrutinizing such protocols either by itself or by any other suitable committee(s).
 - (8) The Research Review Committee of ICDDR,B on approval of ICDDR,B protocols shall forward the approved protocol to PCC, so that the Committee can identify and report to the Board actions prejudicial to the interest of research in similar fields carried out by other organizations in Bangladesh.
 - (9) The nominated members from the Government to the Standing Committee will also be members of the PCC.
 - (10) At least 1/3 members of the Committee (Standing and PCC) will form a quorum for the meeting. There would be 15

days notice for PCC and 7 days notice for Standing Committee.

- (11) The Standing Committee will nominate one of its members to ICDDR,B , namely Research Review Committee and Ethical Review Committee, for better coordination between these 3 Committees"

and further resolution of the Board of Trustees in its June 1983 meeting as reproduced below :-

"Programme Coordination Committee

Dr. Matin reported on this Committee. It was noted that the Standing Committee(SC) was part of the Programme Coordination Committee(PCC). The Committee can play a key role in linking an outstanding international effort to national efforts. The objectives of the Committee should be to build national research capacities by example and supportive actions. The Centre should be a pioneer in this effort. It should be a vehicle for strengthening and coordinating research in Bangladesh. This may provide a useful model for other developing countries. The operating guidelines of the PCC were reviewed. It was noted that the costs of the running inventory of research in diarrhoeal and related subjects will be borne by the Centre through the DISC project. Representation of the Centre on the Standing Committee is essential but was not made explicit in the guidelines. It was suggested that an improved draft of these guidelines should be presented to the Board at their next meeting in November 1983.

The following resolution was passed:

RESOLUTION 1/JUNE 83 On the basis of the recommendation of the Programme Coordination Committee(PCC) during its meeting of 15 May, 1983, the Standing Committee(SC) of PCC consists of 14 members, as follows:

- (a) (i) 7 members to be recommended by the PCC;
(ii) 1 member to be nominated by the BMRC;
(iii) 3 members to be nominated by designation by the Government of Bangladesh;
(iv) 3 members to be nominated by the Board of Trustees of ICDDR,B;
- (b) That other members of the SC may either be by name or designation as in case of PCC."

and constituted a Committee, named Standing Committee(SC) of Programme Coordination Committee(PCC) of ICDDR,B. The Standing Committee shall act as per the guidelines laid down below:-

2. OBJECTIVES OF STANDING COMMITTEE(SC):

The Standing Committee(SC) shall have the following objectives:-

- (a) To receive reports/comments from the Director of ICDDR,B with regard to both ongoing protocols and new protocols for diarrhoeal diseases and related subjects.
- (b) Scrutinize and compile reports/comments in respect of (a) above and submit the same to PCC for consideration.
- (c) To receive research protocols from national organizations/ individuals (other than ICDDR,B) and submit the same to the PCC with recommendations including possible sources of funding, where such protocols have been approved by the Ethical Review Committee/Research Review Committee, but have not received funding.
- (d) To prepare and update, from time to time, a running inventory of the work done in the field of diarrhoeal diseases and related subjects, both by ICDDR,B and other research organizations in Bangladesh. Similarly, inventory of scientific personnel working in those research institutions should be maintained.
- (e) To review and encourage collaborative research, training and service activities within the country.
- (f) To discuss agenda items accepted by Standing Committee(SC).
- (g) Any other responsibilities assigned by the Programme Coordination Committee(PCC), from time to time.

3. COMPOSITION OF THE COMMITTEE:

The Standing Committee(SC) of Programme Coordination Committee(PCC) of ICDDR,B shall consist of 14 members, as follows:-

- (a) (i) 7 members to be recommended by the PCC;
- (ii) 1 member to be nominated by the BMRC;
- (iii) 3 members to be nominated by designation by the Government of Bangladesh; and

- (iv) 3 members to be nominated by the Board of Trustees of ICDDR,B.
- (b) The members of the Standing Committee(SC) selected by the Board of Trustees of ICDDR,B will serve a term of 3 years and accordingly, the present members of the SC shall continue in office for a period of 3 years beginning January 1983. The membership will be on an individual basis (by name), or by designation as indicated.
The Board will reconstitute the SC every 3 years during its June meeting and start functioning with effect from the 1st of January next year. The old SC will continue to function until the new SC is constituted by the Board.
- (c) Any casual vacancy will be notified to the Board and the Board will take appropriate steps.

4. MEETINGS OF THE COMMITTEE:

- (a) The Standing Committee(SC) shall meet at least once in a quarter of the year and meetings of the Committee may be convened by the Member-Secretary of the Committee in consultation with the President, SC, with at least 7(seven) days notice.
- (b) The Member-Secretary shall invite items of agenda from the members of the Committee at least 3(three) weeks prior to the scheduled date of meeting.
- (c) The notice for the meeting shall indicate the items of agenda, time, date and venue of the meeting and be sent to the members of the Committee through Peon Book or by registered post, to the last known address of the members.
The members may however propose for inclusion of any important issue, as additional agenda item, in the beginning of the meeting.
- (d) The quorum of the meeting shall require presence of at least 1/3rd members of the Committee.

