Grants Manual for IYF Grants
Made Directly to
Jordanian Community Based Organizations

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INTRODUCTION

Youth: Work Jordan (YWJ) is a five-year USAID funded program that seeks to improve the job and livelihood prospects of highly vulnerable Jordanian youth between the ages of 15 and 24. Through a unique alliance, the International Youth Foundation (IYF) is partnering with USAID, the Jordanian Ministry of Social Development (MoSD), and well respected national and local organizations across Jordan to create an enabling environment with a greater capacity to more effectively serve at-risk Jordanian youth.. In furtherance of this goal, Youth: Work Jordan has four key areas of activity:

- To provide youth with greater access to market driven life, employability and entrepreneurship skills through training, internships, and job placement
- To deliver youth-friendly services that effectively respond to young people's needs and are relevant to their lives
- To support young people in leading small scale projects that improve their local communities
- To generate knowledge and lessons learned around youth employment programming that can be used to improve policy development and promote systemic change; scale up successful models; and be shared with the global community.

This Youth:Work Jordan Grants Manual is a consolidated resource for Community Based Organizations (CBOs) or similar organizations that are eligible for direct grants from IYF to implement YWJ activities. This manual provides guidance for CBOs in an easy to understand question and answer format and is written in accordance with IYF policies and procedures, USAID rules and regulations, and the terms of the USAID cooperative agreement for the YWJ program.

This grants manual includes the following main sections:

Acronyms & Terms and Definitions: This section provides definitions for many of the acronyms and terms commonly used in the manual and attachments.

Questions & Answers: This section provides comprehensive guidance to applicants and grantees throughout the entire process of grant making under Youth: Work Jordan. It is designed to be a stand-alone resource document containing information regarding the application process, the grant agreement instrument, management and administration of grant activities, and full program closeout. It also references additional resources that are included as attachments. As we implement grants at this level of the YWJ program, this grants manual may be subject to revision. In the event that this grants manual is modified, all YWJ sub-grantees will be provided a copy of the revisions.

Attachments: The attachments are documents referenced in the grant manual and listed in the above table of contents that are used by YWJ throughout the solicitation, selection, award, and administration of grants.

ACRONYMS & TERMS AND DEFINITIONS

Acronyms

CBO	Community Based Organization
IYF	International Youth Foundation
MOSD	Ministry of Social Development
USAID	United States Agency for International Development
YWJ	Youth: Work Jordan

Terms and Definitions

Applicant	Any organization or association that submits an application for a YWJ grant.
Budget	A detailed breakdown of funds allocated for implementation of grant activities described in the Program Description.
Call for Interest and Program Application	An open request for Community Based Organizations to submit the attached application that will help CBOs demonstrate their capacity to implement a project related to YWJ objectives. Preparing this Call for Interest Program Application is the CBO's first step in applying for a grant under YWJ.
Due Diligence	A review of an organization that is undertaken before a grant is issued to gauge whether the organization is appropriate and capable to receive a grant.
Financial report	Periodic statement of activity-related expenditures against an approved budget.
Grant	A legal instrument used to provide support—financial and technical—to accomplish an approved activity.
Grant Agreement	A legally binding document that establishes the legal, programmatic, financial, and administrative terms and conditions of the grant.
Grant Application	A detailed and comprehensive project proposal submitted by those CBOs short-listed after submitting the Call for Interest Program Application.
Leverage	Resources contributed toward Youth:Work Jordan activities from sources beyond the US government, including cash and in-kind contributions.
Programmatic report	Report detailing progress made against programmatic objectives.
Program Description	The technical and programmatic objectives to be accomplished under the grant.

GRANTS AND GRANT TYPES

1. What is the purpose of this manual?

This grants manual focuses on the process IYF will undertake to issue grants to CBOs to implement activities within the main objectives of YWJ. Grants will convey all donor requirements—specifically USAID regulations—and this manual describes both the main steps required to receive a grant and the process to follow to ensure compliance with these donor requirements.

2. Who is the audience for this manual?

This manual is intended for Jordanian Community Based Organizations that are interested in or have been selected to receive a grant directly from IYF to promote the employability and civic engagement of Jordan's youth in YWJ communities.

3. What is a grant?

A grant is a legal mechanism used to provide funds to eligible organizations to carry out activities that are consistent with the objectives of the Youth: Work Jordan program.

4. What are the purpose and goals of the grants program?

YWJ's grants program is designed to achieve overall YWJ program goals by supporting community-driven activities in support of the employment and civic engagement of Jordanian youth. More specifically, these grants complement the Youth: Work Jordan program's main objectives:

- Life, Employability and Entrepreneurship skills for the 21st century
- The provision of youth friendly services
- Youth-led Improvements to local communities

Through the YWJ grants program, IYF supports Jordanian organizations to achieve the goals of YWJ. Grants described in this grants manual will be issued directly by IYF to local organizations to implement YWJ activities meeting these objectives in target communities. To support effective implementation of grant activities, IYF will also strengthen the capacity of these local organizations to administer and implement their grant activities.

