



ADS Chapter 537

Professional Liability Insurance, Membership Fees, and Certification Expenses

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Functional Series 500 - Management Services
ADS 537 - Professional Liability Insurance, Membership Fees, and Certification Expenses
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Text highlighted in yellow indicates that the material is new or substantively revised.

ADS 537 - Professional Liability Insurance, Membership, and Other Expenses

537.1

OVERVIEW

Effective Date: 08/26/2021

This chapter establishes the policy directives and required procedures for reimbursing eligible employees for a portion of the cost of professional expenses, including liability insurance, membership in professional associations, dues, and certification expenses as applicable and required as a condition of continued USAID employment. **All reimbursements are subject to the availability of funds.**

537.2

PRIMARY RESPONSIBILITIES

Effective Date: 09/24/2020

a. Operating Units (Missions, Bureaus, and Independent Offices) are responsible for approving or disapproving requests for reimbursement for the costs of professional expenses and committing and obligating the funds against their budget allowance for this expense.

537.3

POLICY DIRECTIVES AND REQUIRED PROCEDURES

537.3.1

Professional Liability Insurance

Effective Date: 09/24/2020

USAID will reimburse eligible employees the lesser of \$250 or one-half of the annual premium for professional liability insurance per 12-month period. Professional liability insurance is insurance that provides coverage for:

- a.** Legal liability for damages due to injuries to other persons, damage to their property, or other damage or loss to such other persons (including the expenses of litigation and settlement) resulting from or arising out of any tortious act, error, or omission by the covered individual (whether common law, statutory, or constitutional) while the individual is performing their official duties; and
- b.** The cost of legal representation for the covered individual in connection with any administrative or judicial proceeding (including any investigation or disciplinary proceeding) relating to any act, error, or omission by the individual while the individual is performing their official duties, and other legal costs and fees relating to any such administrative or judicial proceeding.

537.3.2

Professional Membership or License Expenses/Dues/Memberships

Effective Date: 09/24/2020

USAID will reimburse eligible employees obtaining and/or maintaining professional licenses, memberships, or credentials for expenses and dues up to a maximum of \$400 per 12-month period when required:

Text highlighted in yellow indicates that the material is new or substantively revised.

1. By USAID for their job/backstop/employment, and
2. For the employee to remain licensed or otherwise certified to practice a particular profession.

The \$400 maximum per 12-month period may be used to cover one or more memberships, licenses, or credentials. However, the total reimbursement to an employee cannot exceed the \$400 cap for the 12-month period. In cases where an examination is required to obtain or maintain a professional membership, license or credential, reimbursement is contingent upon successful completion of the exam.

The \$400 cap will be reviewed every two years after the effective date to assess the need for incremental increase. Reimbursement will be at the rate prevailing on the date when dues were paid.

USAID will not reimburse employees for voluntary membership to any organization. This same guidance is also applicable to certifications and/or licenses that are not required as a condition of employment (see [ADS 458, Training and Career/Professional Development](#) for guidance).

537.3.3 Reimbursement Procedures

Effective Date: 08/26/2021

Employees must submit an [SF-1034](#), Public Voucher for Purchases and Services Other Than Personal, to their executive or administrative office with evidence of the amount of the expense or premium, the terms of the coverage, and proof of payment. The Operating Unit is responsible for approving or disapproving the request, committing and obligating the funds against existing budget allowances, and forwarding the SF-1034 to the paying office for reimbursement. **The EXO must consult with the controller/CFO prior to signing the SF-1034.**

537.3.4 Eligible Individuals

Effective Date: 09/24/2020

Both U.S. and non-U.S. citizen Direct-Hire employees or personal services contractors (PSCs) who are any of the following are eligible:

- a. Supervisors. For Direct-Hires, a supervisor is an employee having authority in the interest of the Agency to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, adjust their grievances, or effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment.

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For purposes of this chapter only, a supervisor is also an individual with authority to direct an employee's daily work activities, which could include non-supervisory team leaders, managers of PSC staff, and others. Supervisors who are PSCs may perform similar duties subject to the limitations in AIDAR Appendices D and J, sec. 4.

- b. Management Officials. A management official is an employee or PSC who is required to submit either [OGE Form-278](#) or [OGE Form-450](#).
- c. Law enforcement officials.
- d. Resident Legal Officers and General Counsel (GC) attorneys in Washington, DC.
- e. Financial management officials for state-imposed active license status as U.S. Certified Public Accountant (CPA).

537.3.5 Funding

Effective Date: 06/01/2001

Operating Expense (OE) funds must be used for OE-funded employees. Program funds must be used for program-funded employees, unless this poses an undue administrative burden and it is more cost efficient to use OE funds.

Reimbursements for professional fees to PSCs do not have to be made as part of their contracts. Reimbursement can be provided independently under this authority without reference to their contracts.

537.4 MANDATORY REFERENCES

537.4.1 External Mandatory References

Effective Date: 09/24/2020

- a. [5 U.S.C. §5757\(a\)](#)
- b. Section 642 of the Treasury and General Government Appropriations Act, FY 2000, [Public Law 106-58](#), September 29, 1999, which amended section 636 of Treasury, Postal Service and General Government Appropriations Act, 1997

537.4.2 Internal Mandatory References

Effective Date: 09/24/2020

- a. [ADS 458, Training and Career/Professional Development](#)

537.4.3 Mandatory Forms

Effective Date: 09/24/2020

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a. **SF-1034, Public Voucher for Purchases and Services Other Than Personal**

537.5 ADDITIONAL HELP

Effective Date: 06/17/2011

There are no Additional Help documents for this chapter.

537.6 DEFINITIONS

Effective Date: 06/17/2011

See the [ADS Glossary](#) for all ADS terms and definitions.

Professional Association

A body of persons engaged in the same profession, formed usually to control entry into the profession, maintain standards, and represent the profession in discussions with other bodies. (**Chapter 537**)

Professional Dues

Membership fees paid to maintain a professional status recognized by law, such as lawyers' annual law society fees. (**Chapter 537**)

Professional Liability Insurance (PLI)

Insurance that protects professionals such as accountants, lawyers, and physicians against negligence and other claims initiated by their clients. (**Chapter 537**)

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