5. OFFICIALS OF THE COMMITTEE:

The President, Vice President and Member-Secretary of the Committee shall be nominated by the Board of Trustees, from time to time.

DRAFT PROPOSAL ON OPERATIONAL GUIDELINES FOR
PROGRAMME COORDINATION COMMITTEE (PCC) OF ICDDR,B (THE CENTRE).

In accordance with the decision of the Board of Trustees of ICDDR,B vide its resolution No.12 of December 1982, constituted a Committee, named Programme Coordination Committee (PCC) of ICDDR,B. The Programme Coordination Committee (PCC) shall act as per the guidelines laid down below:-

2. OBJECTIVES OF PROGRAMME COORDINATION COMMITTEE:

The Programme Coordination Committee (PCC) shall act as an advisory committee to the management of the Centre and its Board of Trustees with regard to research on diarrhoeal diseases and the related subjects of nutrition and fertility and ensure the following:-

- (a) To establish a linkage between international efforts and national efforts.
- (b) To recommend measures for and assist in building up national research capacities.
- (c) To make constant endeavour to strengthen and coordinate research in these fields, in Bangladesh.
- (d) To identify any undesirable overlaps between the work of the Centre and other organizations involved in research in the afore-said fields.
- (e) To mediate any inter-institutional controversies regarding undesirable overlaps and competition in diarrhoeal diseases research and directly related subjects.
- (f) To maintain a running inventory of the work done in the field of diarrhoeal diseases and related subjects, both by ICDDR,B and other institutions in Bangladesh. Similarly, inventory of the relevant scientific personnel working in Bangladesh, should also be maintained.
- (g) To train qualified staff of the national institutions in preparing research protocols and, where appropriate, assist them in obtaining funds for the approved research protocols for collaborative projects. Provide the Centre's facilities, where appropriate, for carrying out such research works.
- (h) To consider - any other related subjects/responsibilities assigned by the Board of Trustees of ICDDR,B.

3. COMPOSITION OF THE COMMITTEE:

Membership of the Committee shall consist of:-

- (a) Ex-officio members from different research institutions as listed by the Board of Trustees;
- (b) All Standing Committee (SC) members;
- (c) ICDDR,B internal members:
 - (i) 3 representatives from the Board of Trustees, representing Bangladesh;
 - (ii) Director (Ex-officio)
 - (iii) Associate Director, Training, Extension & Communication (Ex-officio)
 - (iv) All Associate Directors in charge of the Programmes (Ex-officio).
- (d) Further individuals may be co-opted at the discretion of the Programme Coordination Committee (PCC), subject to the condition that the non-ICDDR,B members should not normally exceed 35 (thirtyfive).
- (e) The membership of this Committee may be on individual basis or by designation, as indicated.

4. DURATION OF MEMBERSHIP:

- (a) Ex-officio members will remain so long as the institution is represented in the Programme Coordination Committee (PCC). A head of an organization can nominate a suitable senior person from his institution to act as a member of the PCC, in case of his inability to act as member of the PCC. Such membership shall remain valid so long the nominated person remain with that institution. However, the Head of the Organization reserves the right to revoke his nomination at any time and make fresh nomination. In case, a head of the organization cannot attend a particular meeting of the PCC due to official preoccupation, he may nominate a senior person of his institution for that particular meeting. For this purpose prior official intimation will be required.
- (b) Individual members shall be appointed for a period of 3 (three) years by the Board of Trustees of ICDDR,B and they shall hold office from January following the decision by the Board meeting in June, when the Board reconstitutes the PCC.

- (c) ICDDR,B internal members shall be by designation.
- (d) Membership of organizations shall be decided by the Board of Trustees of ICDDR,B as required.

5. MEETINGS OF THE COMMITTEE:

- (a) The Programme Coordination Committee(PCC) shall meet at least twice in a year. The meetings will be convened by the Member-Secretary of the Committee in consultation with the President of the Committee, with at least 15(fifteen) days notice.
- (b) The notice for the meeting should indicate the items of agenda, time, date and venue of the meeting and sent to the members through Peon Book or by registered post to the last known address of the members.
- (c) The Member-Secretary shall invite items of agenda from the members of the Committee at least 4(four) weeks prior to the scheduled date of meeting.
- (d) The quoram of the meeting shall require presence of 1/3rd members of the Committee.

6. OFFICIALS OF THE COMMITTEE:

The President, Vice President and Member-Secretary of the Committee shall be nominated by the Board of Trustees of ICDDR,B from time to time.