5. What types of grants are available from the YWJ Program?

IYF will issue standard cost-reimbursement grant agreements to CBOs upon the reaching of a formal agreement that they should implement activities related to program components. The standard grant agreement requirements shall apply to all grants irrespective of funding level. The structure and terms of standard grant agreements are described in greater detail in the Grant Agreements section of this manual. Grant agreements will be the foundation of partnerships with CBOs to support community-based youth development projects with funding and technical assistance.

ELIGIBILITY CRITERIA

6. What organizations are eligible to apply for a grant?

CBOs that choose to pursue grant opportunities under the YWJ program must meet the minimum eligibility criteria below:

- Proof of legal registration as a Jordanian community-based organization under MOSD. Any legal Jordanian entities formed by youth under MOSD are also encouraged to apply.
- Experience working in the area of community development, preferably in the area of youth development, with clear by-laws and mandates towards community development.
- Willingness to work in support of the Youth: Work Jordan program and according to the terms and conditions of this program and its grant agreement.
- Eligible to receive U.S. government funds. U.S. government funds cannot be used to support terrorist activities or organizations that have been excluded from U.S. foreign assistance, and legal due diligence review will allow for certainty that organizations applying for funds are eligible to receive funding. IYF will vet board members of CBOs applying for a grant against these lists:

  http://www.state.gov/s/ct/rls/other/des/123085.htm (US State Dept.)
  http://www.epls.gov/ *(both EPLS/OFAC)*
  http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm *(UN List of Taliban/Al Qaida)*

7. Who is not eligible for grants under the YWJ Program?

The following is a list of organizations not eligible for a grant under the YWJ Program:

- Jordanian NGOs and CBOs that are not officially registered
- International NGOs
- Governmental organizations (entities that the Government of Jordan owns at least 50% share of or receive at least 50% of their financial support from the Government of Jordan)
- Faith-based organizations whose objectives are discriminatory and/or serve religious purposes, and/or whose main objective of the grant is of a religious nature

8. How does my organization demonstrate that it is eligible for a grant under the YWJ Program?

CBO selection will be carried out through a competitive grants process starting with a Call for Interest Program Application, and other steps as outlined in this manual. Throughout the process, to remain eligible for a grant, CBOs must demonstrate their capacity and strong interest in partnering with YWJ and its partners in implementing YWJ activities.

CALL FOR INTEREST AND PROGRAM APPLICATION

9. What is the Call for Interest and Program Application?

As the initial step in the grant making process, a Call for Interest and Program Application will be disseminated to interested CBOs. (*See* Attachment 1 *Call for Interest and Program Application*) The purpose of the Call for Interest and Program Application is to gather relevant information about

potential CBOs that could receive a grant under the YWJ program and also support IYF and partners in the evaluation and selection of such CBOs.

CBOs should review the Call for Interest and Program Application to determine whether the YWJ grants program is a good opportunity based on their organizational capacity and their institution's interest implementing youth-focused projects. If the CBO and its Board of Directors decides to pursue a grant, the CBO is required to complete the Call for Interest and Program Application as detailed below.

10. What is required in the Call for Interest and Program Application?

The Call for Interest and Program Application provides detailed instructions and requests the following documents and information from CBOs wishing to apply for a grant from the YWJ program:

- Background information – including name, address, organizational mission, administrative board
- Detailed capacity statements on youth development. This will include information shared by the organization regarding its perception of challenges and opportunities related to youth in its neighborhood of operations. It will also detail the organization's current activities and future plans for addressing these challenges, particularly as related to YWJ's program areas:
    - Work and Employment Opportunities for Youth
    - Youth Friendly Services
    - Youth Participation and Volunteerism

Organizations responding to the Call for Interest and Program Application will be asked to submit:

- Proof of legal registration at the Ministry of Social Development as a Jordanian community-based organization
- Audited Financial Statements (last 3 years)[1]
- Organizational chart
- Internal by-laws
- Resumes of each of the following: CBO Manager, Chairman, Secretary, Treasurer/Accountant
- Resumes of three key personnel that will be available to participate in the Program Design Phase described below and to support the implementation of grant activities, if awarded
- Detailed bank account statement for the past six months
- Commitment paper authenticated or signed by the legal quorum of the Board of Directors according to CBO's by-laws
- A copy from the minutes of meeting in which the approval of participating in this program was taken

From the date of dissemination of the Call for Interest and Program Application, CBOs will be given approximately two weeks to submit their completed form with the above information.

11. How do I learn more about submitting the documentation required by the Call for Interest and Program Application?

Shortly after the Call for Interest and Program Applications are disseminated, YWJ will hold a one-day orientation presentation for interested CBOs to:

[1] CBO applicants who have been in existence for less than 3 years should submit all audited financial statements to date.

- Gain a better understanding of the YWJ program model, approach, goals and objectives
- Learn about the role of Community Based Organizations under the YWJ program
- Understand the process for preparing the Application
- Discuss the process for hiring personnel for the project
- Ask general questions, receive feedback, and get clarification about this competitive process

12. How will the Program Applications be evaluated?

After a Program Application is submitted, it will undergo two levels of review to determine which organizations should be short listed and will be invited to the next stage of the grant making process that is detailed in the following section.

These two levels of review include a Desk Review and a Programmatic Review. For these reviews, IYF will convene an evaluation committee consisting of at least three members. This Evaluation committee will only review Applications submitted before the stated deadline, and will use a desk review ad standard scoring sheet as tools to evaluate Program Applications and determine which CBOs are short listed. *(See Attachment 2: Program Application Desk Review Form and Attachment 3: Program Application Scoring Sheet)*

13. What happens during the Desk Review?

Once a Program Application is received, it will be subject to a desk review to determine if the CBO meets the minimum eligibility requirements mentioned above under question six, including vetting against the mentioned lists. The Desk Review will use an attached form for this review. (See *Attachment 2: Program Application Desk Review Form*). The applications that pass the desk review will then move on to the Programmatic Review.

14. What happens during the Programmatic Review?

For those organizations passing the Desk Review, the evaluation committee will assess and score Program Applications based on their technical and programmatic merit. (See *Attachment 3: Program Application Scoring Sheet*). Included in this review will be an assessment as to how well the responses to the application questions reflect an understanding the YWJ program model and objectives that have been outlined in the Call for Interest documentation and the orientation conducted for the CBOs prior to the application process. After all applications have been reviewed and scored, the committee will determine how many of the highest scoring applicants have a reasonable possibility of receiving a grant award, and for such organizations, the review committee will undertake a site visit to these organizations. As a component of this site visit, the review committee will conduct interviews with key personnel that have been proposed to participate in the design and implementation of grant activities. All essential personnel for the project must be approved by IYF. Following such site visits and interviews, the committee will conclude its review and then shortlist organizations to enter into the grant application phase described below (*see Attachment 4: Program Application Panel Recommendation Form*.)

15. What are the CBO staffing requirements for shortlisted applicants?

IYF will jointly participate with the CBOs in the hiring of personnel to support the proposed project. There will be key personnel positions and non key personnel positions. IYF will jointly conduct interviews

for key personnel with the CBOs and must approve the final candidates being proposed by the CBOs. It is expected that key personnel being proposed for the design of grant activities will also serve as key personnel during the implementation of grant activities, however IYF reserves the right to reject any essential personnel for the implementation phase if he/she does not perform satisfactorily during the design phase.

APPLYING FOR A GRANT

16. What happens after my organization has passed the desk and programmatic reviews related to the Call for Interest and Program Application?

Short listed CBOs will undergo a full diligence review to determine if they have the appropriate systems and capacity to be eligible for a YWJ grant. As this review is being conducted, these organizations will also be invited to join a robust project design exercise that will culminate in their submission of a full Grant Application that, if approved, will entitle them to funding from the YWJ program. During this design phase, the finalist CBOs will work closely with IYF to develop a project description, budget, and timeline for this Grant Application which will ensure that the specific project proposed by the CBO is eligible for funding and consists of feasible and well planned activities within the framework of overall YWJ program objectives.

The due diligence process for shortlisted organizations is described immediately below. Following this description, additional information is provided on the process for organizations to complete the design phase and prepare a grant application for funding.

16. What happens during the Due Diligence Review?

For those Program Applications that pass the Desk Review and Programmatic Review, IYF will initiate a due diligence process to better understand the financial and administrative capabilities of selected organizations. This pre-award due diligence process allows IYF to assess whether an organization has the proper financial and programmatic monitoring structures to successfully deliver upon a YWJ grant. Alternatively, it assesses whether an organization can reasonably develop such structures and helps identify areas for capacity building to ensure CBOs are able to effectively implement YWJ and other activities. IYF will use various factors to evaluate the financial, administrative, and management capabilities of CBOS, including the following important areas:

- **Not-for-profit status** – CBOs should either be identified as a nonprofit organization or be eligible and suited to implement a program that is solely nonprofit in nature.
- **Length of operation** – CBOs with more years of proven experience represent less risk.
- **Financial management system** – Organizations that have adequate staffing and accounting systems to manage grant funds represent less risk.
- **Written policies and procedures** – Organizations with written policies and procedures are more likely to fulfill the administrative and financial requirements of a sub-grant under Youth:Work Jordan. Of particular interest are policies and procedures that address procurement, personnel time tracking (timesheets), and travel and expense reimbursement.
- **Previous experience** – CBOs that have successfully implemented programs with similar objectives and requirements represent less risk.
- **Operating budget** – Larger operating budgets generally indicate less risk, especially if annual operating budgets over the years demonstrate steady or increasing levels of funding.

IYF's examination of each of these areas is further detailed in the following sections related to the specific governance, financial, and organizational capacity due diligence reviews that will be undertaken.