PRESENT (APRIL, '85) MEMBERS OF THE PROGRAM COORDINATION COMMITTEE:

<u>Sl. No.</u>	<u>Name of Person</u>	<u>Name of Organization</u>	<u>Status of Members</u>
1.	Dr. A.K.M. Aminul Haque	Vice-Chancellor, Bangladesh Open Agricultural University	Ex-Off
2.	Dr. Md. Ibrahim	President, BIRDEM (Diabetic Hospital)	"
3.	Dr. Kamaluddin Ahmad	Director, Institute of Nutri- tion & Food Science, D.U.	"
4.	Dr. Ekramul Ahsan	Chairman, Bangladesh Agricul- tural Research Council	"
5.	Dr. M. Mobarak Ali	Director, National Institute of Preventive & Social Medicine	"
6.	Dr. Shafiqur Rahman	Director, Bangladesh Fertility (Ex) Research Program	"
7.	Mr. F.H. Abed	Executive Director, Bangladesh Rural Advancement Committee	"
8.	Dr. S.S.M.A. Khorasani	Chairman, Bangladesh Council for Scientific & Industrial Research	"
9.	Dr. Abdul Hai	Director, Institute of Public Health	"
10.	Dr. Md. Shamsul Haque	Vice-Chancellor, University of Dhaka	"
11.	Dr. S. Waliullah	Director-General, National Institute of Population Research & Training	"
12.	Mr. Shafiqur Rahman Chowdhury	Director, Management Information System, Directorate of Population Control, GOB	"
13.	Dr. Nurul Islam	Director, Institute of Post Graduate Medicine & Research	"
14.	Dr. M.S. Akbar Chowdhury	Paediatric Consultant, (represents Director, Shishu Hospital)	"
15.	Dr. Sultana Khanam	Medical Director, Children Nutrition Unit, Save The Children Fund	"
16.	Dr. Abdur Rahman	Director, Institute of Public Health Nutrition	"
17.	Dr. Muslimuddin Khan	Principal, Paramedical Institute	"
18.	Dr. M.R. Khan	Director (Research) (represents Chairman, Bangladesh Institute of Development Studies)	"

<u>Sl.No.</u>	<u>Name of Person</u>	<u>Name of Organization</u>	<u>Status of Membership</u>
19.	Dr. Mofazzal Hussain	Project Director, National Oral Rehydration Project	Ex-Officio
20.	Dr. S.A. Akanda	Director, Institute of Bangladesh Studies, Rajshahi University	"
21.	Dr. A.H.M. Abdus Sattar	Director, Bangladesh Medical Research Council	"
22.	Maj. Gen. M. Shamsul Haque	Hon'ble Minister for Health & Population Control, GOB	Representing Board of Trustees
23.	Mr. A.B.M. Golem Mustafa	Secretary, Ministry of Health & Population Control	"
24.	Dr. M.A. Matin	President(Ex) Bangladesh College of Physician & Surgeons & Member (Ex), Board of Trustees	"
25.	Dr. W.B. Greenough	Director, ICDDR,B	Representing ICDDR
26.	Dr. K.M.S. Aziz	Associate Director, TEC & Member-Secretary, PCC	"
27.	Dr. M.M. Rahaman	Program Head, Nutrition Working Group, ICDDR,B	"
28.	Dr. T.C. Butler	Program Head, Pathogenesis & Therapy Working Group, ICDDR,B	"
29.	Dr. David A. Sack	Program Head, Disease Transmission Working Group, ICDDR,B	"
30.	Dr. Ivan Ciznar	Program Head, Host Defense Working Group, ICDDR,B	"
31.	Dr. M.G.M. Rowland	Community Studies Working Group, ICDDR,B	"
32.	Dr. (Brig.) M.R. Chowdhury	Commandant, Armed Forces Institute of Pathology & Transfusion	Individual and represents being a Member of SC
33.	Dr. Hajera Mahtab	Medical Director, BIRDEM (Diabetic Hospital)	Individual
34.	Dr. Farida Hugi	Chief, Microbiology Section, IPH	Individual
35.	Dr. Ghyasuddin Ahmed	Associate Prof. of Population Dynamics, NIPSCM	Individual
36.	Dr. Anwarul Azim Chowdhury (Expired)	Prof. of Microbiology, D.U.	Individual

<u>Sl.No.</u>	<u>Name of Person</u>	<u>Name of Organization</u>	<u>Status of Membership</u>
37.	Mrs. Gole Afroz Mahbub	Sr. Programme Officer Pathfinder Fund	By virtue of Member of Standing Committee
38.	Dr. A K. Khan	Ex-Director, B.M.R.C.	"
39.	Dr. (Brig.) M. Hedayetullah	Director-General, Health Services, GOB	Ex-officio & nomina- ted by GOB by desig- nation
40.	Dr. Mobarak Hussain	Director (Manpower Develop- ment), Directorate of Health Services, GOB	"
41.	Dr. Humayun K.M.A. Hye	Joint-Chief-in-Charge, Health Section, Planning Commission, GOB	"