Governance Review

The following documents are reviewed to determine whether the prospective partner organization is an appropriate match based on their founding documents. The review focuses on the clauses highlighted below, and IYF reviews these documents and assesses the organization's internal compliance with the provisions of these documents.

- Articles of Incorporation – We are especially interested in seeing a clause identifying the organization as a nonprofit organization or that it is otherwise eligible and suited to implement a program that is solely nonprofit in nature.
- By-laws - These generally set forth the mission and goals of the organization and also provide information regarding its not-for-profit status. At the minimum, four clauses that identify best practices for non-profit organizations will be reviewed:
    - *Mission* –The organizational mission should complement the goals and objectives of Youth:Work Jordan.
    - *Dissolution clause* – Upon dissolution, remaining assets must be awarded to another charitable organization.
    - *Election of Board members* – Board members should be elected or selected transparently and fairly.
    - *Remuneration of Board members* – Board members (other than those serving on staff) should not be paid.

Financial Review

The financial review informs the risk analysis of the organization. If the financial review identifies serious organizational financial problems, it might be decided that there is too much risk to issue a grant to the organization. If the risk is tolerable, the financial review is still helpful to inform decisions regarding the reporting and disbursement schedule, special conditions, and additional financial monitoring procedures that will be included in the grant agreement. The review optimally consists of three years of accurate financial information, including the following:

- Independent Auditor's Report (with signature)
- Statement of Financial Position (Balance Sheet)
- Statement of Activities (Income Statement)
- Statement of Cash Flows
- Notes to Financial Statements

Given the diverse capacity of potential grantees in Jordan, it is anticipated that this level of financial review may not always be feasible. Under these circumstances, the risk related to issuing the grant is assessed using other information and documents that the organization is able to provide (e.g., bank statements, balance sheets) and special conditions are likely put in place to minimize risk of improper use of funds.

Organizational Capacity Review

Similar to the financial review, the review of an organization's overall capacity identifies potential risks in partnering with the organization and helps determine the reporting and disbursement schedule, special conditions, and additional financial monitoring procedures as necessary. The Pre-Award Assessment tool employed by IYF facilitates greater awareness of the accounting, administrative and financial management capabilities of the organization. The organizational capacity review is not a determining factor of whether an organization will receive a grant, but it does help inform IYF of the organization's existing capacity and helps it anticipate capacity building interventions or other support and monitoring mechanisms to activate during the term of the grant agreement. The following list of items helps inform the capacity review:

- Familiarity with donor rules and regulations
- Organizational chart
- Accounting system
- Personnel time tracking system
- Procurement system
- Travel and expense reimbursement procedures

IYF will use information gathered during the pre-award process to create a report that summarizes the findings from the due diligence analysis, identifies potential areas of risk, and whether the organization can be approved for a grant under the YWJ program. If approval is able to be provided, the report also recommends capacity building and grant monitoring procedures or special conditions to be incorporated into the grant agreement. Special conditions that are commonly incorporated into grant agreements based on the due diligence process include the following:

- Development or further explanation of essential policies and procedures (e.g., Personnel Timesheet System, Procurement)
- Development of other policies and procedures as required by grant activity
- Further explanation of grant monitoring procedures
- Participation in workshops or training sessions
- Project Compliance Audit
- Other financial or programmatic monitoring procedures

For more information about the processes described above, see *Attachment 5: IYF Pre-Award Assessment; Attachment 6: Capacity Review and Risk Assessment Tool; and Attachment 7: Fiduciary Review Template.*

17. What are the expectations of the CBO during the design phase as they prepare their full Grant Applications?

In parallel with the due diligence process, as condition to receiving a final and funded grant agreement, CBOs will be expected to demonstrate a strong level of commitment during the design phase to working in support of YWJ's community-driven program model and ensuring quality technical approaches are proposed for the programs they are to implement. CBOs will also be expected to demonstrate their willingness to work closely with program partners in receiving and incorporating technical guidance and capacity building during this design phase as well as in the implementation of approved programs. As such, it is expected that key personnel proposed for the design of grant activities will be same key personnel that will be hired for project implementation to ensure the CBO has a strong team in place that is knowledgeable about YWJ's mission and objectives and understands how to take the core design elements of the proposed interventions to successful implementation.

As a first step in this design phase, CBOs will attend a multi-day YWJ Basic Core Training Program. The YWJ Basic Core Training Program for short listed CBOs will cover the following topics:

- Basic budgeting and financial management;
- Topics that relate to effective youth development strategies, including:
    - Employability
    - Youth Participation
    - Community mapping
- Other topics and issues to assist CBOs in responding to the Grant Applications

18. How do short listed organizations prepare a full Grant Application for funding?

After the YWJ Basic Core Training, IYF will work closely with the short listed CBOs to design their project interventions in accordance with YWJ objectives. These interventions will be outlined in a full grant application that will then be considered for funding. CBOs will be expected to devote substantial time and resources to the proposal design process.

The Grant Application contains the following three parts:

1. Project Description: The project description functions as a detailed framework for results-oriented program activities. Each project description is unique, but most share common elements that serve a number of functions. A project description:

    - Describes the situation that is being addressed
    - Explains who will benefit from the project and what specific outcomes and impact an organization hopes to achieve
    - Establishes a plan for how to reach the desired outcomes and impact
    - Discusses where and when activities will be implemented
    - Describes how the project will be managed.

As set forth in the attached Grant Agreement Template, the Project Description is contains the following items:

- Project Summary including Project Objectives and Target Beneficiaries
- Main Project Activities to Achieve Objectives
- Proposed Program Personnel
- Plans for Building Community Support and Sustaining Activities
- Anticipated Outputs & Outcomes

2. Timeline: The Grant Application will also require a detailed implementation timeline for the delivery of activities from the start to completion of the program intervention. This timeline will include intermediate milestones that can be used to measure progress against overall objectives that are targeted for achievement.

3. Budget and Leverage Resources: The budget should outline an appropriate level of financial resources to accomplish objectives and activities outlined in the project description. Contributing resources and leveraging existing assets in support of the YWJ interventions is an important selection criteria for award. As such, CBOs should also outline what resources they will leverage in support of the program and how they will be integrated into the YWJ program interventions.

During budget development, the following questions can be used as a guide to develop the budget:

1. Are all resource requirements included in the budget?

2. Does the budget demonstrate commitment to the program through contributions by your organization?

3. Does the budget include expected leverage contributions by resource providers?

4. If another organization is expected to cover partial salaries or is contributing to other shared costs, can your organization demonstrate the cost-sharing methodology used to determine the amount budgeted?

5. If your budget includes overhead (i.e., indirect costs), is the rate based on an allocation methodology substantiated by external auditors? (If your overhead rate cannot be substantiated, overhead cannot be included in the budget—all costs must be charged directly.)

Budgeted costs must also be considered ***reasonable***. Reasonable costs are those deemed ordinary and necessary to carry out the activities budgeted in the project and practical for the circumstances of the funded activity. Furthermore, reasonable costs comply with generally accepted sound business practices, governing law, and the grant agreement terms and conditions.

(See Attachment 8: Grant Application Template for a further description of all requirements related to these applications.)

18. What is the budget ceiling for grants issued to CBOs?

Grants will be subject to a ceiling of 50,000 JOD; CBOs should be aware that this is the maximum amount that will be considered under Youth: Work Jordan, and that IYF will fund a range of grant activities—some very targeted activities covering a short timeframe with small budgets and others that are broader in scope with larger budgets. CBOs should budget realistically according to the needs of the proposed activity, and as explained in the following section concerning the evaluation of applications, IYF will analyze the scope of the proposed grant activity, capacity of the CBO, the proposed budget, the implementation timeline, and other relevant factors when determining the appropriate grant size of each successful application.

19. What is the required format for submitting a Grant Application?

CBOs, with input from YWJ, will complete and submit a Grant Application provided by IYF. (*See Attachment 8: CBO Grant Application Template*.)

ISSUING A GRANT AWARD

20. How will my Grant Proposal be reviewed?

In order for a CBO to receive funding from the YWJ program, they will be required to both show the necessary commitment and technical capabilities required to successfully implement a YWJ program. CBOs will demonstrate this capability both in the design phase through their full and meaningful participation in proposal design workshops and working sessions as well as in the development of a quality program proposal that includes a well crafted program description, realistic program timeline and appropriate and reasonable program budget.

A determination of this suitability for a YWJ grant will be made by a panel reviewing the CBO's final proposal and participation in the program to date. This Grant Agreement Review Panel shall be comprised of individuals who have not provided support to the CBOs during the design phase. Upon reviewing all relevant documentation related to the Grant Application and interviewing IYF staff that have participated in the design phase with each CBO, the Grant Agreement Review Panel will score each application and thereafter make the final recommendation of whether to award a YWJ grant to the organization. (*See Attachment 9 Grant Application Scoring Sheet and Attachment 10: Grant Application Panel Review Recommendation Form*). Should there be more applicants than grants that are available, organizations will be ranked by their scores to determine which grantees will be eligible for awards. However, the Grant Agreement Review Panel reserves the right to not award any grants or less grants than available for a community if they determine any proposal is not suitable for YWJ program funding.

21. How will I know if my grant application has been selected or rejected?

CBOs will be informed after the panel has authorized final negotiations with potentially successful grantees regarding their grant applications. These potentially successful grantees and also unsuccessful organizations will be informed of the decision. Communication with CBOs will be by phone or email, as indicated by CBOs on the grant application.

GRANT AGREEMENTS AND RESPONSIBILITIES UNDER THEM

22. What is a grant agreement?

Upon approval, the final, approved, and agreed-upon project elements will be incorporated into a grant agreement that will be awarded by IYF to CBOs. The grant agreement is a legal instrument that clearly states all legal, administrative, and financial requirements as well as the programmatic objectives and implementation approach to be undertaken. *(See Attachment 11 for the Grant Agreement template.)* Grants made by IYF to CBOs will pass down all relevant USAID regulations and will contain the following sections:

Description of the Grant Agreement: This section describes the terms of the agreement, identifying the purpose of the grant, the duration of the grant, and the grant amount. It also provides contact information for primary programmatic and finance personnel for IYF and the grantee.

Standard Conditions: The clauses in this section reflect USAID requirements that legally protect both parties signing the grant. These clauses are standard and non-negotiable in all YWJ agreements. The clauses include financial and programmatic requirements, intellectual property guidelines, and payment conditions, among others. The following clauses are especially important:

- ***Funding Source***: USAID is the primary funding source for YWJ, and all expenditures made with USAID funds are subject to the terms and conditions established by the U.S. Government.
- ***Accounting Requirements***: Supporting documentation for grant-related expenditures must be retained for three years after closeout of the grant agreement and may be examined on reasonable notice. In addition, grantees are required to submit organizational audited financial statements (or equivalent documents as agreed upon with YWJ) annually for the duration of the grant. Additional information related to project expenditures may be requested to fulfill reporting requirements.
- ***Intellectual Property***: As the primary implementer of YWJ, IYF owns all rights, title, ownership, and interest of any kind for all works prepared and delivered by either IYF or grantees under this Agreement. In addition, USAID reserves the right to use for its purposes all works prepared and delivered under this Agreement.
- ***Branding and Marking*** Grantee will follow the USAID Branding Strategy and Marking Plan included in the grant agreement. Grantee shall report on compliance with this requirement in programmatic reports.
- ***US Law***: Grantee is reminded that US law prohibits transactions with and the provision of resources and support to, individuals and organizations associated with terrorism and/or drug trafficking. It is the legal responsibility of the Grantee to ensure compliance with these laws.

Special Conditions: This section is used to state any special conditions identified during the due diligence review as described above. It may reflect programmatic, administrative, or financial requirements. CBOs should be aware that IYF will set special conditions related to (1) ensuring key personnel approved in the proposal are used in program implementation as proposed; (2) requiring the opening of a separate bank account for project funds within 30 days of award; and (3) ensuring leverage proposed in the proposal is provided during implementation of the program.

Project Description: This section is the final approved description of the scope of work. Grantees will be held accountable for all deliverables defined in the project description, including beneficiary target numbers and leverage targets.

Budget: This is the final approved budget. Only costs included in the approved budget can be incurred during project implementation.

Reports: This section outlines the reporting requirements and provides reporting templates and instructions. Grantees must use all reporting templates included in this section. Additional detail on reporting requirements is provided in the response to Question 25.

Administrative and Financial Guidelines: This section summarizes the USAID rules and regulations that are most pertinent to YWJ grants. This section also incorporates by reference the full set of USAID rules and regulations that apply to activities under the grant, including the U.S. government's Office of Management and Budgeting Circular A-122 – Cost Principles for Non-Profit Organizations, and 22CFR226 – Rules regarding administration of assistance awards.

Mandatory Standard Provisions: This section includes all USAID mandatory standard provisions applicable to the grant. Grantees are required to implement programs within the parameters set forth in the mandatory standard provisions.

Certifications, Disclosures and Assurances: Grantee recipients are required to complete and return to IYF the documents included in this section of the grant agreement, including:

- Certification Regarding Lobbying
- Certification Regarding Prohibition on Assistance to Terrorist Organizations

An organization is considered an YWJ grantee only when it has countersigned and returned the signature page, accepting all terms and conditions set forth in the grant agreement, and has completed and returned all certifications, disclosures, and assurances included in the agreement.

23. What are my responsibilities if my organization is awarded a grant?

IYF will work in close coordination with CBO recipients during the project to ensure grant agreement conditions are met and implementation is occurring effectively and on schedule. All legal, programmatic, and financial requirements are included in the grant agreement document, which should be read carefully before signing and kept on file after signing.

Success for the grant is primarily measured in programmatic success and the CBOs' ability to reach goals and objectives within the given timeframe and budget. CBOs are also reminded that timely submission of all reporting requirements is an essential component of programmatic and financial monitoring and timely reporting will also allow IYF to disburse funds to allow for uninterrupted implementation.

Successful administration of a grant may result in additional funding being provided from the YWJ program to a CBO to expand upon activities undertaken during their grant. IYF in consultation with USAID will determine if an organization is eligible for additional assistance and will request from grantees a proposal and budget for additional funding.

GRANTS MANAGEMENT AND ADMINISTRATION

24. What can my organization spend grant funds on?

Only expenses included in the approved budget are allowable—grant agreements will include the approved budget. It is anticipated that CBO grants will include:

- Staff time
- Activity costs related to finalization of program design and delivery, partnership development, beneficiary selection, advocacy/publicity, etc.
- Transportation
- Administrative costs and supplies

25. What types of costs are <u>not</u> allowable under any grant?

The following costs are deemed **unallowable** and will not be approved for inclusion in YWJ grants. This list is illustrative, not exhaustive; budget submissions are reviewed and approved based on the actual resource requirements of the activities included in the project description.

- Alcoholic beverages
- Entertainment costs
- Goods for personal use
- Political advocacy and lobbying
- Bad debts
- Fines and penalties
- Contingency provisions
- Organization and incorporation fees
- Investment management costs
- Management fees
- Construction[2]

Under USAID-funded programs, there are also specific costs that require prior approval. The most common of these costs under the Youth:Work Jordan program are participant support costs and construction. Participant support costs are defined by USAID as stipends, allowances, and registration fees paid to or on behalf of participants. Construction is defined as any capital expenditure for improvements to land, buildings, or equipment that materially increases their value or useful life. Expenditures in any of these areas will require specific approval from IYF prior to such expenditures being made.

Also, under the YWJ program, any unit or transaction costs above USD 5,000 (approximately 3,500 JD) require special approvals and waivers by IYF before expenses are incurred.

26. What procurement procedures should my organization follow?

Any grantee under YWJ, including a CBO, is required to adhere to Jordanian law and USAID rules and regulations, including regulations regarding procurement. USAID requires that organizations establish written procurement procedures that provide the following minimum standards:

- Organizations must avoid purchasing unnecessary items;
- Procurement decisions should be made based on what is the most economical and practical; and
- When the expected cost of a good or service exceeds a reasonable threshold a bidding process should be followed. Solicitations for goods and services (i.e., Request for Quotations or Request for Proposals) must include:
    - A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description cannot contain features that unduly restrict competition.
    - Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.

[2] Construction is defined as capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life. Costs related to construction require prior approval by USAID. However, costs incurred for necessary maintenance, repair, upkeep, and ordinary rearrangement and alteration of facilities are not considered construction and can generally be included in project budgets.

- A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards
- The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.
- The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
- Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

The evaluation of bids should be made by a bid evaluation committee using a standard set of criteria, and the selection of the winning bid should be documented and kept on file.

Just as IYF will review CBOs' legal eligibility to receive U.S. government funding as described above, CBOs are required to vet contractors and vendors against the following lists:

http://www.epls.gov/ *(both EPLS/OFAC)*
http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm *(UN List of Taliban/Al Qaida)*
http://www.state.gov/s/ct/rls/other/des/123085.htm (US State Dept.)

Also, contracts can be made only with responsible contractors that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as:

- Contractor integrity;
- Record of past performance; and
- Financial and technical resources or accessibility to other necessary resources.

Payments should be made after successful delivery of goods or services and upon receipt of invoices or equivalent billing documents; all procurement paperwork—from solicitation to selection and payment—should be kept on file with the CBO.

CBOs that do not already have written procurement policies and procedures that comply with the standards listed above can still be eligible to receive a grant under YWJ, but they will be required to develop such systems before the second disbursement of grant funding is made and they will likely be subject to additional monitoring and capacity building. In certain circumstances, IYF may execute procurements on behalf of a CBO until its procurement policies and procedures meet minimum requirements.

27. What reporting requirements will my organization follow if we are awarded a grant?

CBOs will be required to submit regular programmatic and financial reports based on the schedule provided in the grant agreement. Additional administrative reports are required on an annual basis. Further explanation of each report is included below.

Programmatic reports

Programmatic reports are prepared and submitted to IYF on the schedule provided in the grant agreement using a standard format provided in the grant agreement. The programmatic report provides an opportunity for the recipient to provide a formal progress report on accomplishments for the quarter, including updated monitoring and evaluation data, progress against leverage targets, as well as significant challenges and issues that require further discussion. More frequent reports or updates may be required based on the needs of the program.

Financial reports

Financial reports are submitted on a monthly basis using the template provided in the grant agreement. The monthly financial reports provide IYF with information on the use of funds during the prior period and may include a projection of expenses expected for the following period; financial reports must be signed by an authorized representative of the grantee organization. Fund disbursements are determined based on an analysis of funds previously disbursed, reported expenditures, and expected funding needs for the following month as noted in the previous section. Grants issued under YWJ are considered cost-reimbursement grants; only those actual costs made within the parameters of the approved budget and reported in signed financial reports are considered valid and legitimate.

Administrative reports

Administrative reporting is required based on additional information required by YWJ. Inventory reporting and reporting on Value Added Tax (VAT) is required on an annual basis, and other reporting requirements may be incorporated into the grant agreement, such as annual submissions of an updated board list. Also, IYF will require CBOs to submit a copy of their annual organizational audit, including audited financial statements if available. IYF review these documents and if necessary adjust reporting requirements or monitoring procedures. Specific instructions, schedules, and reporting templates are provided in the grant agreement.

28. How else will IYF administer and monitor grant activities?

IYF will be actively involved in grant administration and monitoring to ensure effective and timely implementation.

Payments

Payments will be made within 30 days of receipt of signed monthly financial reports and any other requirements articulated in the grant agreement (e.g., reporting requirements, special conditions). IYF will reimburse CBOs for approved expenditures incurred during the period reported. Unless the agreement is modified, IYF is not obligated to provide more than the amount committed in USD in the original grant agreement. Any funds not disbursed at the end of the grant period may result in a reduction in the total grant commitment.

Site Visits

IYF will conduct site visits at various points in the project to observe and assess progress. Site visits and other monitoring procedures are scheduled based on the needs of the recipient and the program and may be unannounced. IYF may also request financial or programmatic information to further reinforce its understanding of compliance and performance.

Grant agreement amendments

During implementation, the originally agreed-upon terms of the grant agreement may require revision. Upon approval by IYF, any significant modification to the scope of work, budget, or timeline will be officially integrated into the terms of the grant agreement with a grant agreement amendment. The amendment will be approved and signed by both organizations.

Capacity Building

Capacity building strengthens programs and organizations and is a cornerstone of YWJ. IYF will support grantees by providing tools and guidance on organizational policies and procedures, financial instruments, program design, and other areas where enhancement is possible. Most capacity building will fall into two categories as detailed below: (1) meeting the terms specific to the grant agreement; and (2) improving organizational effectiveness.

Terms specific to the grant agreement that may require capacity building or targeted technical assistance include programmatic, financial, and administrative elements of implementation:

- Programmatic capacity building will ensure effective youth programming is designed and delivered. Areas may include cross-cutting themes such as youth-friendly services or life skills or more specific components of program delivery, such as curriculum design for a specific trade. If IYF is unable to provide direct assistance to a sub-grantee, it can work with the sub-grantee to identify an external resource.
- Financial capacity building will ensure effective budget and resource management. Financial capacity building should start during the development of the terms of work, including the budget.
- Administrative capacity building focuses mostly on accurate and timely submission of reporting requirements included in the grant agreement.

CBOs may also require capacity building to address organizational effectiveness. Most likely, this will include the development or revision of policies and procedures to ensure compliance with USAID regulations that are incorporated in IYF's grant agreement to CBOs. The most common policies and procedures that small organizations need to address are:

- Personnel time tracking (i.e., timesheets)
- Procurement policies and procedures
- Travel and expense reimbursement policies and procedures
- Conflict of Interest policy

29. Will the YWJ Program fully fund my grant?

It is the intention of the program that all grant activities will be completed during the time allotted for the grant for the amount of money allocated in the grant budget. However, disbursement of award funds is contingent upon availability of funds from USAID, satisfactory progress of the project, and the project's continued relevance to YWJ strategic objectives. Any portion of the grant agreement budget disbursed but unexpended at the completion of the project or at the termination date of the grant agreement will be repaid to YWJ.

30. What is the closeout process?

Closeout is the final step of the grants process. This process ensures programmatic and administrative grant requirements are fulfilled and grant-related finances are reconciled. IYF may withhold final grant payments to CBOs until all closeout requirements are fulfilled. In this respect, grant agreements will provide a full schedule of reporting requirements, including final reports that are required to complete the grant closeout process. Standard closeout requirements include submission of the following documents:

- Final programmatic report
- Final financial report
- VAT report
- Inventory report
- Technical reports and documents (e.g., curricula, tool kits) developed under the grant to be submitted by IYF to USAID's Development Experience Clearinghouse

Final programmatic reports should provide updates regarding accomplishments not reported previously as well as overall lessons learned for the term of the project. Specific guidance for final programmatic reports will be provided according to the needs and nature of the program.

The final financial report will utilize the template prescribed in the grant agreement or subsequent amendments. The final report contains the total cumulative expenditures incurred and indicates any remaining unspent funds. Upon submission of the final financial report, IYF will analyze the recipient's financial position to reconcile accounts accordingly. Unspent funds held by the sub-grantee will be remitted to the IYF.

The final VAT report will be submitted by recipients using the template included in the grant agreement. VAT reports are submitted annually, and accordingly the final VAT report will cover only the period from the most recent October 1 to the end date of the grant.

According to USAID regulations, title to all property is vested in the recipient. Recipients are required to submit an inventory report containing a list of supplies, materials and equipment purchased during the grant agreement term in whole or in part with USAID funds. For each item or groups of items listed, recipients will note in the column entitled "intended disposition" how the item will be used after termination of the grant.

Technical reports and documents paid for wholly or in part with YWJ funds that describe the planning, design, implementation, evaluation, and results of grant activities are submitted to IYF as a requirement of closeout. Electronic submissions are preferred, and only the final version should be submitted. Documents and materials to be submitted include but are not limited to those pertaining to monitoring & evaluation, research methods and results, technology development and application, technical assistance, and training methods, tools, and manuals. Time sensitive materials, such as newsletters or bulletins, are not to be submitted.